

29 April 2026

ACTIVITIES REPORT FOR THE QUARTER ENDING 31 MARCH 2026

KALiNA Power Limited (“KALiNA” or the “Company”) (ASX: KPO) is pleased to provide this Quarterly Activities Report and Appendix 4C for the period ended 31 March 2026 (the ‘quarter’).

Project Development & Regulatory Update

KALiNA Power Limited (“KALiNA” or the “Company”) (ASX:KPO) is pleased to provide this Activities Report for the Quarter Ended 31 March 2026. The Company continues to advance its project portfolio while monitoring the broader regulatory environment in Alberta. Our development strategy is centred on creating energy assets designed to succeed as clear policy frameworks are established.

Regulatory Monitoring & Engagement

The Company remains active in ongoing dialogues with both provincial and federal officials to stay informed on the evolving legislative landscape. Our involvement is focused on ensuring Kalina is well-positioned to understand and align with new requirements as they are codified. While the final determination of policy remains with government authorities, our participation allows us to inform for a path to project execution.

Policy Frameworks & Project Resilience

We are closely following the discussions between the Government of Canada and the Government of Alberta regarding the Clean Electricity Regulations (“CER”) and carbon pricing. A memorandum of understanding between the Government of Alberta and the Government of Canada (the “MOU”) seeks to harmonize provincial and federal approaches to carbon management, emissions reduction, and regulatory certainty to facilitate near term investment in Alberta’s energy sector.

The April 1, 2026, deadline for ratification of the MOU has not been met. While the MOU has not resulted in the promulgation of a regulatory scheme, it remains a central focus for provincial and federal authorities. Industry participants, including the Company, are actively monitoring developments to ensure alignment with emergent requirements once codified. The anticipated regulatory outcome is expected to materially influence Alberta’s energy landscape in the foreseeable future.

Strategic Position

KALiNA is developing its projects to be resilient regardless of the specific policy outcomes. By maintaining a flexible approach to our engineering and commercial models, we ensure that our assets remain viable under a range of regulatory outcomes.

Grid Connection & Data Centre Integration

The Alberta Electric System Operator (“AESO”) is in the process of establishing a formalized Large Load Allocation Process (“LLAP”) for large-scale data centre integration applications in the 2029 and 2030

period that now total over 16 GW. Kalina is participating in the LLAP Working Group. This provides the company with a technical window and influence into the grid's future requirements, ensuring our projects are grid-ready once the AESO finalize their process.

Timeline

Publication of the AESO LLAP is anticipated in late May 2026.

Execution Strategy

As these final regulatory decisions unfold, we are working to ensure our final development milestones are fully compliant and optimized for the new grid reality.

Commercial Momentum

While we wait for the finalisation of these external regulatory pieces, our core commercial activities remain robust. We continue to engage in high-level conversations with local and international institutional and infrastructure investors who recognise the fundamental value of Alberta's energy resources. The reality for potential investors in KALiNA and Alberta's energy sector is that they will defer investment decisions until regulatory clarity is established.

KALiNA's focus remains on building critical infrastructure configurations that provide the reliability required for not only AI data centre tenants, but the province of Alberta as a whole. The Company continues to advance projects which both serve new incoming load and preserve affordability and reliability for all Albertans. KALiNA is ready to advance critical infrastructure in power the moment regulatory clarity is provided.

Management Commentary

KALiNA's Managing Director, Ross MacLachlan, commented: *"Despite the short-term regulatory delays, we are very pleased with our overall progress made in the quarter. The intergovernmental efforts underway amongst the two governments as well as the progress by the AESO, are collectively expected to deliver one of the best jurisdictional frameworks in North America to meet the surging demand of international AI infrastructure and data centre activity.*

We continue to engage and advance negotiations with a range of important strategic stakeholders looking to capitalize on this sector's activity in Alberta, which include data centre developers, power marketing firms and gas producers.

The significance of this for Kalina should not be under-estimated. With an attractive portfolio of actionable sites, a strong cash balance and a highly regarded power project development team, we are more bullish than ever on the short-term opportunities."

The following information provides more in-depth information for shareholders on the Company's activities for the quarter.

AESO Large Load Application Process

During the quarter, AESO continued to develop procedures to ensure demand for grid access to power new large loads (75 MW or greater) may be effectively addressed. KDP was invited into AESO's working group alongside some of the largest market participants in Alberta. Publication of the AESO LLAP is anticipated in late May 2026.

AESO is developing a mandatory large load grid connection process whereby large loads (such as data centres) seeking grid access must contractually pair ("tether") with each other on effectively a 1:1 MW basis. AESO sets out that this must be done with the development of new controllable generation capacity (such as KDP's gas-fired generation projects) and specifically excludes intermittent

renewables and short-duration storage such as batteries. Per this process, the large load will not be allowed to connect to the grid and energize until such time as its “tethered” new generation capacity is also energized. In this way, new controllable generation capacity is a critical enabler of large load grid connection in Alberta.

