

Partnership Agreement with Akira Partners to fund KALiNA's distributed power opportunities in Alberta

KALiNA Power Limited ("KPO", "KALiNA", the "Company") is pleased to announce a Partnership Agreement ("Partnership") with Akira Partners Inc. ("Akira") for the development, financing, construction and operations of the KALiNA Cycle[®] Technology ("KCT") in the Province of Alberta, Canada. The Partnership is based on Akira taking a majority equity interest and leading the debt capital raising efforts for KCT projects over the next 24 months. Akira will conditionally provide up to CAD\$70 million in equity for the first two projects in development by KPO's subsidiary, Kalina Distributed Power Limited ("KDP") as part of its distributed power generation program to initially deploy five, 30MW combined cycle projects.

Based on currently modelled economics, the projects are anticipated to provide KALiNA with annual royalties, a project development fee, reimbursement of development costs, ongoing project management fees, and an earned equity interest; the timing and exact amounts of which will be determined based on realized project cashflows. KALiNA also has the option to co-invest as direct, upfront equity owners in the projects.

Alberta requires significant new baseload generation capacity as legislation mandates the retirement of ~6 GW, or 100% of coal-fired power generation over the next nine years. The KDP program has identified a market opportunity in Alberta to initially deploy five, 30 MW combined cycle power plants. The plants will use a repeatable, standard design package, configured with a 22 MW gas turbine along with a KALiNA power cycle to capture the waste heat from the gas turbine to generate an additional 8 MW of zero-emissions power. The performance efficiencies of the KALiNA Cycle provide overall project heat rate and emissions advantages that will position the projects amongst the best in its peer group for small-scale thermal power generation. The scale and vendor selection will determine capex, which is expected to be in the order of \$140 million in total for the initial two projects, with subsequent projects expected to realize significant savings from the use of standardized and repeatable skid mounted modular designs.

The Partnership is now engaged in a detailed planning process to evaluate the various opportunities in order to prioritize the timing, rate of deployment and project contracting structures, such that capital can be effectively deployed and the initial projects can commence operations as soon as possible. This includes a comprehensive contracting process to select packaging vendors and the issuance of a detailed RFP to obtain quotes from major gas turbine vendors.

"KALiNA has assembled a world class development team and we are looking forward to executing on the project opportunities," said Akira Vice President, Duncan Melville. "Waste heat represents one of the world's biggest sustainability challenges and we are excited to partner with KALiNA to address this issue."

“The partnership with Akira is an ideal match for our company as they bring the right mix of functional and financial expertise to help ensure our program will be a success”, said KALiNA Interim-Chairman & CEO Ross MacLachlan. The Partnership represents the culmination of our efforts in recent years to secure funding for our Alberta program under terms that are expected to deliver economic outcomes across a range of scenarios that are directionally in keeping with our previous guidance on what we had set out to achieve”.

The Company believes that the Partnership Agreement with Akira represents a major milestone towards the successful execution of projects in Alberta and will help serve as a platform for KALiNA to become a leading global waste heat-to-power company. The Company looks forward to updating the market on continued developments in due course.

About Akira Partners

Akira Partners is a Calgary-based essential assets investment firm that sources, invests, and manages investments in energy & sustainable infrastructure assets. Akira’s principals have raised and deployed over \$3 billion of capital across North American energy and infrastructure. Akira takes a purposeful approach to investing capital and is a signatory to the United Nations-supported *Principles of Responsible Investing*. Learn more at akirainfra.com

On behalf of Kalina Power Limited
Ross MacLachlan, CEO

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