

## Harrington confirms intention to exercise all its options to raise A\$1.25m of funds

- Harrington have confirmed its intention to **exercise all its 24,934,055 options**
- The early exercise of Harrington's options will raise **a total of approximately A\$1.25m in cash** for KALiNA, further **strengthening the Company's balance sheet**

KALiNA Power Limited (ASX: KPO, "KALiNA" or the "Company") is pleased to announce that it has received confirmation that its largest shareholder, global fund manager Harrington Global Opportunities Fund ("Harrington"), intends to exercise all its currently held options (24,934,055 options, exercise price: A\$0.05, expiry 30 August 2017). This is inclusive of the intended exercise of 11,754,015 options previously announced on Monday, 7 November 2016.

Harrington is electing to exercise the options earlier than the expiry date of 30 August 2017. The exercise of all the options raises a total of approximately A\$1.25m in cash for KALiNA. These additional proceeds strengthen the balance sheet and ensures the Company is well positioned to pursue the rapid execution of KALiNA Cycle® projects.

"Harrington have continued their support of the Company and are confident of management's ability to execute the business plan", said Ross MacLachlan, CEO and MD of KALiNA. "They believe that increasing our access to capital through its early exercise of all its options will enhance the financial health of the Company and convey a clear expression of their confidence and ongoing commitment to the success of KALiNA."

For Harrington to be able to exercise options without increasing its voting power in the issued capital of the Company, in contravention of the Corporations Act (given they hold over 20% of the Company's issued capital), Harrington first sold an equivalent number of shares. Attached is the notice of change of interest of substantial holder from Harrington reporting that they have sold a further 13,180,040 ordinary shares, of which 7,839,439 shares were managed via a special crossing.

### For further information, please contact:

Tim Horgan  
Executive Director

Alwyn Davey  
Company Secretary

+61 (0)3 9236 2800

## Form 604

Corporations Act 2001  
Section 671B

### Notice of change of interests of substantial holder

To Company Name/Scheme **Kalina Power Limited**

ACN/ARSN **000 090 997**

**1. Details of substantial holder (1)**

Name **Harrington Global Opportunities Fund S.a.r.l (HGOF) and the parties specified in Annexure A**

ACN/ARSN (if applicable)

There was a change in the interests of the substantial holder on **09/11/2016**

The previous notice was given to the company on **07/11/2016**

The previous notice was dated **05/11/2016**

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
<b>ORDINARY</b>	<b>70,920,816</b>	<b>23.23</b>	<b>57,740,776</b>	<b>18.91</b>

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
<b>See Attached Appendix A</b>	<b>HGOF</b>	<b>on market disposal</b>	<b>\$1,507,264</b>	<b>ORD13,180,040</b>	<b>4.32</b>

**4. Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
<b>HGOF</b>	<b>Citicorp Nominees Pty Ltd</b>	<b>HGOF</b>	<b>Beneficial Owner</b>	<b>57,740,776</b>	<b>18.91</b>
<b>See Annexure A</b>					

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**5. Changes in association**

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

**6. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
See Annexure A	

**Signature**

print name **Ian Clark** capacity **Authorized Signatory**

sign here  date **10/11/2016**

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".

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(9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

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"A"

**Kalina Power Limited  
ACN 000 090 997**

**Form 604**

**Notice of change of interest of substantial holder**

## **Annexure A**

### **Details of Changes in relevant interests**

Settle	Type	Qty	Total Value
20161109	Sell	3,018,747	375,082.33
20161110	Sell	2,266,566	274,610.79
20161111	Sell	55,288	6,345.40
20161114	Sell	7,839,439	851,225.10
	<b>Total</b>	<b>13,180,040</b>	

### **Details of relevant interests**

**1. Harrington Global Opportunities Fund S.a.r.l.**

Beneficial Owner

**2. Harrington Global Opportunities Fund Limited**

Holding company of Harrington Global Opportunities Fund S.a.r.l., having a deemed relevant interest by virtue of having voting power above 20% in Harrington Global Opportunities S.a.r.l.

**3. Harrington Global Limited**

Harrington Global Limited is the investment manager for Harrington Global Opportunities Fund S.a.r.l. pursuant to an Investment Management Agreement dated 20 April, 2011 (IMIA).

Clause 5.2 of the IMA confers on Harrington Global Limited complete discretion, among other things, to sell investments held by Harrington Global Opportunities Fund S.a.r.l., giving Harrington Global Limited a relevant interest under section 608(1)(c) of the Act by virtue of its power to dispose of the shares in Kalina.

**4. Harrington Global Holdings Limited**

Harrington Global Holdings Limited holds all the shares in Harrington Global Limited, and has a relevant interest by virtue of its control of Harrington Global Limited under section 608(3)(b) of the Act.

**5. Harrington Global Management Limited**

Harrington Global Management Limited holds all the shares in Harrington Global Holdings Limited, and has a relevant interest by virtue of its control of Harrington Global Holdings Limited under section 608(3)(b) of the Act.

**6. Daniel Guy**

Daniel Guy holds all the shares in Harrington Global Management Limited, and has a relevant interest by virtue of his control of Harrington Global Management Limited under section 608(3)(b).

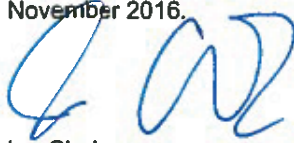
**Addresses**

Harrington Global Opportunities Fund S.a.r.l. – 6 Rue Guillaume Schneider, L-2522, Luxembourg, Grand Duchy of Luxembourg

Harrington Global Opportunities Fund Limited/Harrington Global Limited/Harrington Global Holdings Limited/Harrington Global Management Limited – Clarendon House, 2 Church Street, Hamilton Bermuda, HM11

Daniel Guy – Deepwater, 121 Harrington Sound Road, Smith's Bermuda, HS02

This is the annexure marked A of 2 pages referred to in Form 604 signed by me and dated 10 November 2016.



Ian Clark  
Authorised Signatory