An AESO Tethering Agreement is a standard-form agreement that is effectively a project development agreement between a large load and a new controllable capacity generation project, committing the load-generation pair to a concurrent development process. KDP’s projects are well-positioned to take advantage of these “tethering” opportunities in the future, which will likely be accompanied by long-term electricity offtake contracting/power purchase agreement opportunities with such “tethered” large loads.

There is no requirement for co-siting of generation and load in the “tethering” process; as such, KDP can develop generation projects on its secured sites and tether with remotely located large loads.

The positive implications of ‘tethering arrangements’ for KDP’s power generation is significant, further increasing KDP’s potential to become an attractive partner for data centre developers seeking grid connection in Alberta.

MOU Between the Province of Alberta and the Canadian Government

The Province of Alberta and the Canadian government continued to progress their announced energy Memorandum of Understanding (MOU) from November 2025, which may positively impact KDP’s portfolio of projects. If final agreements reflect the November 2025 MOU provisions, previous federal rules requiring gas-fired generators to abate emissions by 2035 will be suspended or cancelled. This would mean that KDP projects may sell electricity onto the grid without the requirement to physically abate emissions by 2035. This flexibility enables KDP’s power projects to either pay the emissions compliance costs or add CCS at a later date.

The MOU also contains a suggested CO₂ emissions compliance cost of \$130/tonne. This will provide long-term certainty for project modelling and reduces the financial risk associated with future CO₂ emissions compliance cost increases and volatility. With the prospect of the MOU materially increasing the value of CO₂ credits, KDP’s projects remain well positioned to implement CCS. The deal calls for the terms of the MOU to be negotiated into formal agreements for ratification targeted in early April 2026. Both governments have publicly commented on positive developments and progress but have cautioned to expect some short-term delays.

Gas Supply

Fundamental to developing controllable (dispatchable) gas-fired power projects is the requirement to secure substantial volumes of natural gas. Each ~200 MW KDP project requires upwards of ~40,000 GJ per day (38 MMSCFD). This is usually accessed through the “regulated” pipeline system operated by NOVA Gas Transmission Ltd. (“NGTL”), which provides access to natural gas supply at the Alberta index (“AECO”) price hub, which is among the best-supplied and commercially liquid natural gas hubs in the world. NGTL is a major natural gas gathering and transmission system, primarily located in Alberta and northeastern British Columbia and is a critical part of Canada’s energy infrastructure. Alternatively, private or direct “unregulated” physical sources of gas supplies are often negotiated with various gas producers, pipeline operators, and trading houses.

The Clairmont and Saddle Hills projects are both in an area of the province that is “unconstrained” in terms of accessing gas supply on the NGTL system. Typically, NGTL gas connections in this region can be facilitated upon request relatively quickly, within 18-24 months.

The remainder of KDP's projects are in areas of the province where the NGTL system is now "constrained". Companies such as KDP have been expressing the need for substantially more gas to be made available immediately to meet the current demand. This has resulted in the recent announcement that NGTL will conduct a new open season bidding process for significant volumes of gas that may be able to service KDP's project locations in advance of anticipated in service dates. Details are expected in the May/June 2026 timeframe to clarify which KDP sites will qualify to bid for gas.

In addition to the above mentioned "regulated sources" of pipeline connection, KDP was engaged during the quarter in negotiating to secure direct, physical "unregulated" supplies of gas from well-established gas producers, mid-streamers, and trading companies for most of its projects. These types of "unregulated sources" of gas represent opportunities to aggregate large and strategically located supplies. These negotiations have continued and are actively being pursued.

Electrical Interconnection

Cluster Assessments are a new way for the AESO to assess projects. Instead of assessing projects individually as was done in the past, projects are batched (i.e. clustered) and assessed together simultaneously. This is a common industry practice across many other North American Independent System Operators (ISOs).

The cluster process is not a ranking of quality but rather a chronological sequence of when projects are applied for. As of the end of February 2026, KDP's five ~ 200 MW projects all successfully advanced to the end of phase 2 of AESO's Cluster 2 Process. Taken together these five projects total nearly 1GW of applications and are a meaningful portfolio with an early mover advantage in addressing the provinces projected shortfall of new generating capacity.

Given the recent regulatory delays, AESO provided the option for KDP's projects to go into the next Cluster 3 Process while keeping the same, July 2029 in-service dates for each project that were considered in Cluster 2. As this positively delays the timelines for security payments by a year but maintains the same electrical interconnection in-service dates, management elected to have all of the projects move to Cluster 3 except the Clairmont project; the Company's most advanced, larger scale project.

