

KPO
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

X 9999999991 I ND

25 July 2022

Dear Optionholder,

Notification of Expiry of Options – ASX:KPOOE

As at the date of this notice, you are a registered holder of listed options ("Options") ("Optionholder") (ASX: KPOOE) in Kalina Power Limited (ACN 000 090 997) (ASX: KPO) (the "Company").

These Options were issued to shareholders between 1 September 2020 and 10 December 2020 or have been purchased on market since then. This letter notifies you of the impending expiry of the Options on 27 August 2022 ("Expiry Date"). This letter also sets out your alternative courses of action prior to expiry and provides information about recent prices of the KPO shares and the Options.

As at 22 July 2022, the last traded price of KPO shares was A\$0.02. However, the market price should be monitored for any significant changes. We recommend that you seek independent financial advice if you are unsure whether to exercise the Options.

There is no obligation upon yourself to exercise your Options. The courses of action available to you as a holder of the Options are:

Exercise all or some of your Options

If you wish to exercise all or some of your Options, you must complete the enclosed personalised Notice of Exercise of Options form ("**Notice of Exercise**") and provide the completed Notice of Exercise together with payment of A\$0.044 per Option being exercised in accordance with the instruction set out in the Notice of Exercise.

Your completed Notice of Exercise and payment (in cleared funds) must be received by no later than 5:00pm (AEST) on the Expiry Date.

Sell all or some of your Options

If you elect not to exercise your Options, you may wish to consider selling your Options on ASX. Your Options are currently trading on ASX under the ASX code: KPOOE. The last trade for KPOOE was on 13 May 2022 and was A\$0.005.

When considering whether to sell your Options on market, you should bear in mind any brokerage charges that you may incur.

Please note that official quotation of the Options on ASX will cease at close of trading on Monday, 22 August 2022, being 4 Business Days prior to the Expiry Date.

Do nothing and allow your Options to lapse

If you do not take any action to exercise your Options prior to 5:00pm (AEST) on the Expiry Date, the Options will expire and your right to purchase shares at A\$0.044 per Share will lapse.

In accordance with clause 5.2 of Appendix 6A of the ASX Listing Rules, the Company advises the following:

- a) The name of the Option holder is contained on the enclosed 'Notice of Exercise of Options' form;
- b) The number of Options you hold at the date of this letter is set out in the enclosed 'Notice of Exercise of Options' form;
- c) Each Option entitles the holder to receive, on exercise, one fully paid ordinary share in the Company ("Share"). If all Options are exercised, by all holders of the Options, then 331,408,825 Shares will be issued;
- d) The exercise price of the Options is 4.4 cents per share (A\$0.044);
- e) The due date for payment of the Options is 5:00pm (AEST) on the Expiry Date. If cleared funds are not received by 5:00pm (AEST) on the Expiry Date, the Options will expire with no value and no further entitlement or rights under the Options will exist at that time;
- f) Official quotation of the Options on ASX will cease at close of trading on Monday, 22 August 2022, being 4 Business Days prior to the Expiry Date;
- g) The latest available market price of Shares prior to the date of this notice was A\$0.02 at the close of trading on 22 July 2022;
- h) During the three months preceding the date of this notice the highest market price of ordinary fully paid shares in KPO on ASX was A\$0.032 on 22 April 2022, and the lowest market price was A\$0.017 on 7 July 2022;
- i) There is no underwriting agreement in place for the exercise of the Options.

Summary of key dates for holders of Options are:

Last day of trading/quotation of KPOEE Options	Monday, 22 August 2022
Final date for exercise and payment of KPOOE Options	5:00pm AEST, Saturday 27 August 2022

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser or other professional adviser. If you have any difficulties obtaining a copy of the Notice or have any questions regarding the exercise of your Options please contact Debbie Burke on (03) 9236 2800 (within Australia) or +61 (3) 9236 2800 (outside Australia), during business hours.

Yours faithfully,



Ross MacLachlan
Acting Chairman

Kalina Power Limited

ABN 24 000 090 997

For all enquiries please contact

Debbie Burke:

Phone:

(within Australia) (03) 9236 2800

(outside Australia) +61 (3) 9236 2800

Make your payment:



See overleaf for details of the Offer and how to make your payment

Notice of Expiry of Options (ASX: KPOOE)

Options exercisable at A\$0.044 per Option expiring at 5:00pm (AEST) 27 August 2022

This document can only be used in relation to the holding represented by the details printed overleaf. If you are in doubt how to deal with this form, please contact your financial or other professional adviser.

Your option holding may be exercised in whole or in part by payment of \$0.044 for each option by no later than 27 August 2022. Payment must be received via **BPAY** or at the address overleaf by 5:00pm (AEST) on 27 August 2022. For every Option exercised, the Optionholder will be issued one Ordinary Fully Paid Share in the capital of the Company. Options not exercised by 5:00pm (AEST), 27 August 2022 will lapse. If payment is made by **BPAY** you will be deemed to have submitted this Notice of Exercise of Option.

Please note that there is no obligation upon optionholders to exercise their Listed Options.

Step 1: Registration Details

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Your option holding may be exercised in whole or in part. Enter the number of options you wish to exercise and the amount of payment. By making your payment you confirm that you agree to all of the terms and conditions of the Options expiring 27 August 2022.

Choose one of the following payment methods:

BPAY®: See overleaf. These **BPAY** details are unique to you. If you are making payment via **BPAY**, you are not required to complete or return the payment slip.

By Mail: Complete the reverse side of the payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**Kalina Power Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Notice of Exercise being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

By submitting this Notice of Exercise of Option or by making payment by BPAY:

- I/We request that you allot me/us the number of Ordinary Fully Paid Shares applied for and I/we agree to accept such shares subject to the Constitution of the Company; and
- I/We authorise you to register me/us as the holder(s) of the Ordinary Fully Paid Shares to be allotted and place my/our name on the register

Turn over for details of the Optionholding ➔

Kalina Power Limited Notice of Expiry of Options
Payment must be received by 5:00pm (AEST) 27 August 2022

Notice of Exercise of Options

STEP 1

Registration Details



For your security keep your SRN/
HIN confidential.

Registration Name:

Entitlement No:

Options Details: Number of Options registered in your name as at 22 July 2022:

Number of Ordinary Fully Paid Shares to be issued on full exercise:

Amount payable on full exercise of Options at \$0.044 per Option:

STEP 2

Make Your Payment



Bill Code:
Ref No:

Pay by Mail:



Make your cheque, bank draft or money order payable to
"Kalina Power Limited" and cross **"Not Negotiable"**.

Return your cheque with the below payment slip to:

Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Contact your financial institution to make your
payment from your cheque or savings account.

Lodgement of Notice of Exercise

If you are exercising your Options and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5:00pm (AEST) 27 August 2022. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Kalina Power Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order the payment slip below must be received by CIS by no later than 5:00pm (AEST) 27 August 2022. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque attached. Neither CIS nor Kalina Power Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuers administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

Detach here

Payment Details

Number of Options exercised:

Amount enclosed at \$0.044 per
Option exercised:

A\$



BPAY is the most efficient and secure form of payment. Your BPAY payment details are shown above.

Entitlement No:

Payment must be received by 5:00pm (AEST) 27 August 2022

Contact Details

Contact
Name

Daytime

Telephone

Cheque Details

Drawer

Cheque Number

BSB Number

Account Number

Amount of Cheque

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>
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