

## Project Update on KALiNA Energy Centre – Saddle Hills

Waste Heat to Power ("WHP") technology leader, KALiNA Power Limited ("KALiNA" or the Company") (ASX: KPO) is pleased to provide an update on development of its Flagship 64MW Primary Site; the KALiNA Energy Centre – Saddle Hills ("Saddle Hills"), located in Alberta, Canada (*see image below of site location*). KPO's Canadian subsidiary, KALiNA Distributed Power Limited ("KDP") has recently completed several development milestones to advance Saddle Hills to Full Notice to Proceed (FNTF) in Q4-2021. These include:

- **Crown Lease secured:** As recently reported, achieving formal site control for Saddle Hills with the receipt of a Crown Lease from the Government of Alberta.
- **Gas tolling to power:** Engaged with multiple counterparties in formal proposals and negotiations regarding the potential for long-term tolling arrangements to provide gas to power conversion services.
- **EPC progress:** Engineering and procurement activities have continued to make very solid progress:
  - Completed a Constructability Review for the gas turbine with no material issues identified.
  - Completed a Hazard & Operability Analysis ("HAZOP") of the Kalina Cycle® module and balance of plant. The HAZOP is a rigorous and systematic technique used to assess potential hazards and operability problems associated with the design. No material issues were identified during the review.
  - Competitive bidding process for all major equipment is well advanced, with the review process nearly complete. Final selections and awards are expected soon.
  - The electric utility has advised that it has nearly completed its grid interconnection study, which will result in a formal confirmation of costs and schedule for interconnection of the Saddle Hills project.
- **Permitting:** In accordance with the Alberta Utilities Commission's ("AUC") Rule 007 (as part of its participant involvement program) KDP has notified appropriate stakeholders regarding the project status. This is the final step before KPO can submit its formal application in June to the AUC for approval to construct and operate the Saddle Hills project.



**Comment:**

**Managing Director Ross MacLachlan commented:** *"Our team continues to make excellent progress with the deliverables for our Primary Site at Saddle Hills. As we work towards FNTF in the fourth quarter, we will continue to provide shareholders with regular progress on this important project and also look forward to updating the market on the progress we are making on several other activities currently underway."*

**About KALiNA Energy Centre – Saddle Hills**

KDP selected Saddle Hills as its Primary Site after conducting extensive screening and analysis, including grid interconnection studies, environmental assessments, preliminary engineering, permitting requirements, Indigenous consultation, and stakeholder relations. The location is in an area of high electrical demand and favourable grid interconnection capacity along with gas supply and infrastructure suitable for KDP's initial 64MW combined cycle project. The site has sufficient infrastructure in place to accommodate two, 32MW combined cycle power plants; each configured with a 22MW natural gas turbine and a KALiNA Cycle® module that will generate 10MW of zero-emissions power from the gas turbine's waste heat.

As previously reported, KDP is assembling a portfolio of sites to deploy its distributed generation program in select areas in Alberta. KDP is developing projects, which if all brought online, would represent 320MW of generation.

**About KALiNA Power Limited**

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

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This announcement was approved and authorised for issue by the Board of Kalina Power Limited