Clairmont remains in Cluster 2 and has advanced to phase 3. This was done to secure the electrical connection in an otherwise weak/limited capacity area of Alberta's transmission system. It is expected that more power developers may submit Cluster 3 generation connection applications in the Clairmont area given the unconstrained gas dynamics in the region. Maintaining the project in Cluster 2 ensures that Clairmont has priority access to transmission capacity in the relatively weak NW Alberta region over any new Cluster 3 generation connection applications that may be made.

Accordingly, KDP posted deposits to backstop a Letter of Credit (LOC) of ~CAD\$2.4 million to provide the AESO with financial assurances for Clairmont to remain in Cluster 2 and advance through phase 3 that is expected to result in formal contracting in the fourth quarter of 2026.

Project Portfolio Status

KDP has a robust portfolio of projects spread out in different areas of the province. This has been a deliberate strategy to mitigate risks associated with access to gas supply, congestion of electrical capacity, regional zoning matters, etc. Six projects are currently in various stages of development, and the Company is investigating opportunities for two additional locations.

Saddle Hills

- 16.25 acres of Alberta Crown land secured for generating of power to the grid
- 25-year Alberta Crown land lease: current lease @ \$916 per year, increases to commercial rate once size of final configuration is confirmed
- Fully permitted at 64 MW
- Received non-binding offers to purchase.
- Power study underway to consider filing permits to increase size to ~80+ MW
- Plan to file under AESO Cluster 3 process once size determined.
- NGTL gas supply readily available

Clairmont

- 160 acres secured
- Option-to-purchase term expiry December 2028 with exercise price of C\$1.62 million in late 2028
- AESO Cluster 2 transmission system congestion potential assessment report (December 2025) indicated low risk for Clairmont, as anticipated
- Now in AESO Cluster 2 phase 3; preferential transmission access vs. any Cluster 3 generation connection applications made in the region
- LOC posted to advance to formal contracting for AESO electrical interconnection.
- Municipality has confirmed no issues identified for the re-zoning process
- NGTL gas supply readily available
- CO₂ geological sequestration potential proximal to Clairmont site

Myers

- 65 acres secured
- Option-to-purchase term expiry June 2028 with exercise price of C\$2.0 million in late 2028
- AESO Cluster 2 transmission system congestion potential assessment report (December 2025) indicated low risk for Myers, as anticipated
- Now in AESO Cluster 3 phase 1
- Municipality has confirmed no issues identified for the re-zoning process
- New NGTL open season bidding for gas may be available
- May consider increasing footprint with additional lands possibly available.
- Canada-Alberta Energy MOU creates incremental CO₂ sequestration/value creation opportunities (e.g. CO₂ use for enhanced oil recovery, but still qualifying for full CCUS investment tax credits)

Alsike

- 160 acres secured
- Option-to-purchase term expiry June 2026 with exercise price of C\$600,000 in June 2026
- AESO Cluster 2 transmission system congestion potential assessment report (December 2025) indicated low risk for Alsike, as anticipated
- Now in AESO Cluster 3 phase 1
- New NGTL open season bidding for gas may be available
- Canada-Alberta Energy MOU creates incremental CO₂ sequestration/value creation opportunities (e.g. CO₂ use for enhanced oil recovery, but still qualifying for full CCUS investment tax credits) – Alsike is proximal to the largest conventional oil field in Canada, that has excellent CO₂ EOR potential

Gilby

- 80 acres secured
- Option-to-lease term expiry June 2028 that upon exercise becomes a 21-year lease @ C\$800,000 year 1 and C\$48,000/year thereafter
- AESO Cluster 2 transmission system congestion potential assessment report (December 2025) indicated very low risk for Gilby, as anticipated
- Now in AESO Cluster 3 phase 1
- Municipality has confirmed no issues identified for the re-zoning process
- New NGTL open season bidding for gas may be available
- Canada-Alberta Energy MOU creates incremental CO₂ sequestration/value creation opportunities (e.g. CO₂ use for enhanced oil recovery, but still qualifying for full CCUS investment tax credits)

