

## Alberta Projects Update

The Company is pleased to provide this update on its portfolio of proposed ~170MW natural gas-fired combined cycle power projects incorporating Carbon Capture and Sequestration (Power-CCS) in Alberta Canada. The projects are being developed by the Company's 100%-owned Canadian subsidiary, KALiNA Distributed Power ("KDP").

### **Update on contracting with AI Data Centre developer**

On 26 August 2024, the Company announced an MOU with a substantial, well capitalized US-based AI data centre developer. The MOU outlines the framework of commercial terms from which to negotiate a binding Project Development Agreement. The drafting of definitive agreements has taken more time than initially anticipated by the parties, due in part to the inclusion of additional scope not previously contemplated in the original MOU. The Company believes the parties are on track to completing binding agreements.

### **Further tolling progress with natural gas producers**

On 15 August 2024, the Company announced engagement with multiple natural gas producers representing 40,000 GJ's of gas per day. KDP has recently expanded its engagement with additional producers that represents a further 30,000 GJ's of gas per day. The total of 70,000 GJ per day meets the gas requirements of approximately two ~170 MW Power-CCS projects.

### **Expanding land holdings and new project sites**

KDP currently has three projects under full site control. 160 acres at Alsike Energy Park, 65 acres at Myers Energy Centre (formerly Ellis) and 160 acres at Gilby Energy Centre.

To meet AI Data Centre needs for additional scope and scale, KDP has recently been negotiating terms to acquire up to 290 acres of additional land at the Myers Energy Centre and to secure up to 320 acres with a new site at Crossfield. More land at each of these locations would facilitate a much larger AI data centre footprint, requiring additional Power-CCS capacity. For each of Alsike Energy Park, Myers Energy Centre and Crossfield, KDP has filed its Systems Access Service Request for electrical interconnection as a co-sited project under a special designation for both data centre power requirement ("Load"), AND power plant generation. This will allow each of the sites to house a data centre whose load will be serviced by KDP's Power-CCS projects as well as permitting access to the grid for any back-up or additional power generation required and the sale of any surplus electricity.

In addition to the three AI Data Centre projects listed above, KDP is addressing the market demand and confirmed interest from natural gas producers for gas tolling. KDP has negotiated terms to secure a new site for natural gas tolling at Clairmont. KDP shall contract both Clairmont and The Gilby Energy Centre as Power-CCS projects contracted with gas tollers. KDP has filed its Systems Access Service Request for electrical interconnection with a generation-only designation at both locations.

In effect, this means that KDP is pursuing three Power-CCS projects to be co-located with data centres as the end user for the electricity and two projects that will be contracted as gas tolling Power-CCS projects with the electricity sold to the grid.

### **Financing negotiations**

The Company has continued its engagement with PwC Corporate finance and other advisory firms with respect to securing investment into KDP and/or its projects to finance near-term project development needs. The Company can confirm that a number of parties are actively engaged in due diligence on KDP and the project portfolio.

### **Matthew Jenkins transitions to Executive Director**

On 1 May 2024 the Company announced the appointment of Mr. Matthew Jenkins to the KALiNA board as a non-executive director. The Company is pleased to announce that Mr. Jenkins has agreed to increase his time and commitment with the Company, transitioning from non-executive Director to executive director. His current activity will focus on strategies and implementation for accretive capital formation. Mr. Jenkins' revised employment terms are summarized in Appendix 1.

Mr. Jenkins was most recently CEO, Macquarie Capital Markets Canada Ltd and has 19 years of experience as a corporate finance and investment banker, principal investor, and power developer. He has advised over CA\$10Bn in mergers, acquisitions and divestitures and CA\$4Bn of equity within the power, energy infrastructure, natural gas, oil, and midstream sectors.

### **Commenting on recent activity in Alberta, KALiNA's CEO Mr. MacLachlan stated:**

*"With the extraordinary growth of AI and continued expansion in cloud computing we are seeing a surge of interest in Alberta power projects. Alberta is positioned to become home to many data centre projects due to available land, large volumes of available natural gas supported by associated pipeline infrastructure along with significant carbon sequestration reservoirs. The Premier and government of Alberta have noted it will welcome major data centre projects, provided they partner with power generators for the required additional power capacity. We are confident the Power CCS projects we are developing are perfectly placed to meet the high electricity demands associated with this influx.*

*I was originally delighted to recruit Matt Jenkins to join our board, and I am even more pleased that he has agreed to take on an important and committed role as an executive director. He has the domain expertise necessary to help us arrange capital formation in the most accretive ways possible. KALiNA is developing a multi-billion-dollar portfolio of power projects and Matt's timely appointment will help us capitalize on this opportunity as we strengthen our team in Canada."*

### **For further information please contact:**

**Kalina Power Limited**  
**Tim Horgan**  
**Executive Director**  
[thorgan@kalinapower.com](mailto:thorgan@kalinapower.com)  
**+61 3 9236 2800**  
**+61 449279880**

**Ben Jarvis, Six Degrees Investor Relations: 0413 150 448**

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

For personal use only

Appendix 1: Amended Contract terms for Mr. Matthew Jenkins

Commencement Date for revised Role	01 December 2024
Monthly Retainer	CAD\$15,000 per month plus C\$175 per hour for any time over 80 hours per month
Incentive Options	50,000,000 at A\$0.02c subject to the following vesting conditions: a. 50% on the Company or KDP securing funding of at least \$13 million by 31 April 2025 for either the Company or KDP operations; and b. 50% on the Company or KDP securing funding of at least \$33 million by 30 November 2025 for either the Company or KDP operations.
3 <sup>rd</sup> Party Investment	For investment into the equity structure or as debt for either KPO or KDP or a KDP subsidiary from investors introduced and managed by Mr. Jenkins he will receive approximately 4% for equity and convertible debt and 2% for debt invested.