



ASX ANNOUNCEMENT

1 May 2023

PricewaterhouseCoopers appointed as strategic corporate advisor

After an extensive review process, **KALiNA Power Limited** (“**KALiNA**” or the “**Company**”) (**ASX: KPO**) is pleased to confirm the engagement of PricewaterhouseCoopers Corporate Finance Inc. (“**PwC CF**”) as the strategic advisor to the Company’s wholly owned Alberta based subsidiary, Kalina Distributed Power (“**KDP**”). PwC CF has been engaged to fund KDP’s project development business plan and establish the mechanisms in which to raise debt and equity for its growing portfolio of projects.

PwC CF have been selected based on its understanding of KDP’s value proposition to deploy power projects that are integrated with highly efficient carbon capture solutions from major international vendors. The firm has a financial advisory team with extensive finance raising expertise that includes experience in power projects, carbon markets and carbon credits. The terms of engagement with PwC CF will comprise a success-fee based structure with market rates of remuneration paid on the value of funds raised and/or transactions secured. As part of its scope, PwC CF will assist KALiNA to achieve the following objectives:

- Secure CA\$25 million - \$50 million investment for up to 50% of equity in KDP to fund the project development costs of its portfolio of ~200MW projects deploying Combined Cycle Power Plants with Carbon Capture Sequestration (“**CC-CCS**”);
- Secure CA\$~\$60 million of equity for construction of the Saddle Hills project; initially as a 44MW Peaker project; and
- Strategies and long-term funding mechanisms to obtain circa CA\$4 billion of debt and equity capital for KDP’s portfolio of projects.

The respective teams from KDP and PwC CF are now engaged with a process in preparing the required information and collateral materials necessary to commence a structured marketing effort.

About PricewaterhouseCoopers

PwC was ranked Global #1 M&A Advisor by Volume for 2022 by Thomson Reuters and Bloomberg, having advised on more than 700 deals globally.

- Trusted advisor to over 400 North American gas, electric and water utility clients with 300+ dedicated professionals in Canada serving energy and utilities clients.
- Energy and Utility team is intimately familiar with the electricity sector and carbon markets having completed numerous Canadian-based renewable mandates.

Chief Executive Officer Ross MacLachlan said: *“We are confident in the PricewaterhouseCoopers Corporate Finance team and their experience in the power sector, along with their understanding of the evolving regulatory environment in Canada.”*

Non-Executive Chairman Stephen White added: *“The North American power and utilities sector has enormous scale and opportunity, and KALiNA has made solid progress assembling a pipeline of projects with tremendous potential. The appointment of one of the sector’s leading advisory firms with a track record of success in North America is another important milestone in realizing the value of our portfolio.”*

About KALiNA Power Limited

KALiNA Power Limited is an ASX listed clean-tech company engaged in two core business activities: The power project development arm of the Company operates out of Calgary, Alberta and is assembling a portfolio of various power projects in the province. The technology development arm of the Company is responsible for advancing various applications of the Company's KALiNA Cycle® technology for global deployment to international markets.

POWER PROJECT DEVELOPMENT:

Power Project Development is the primary business of KDP. The Kalina team has over 150 years of experience in power project development and has developed over 9 GW of state-of-the-art power projects. The team is developing a portfolio of projects which include:

- **Combined Cycle Power Plants with Carbon Capture and Sequestration ("CC-CCS"):**
KDP is developing a portfolio of ~200 MW CC-CCS projects in which ~95% of CO2 generated are captured and sequestered in authorized deep aquifers. These projects will involve long term tolling contracts in which gas producers add value to their gas by producing zero emissions power. Tolling contracts provide stable and attractive margins for each project to attract project finance. The Company has received expressions of interest in long-term tolling of natural gas to power from large Alberta based gas producers.
- **Saddle Hills:**
Fully permitted to construct & operate up to 64MW from two combined cycle power plants; each configured with 22 MW Siemens SGT-600 gas turbines and KALiNA Cycle® modules with 10MW Baker Hughes vapour turbines to generate zero-emissions power from the gas turbine's waste heat. Intend to initially deploy gas turbines in Simple Cycle Peaker mode and consider adding the KALiNA Cycle® and possibly carbon capture & sequestration as legislative and commercial circumstances warrant. A narrated video of the engineering 'walk-through' of Saddle Hills is available at <https://youtu.be/ybbq8huPICg>.

TECHNOLOGY DEVELOPMENT

KALiNA Power Limited owns the KALiNA Cycle® technology and is a clean-tech company in the geothermal and Industrial Waste Heat to Power ("WHP") sector. The KALiNA Cycle® Technology generates zero-emissions power from heat produced by energy-intensive industrial processes and geothermal resources. The technology has been commercially deployed across a range of geothermal and industrial applications at 16 plants around the world. KPO's worldwide patents relating to the KALiNA Cycle® Technology represents one of the most substantial intellectual property portfolios in the sector.

The Company signed a non-exclusive and non-binding Memorandum of understanding ("MOU") in 2022 to establish global energy technology company Baker Hughes as a preferred vendor of advanced turbine technology for a range of KALiNA Cycle® designs. The MOU provides a framework by which the parties can develop modularized packaged solutions for markets that are in transition to zero-emissions and energy efficient power.

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This announcement was authorised by the board.

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