Lone Pine

- 320 acres secured
- Option payments over 3 years with exercise price of C\$15.2 million in late 2027.
- AESO Cluster 2 transmission system congestion potential assessment report (December 2025) indicated low risk for Lone Pine, as anticipated
- Now in AESO Cluster 3 phase 1
- New NGTL open season bidding for gas may be available
- 18 months of engagement with the Rocky View County on the re-zoning process
- The County's positive feedback on data centres changed when the county rejected Kineticor's re-zoning application for a 1,100-acre data centre in September 2025
- Given the AESO's proposed 'remote tethering contracting' that makes co-locating power plants with data centres optional rather than required (especially in Rocky View County where data centres are facing opposition) it makes sense for KDP to only construct a power plant in the County. KDP discussed with the County the prospects of re-zoning only a portion of the 320 acres for only a power plant without a data centre
- KDP has been engaged in the pre-application process to rezone 40 acres for a 200 MW gas-fired power plant project. This could mean that KDP would still need to complete the purchase of all of the 320 acres for C\$15.2 million. Following the initial community consultation process, KDP recently received feedback from residents and owners outlining various concerns regarding the project
- Given these updates and noting that the 320 acreage and the C\$15.2 million purchase price are far more than necessary for a stand-alone power plant, management have decided to withdraw from the rezoning of the project and will proceed to engage in further discussions with the County. This may result in re-locating the Lone Pine project to another location in the County that can accommodate a KDP power plant

Engagement of Investment Bankers, PEI Global Partners and Moneta Securities

Investor meetings and presentations continued throughout the recent quarter with well qualified major investors who have indicated qualified interest in KDP's portfolio. As reported earlier, some are waiting for clarity on the revised AESO Large Load Allocation Process and ratification of final terms arising from the Alberta and Canadian Government MOU. Others are waiting to see certainty on gas supply from NGTL and/or indicative terms for offtakes with either data centre companies and/or industrial or marketing counterparties. The Company remains confident in their ability to secure funding once these regulatory events become finalised in the near-term and the commercial activities that follow are solidified.

TwelveSix Site Valuation and Sales Process

TwelveSix was appointed to conduct a sales process for KDP's Clairmont Energy Park, Gilby Energy Park and Saddle Hills Energy Park projects. The recent intergovernmental MOU together with the AESO large-load process has the potential to increase the value of Saddle Hills and KDP's portfolio of projects. The Company is involved in a process with TwelveSix to assess the likely impact of these changes on each project's valuation in order to consider the merits of concluding any potential sales.

Status with Crusoe Energy

As previously reported, KDP and Crusoe have established a collaborative framework with Kalina, underpinned by strong working relationships among all parties. Notably, Crusoe has continued to demonstrate impressive growth in its operations, reinforcing its position as a leading participant in the sector. While engagement with Crusoe remains positive and productive, management is of the view that further progress under the current framework is contingent upon greater regulatory clarity at both the federal and provincial levels. As such, no additional advancements are anticipated until the regulatory environment—particularly regarding the intergovernmental MOU and the AESO's Large Load Allocation process—becomes more certain. Once these frameworks are finalised, the Company intends to revisit Crusoe's interest in developing its own data centre campus in Alberta, potentially leveraging remote tethering agreements with multiple KDP power projects.

Financials

During the quarter the Group received \$8,000 for management services rendered and \$115,000 as interest. Cash out flows from the Group's operating activities for the quarter amounted to \$869,000 and GST refund from previous quarter sales amounted to \$975,000. Alberta project development for the quarter amounted to \$411,000, while non-Alberta project development was \$17,000. Corporate staff cost amounted to \$231,000 investor relations \$18,000 and general admin amounted to \$192,000.

Payments to Related Parties in the Quarter

Directors were paid \$227,000 for services rendered under normal commercial terms.

- ENDS -

This announcement was approved and authorised for release by: Ross MacLachlan CEO

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

KALINA POWER LIMITED

ABN

24 000 090 997

Quarter ended ("current quarter")

31 MARCH 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	8	19,582
1.2 Payments for		
(a) engineering and Alberta project development	(301)	(1,603)
(b) corporate staff costs related to Alberta project development	(110)	(374)
(c) non-Alberta project development and international technology support	(17)	(102)
(d) patent maintenance	-	-
(e) project finance	-	-
(f) Investor relations	(18)	(52)
(g) corporate staff costs	(231)	(783)
(h) leased assets	-	-
(i) other administration and corporate costs	(192)	(594)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	115	155
1.5 Interest and other costs of finance paid	-	(1)
1.6 Withholding taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 GST paid	(975)	(975)
1.9 Net cash from / (used in) operating activities	(1,721)	15,253

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(3)	(5)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Deposit paid to ATCO Electric for stage 3 & 4 activities)	(580)	(583)
2.6	Net cash from / (used in) investing activities	(583)	(588)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	18,493	1,524
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,721)	15,253
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(583)	(588)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(694)	(694)
4.6	Cash and cash equivalents at end of period	15,495	15,495

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	144	136
5.2	Call deposits	15,351	18,357
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	15,495	18,493

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	227
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,721)
8.2	Cash and cash equivalents at quarter end (item 4.6)	15,495
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	15,495
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	9
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: yes. N/A.	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2026.....

Authorised for release by: Ross MacLachlan CEO

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.