



For a seven minute video tour of the KALiNA Cycle® Geothermal plant in Unterhaching, Germany  
please visit: [www.kalinapower.com](http://www.kalinapower.com)

ASX listed - KPO |

Market Cap of 11 m |

Sector – Clean Technology and Energy Efficiency |

Sub Sector – Waste Heat Recovery |

# Introduction To KALiNA Cycle®

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- Proprietary system to generate electricity from low-cost industrial and geothermal waste heat
- Best in class process for converting waste heat into electricity with zero extra emissions
- Annualised output increases of 20-40% more kWhs compared to competing technologies particularly at variable or low temperature heat sources
- Frost and Sullivan report identifies over one million MWe global market with potential US\$800 billion annual revenues (assuming a power price of 10 cents)
- Over US\$126 million has been spent to date in development and deployment
- The company has recently completed a corporate restructuring setting the stage for profitability in 2016
  - Focus on KALiNA Cycle® name change, management change and business plan change

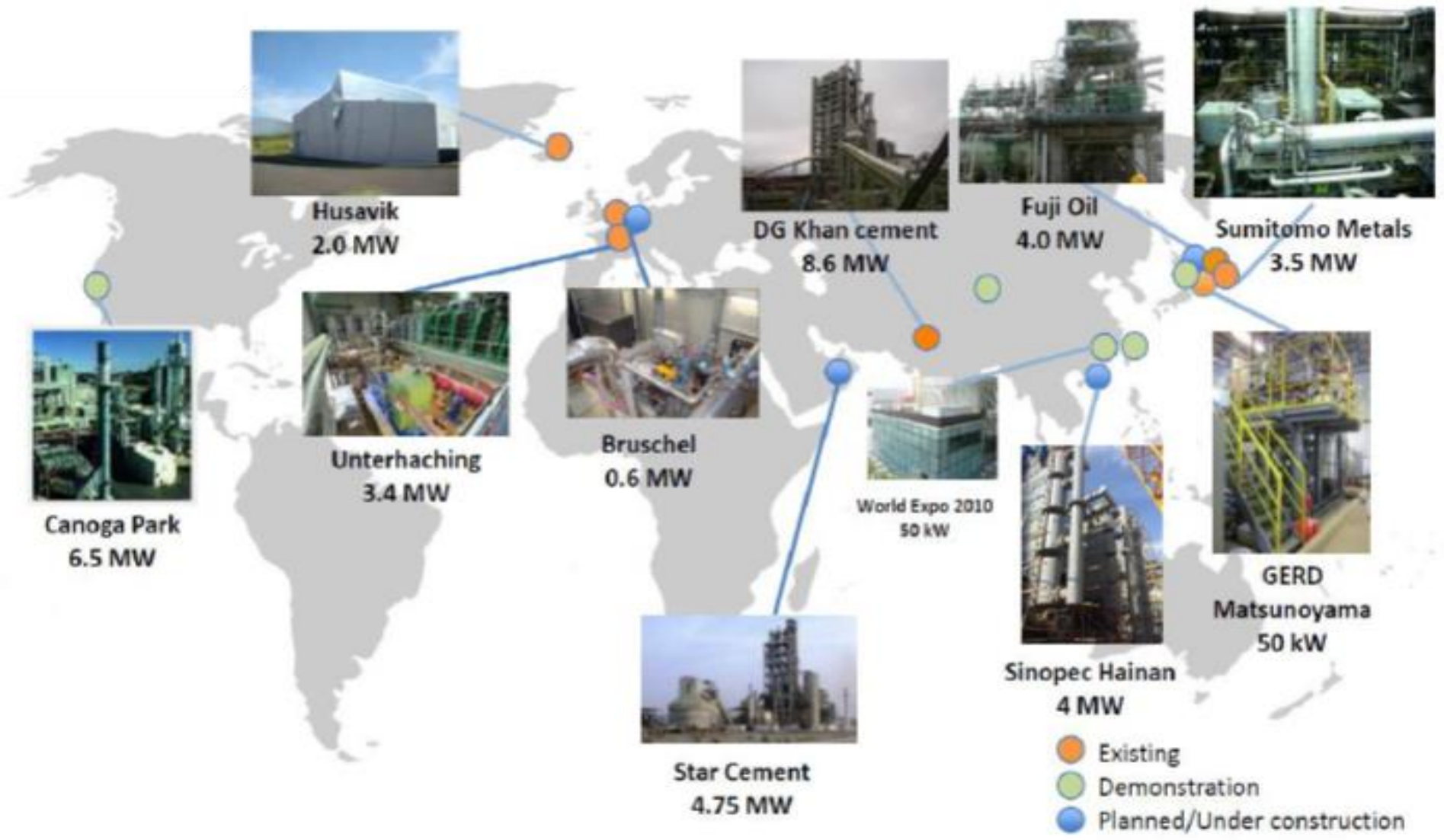
# Proven Technology At The Tipping Point For Worldwide Deployment

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- Concerns over climate change have led to major initiatives to reduce carbon emissions
- 'Energy efficiency' and power production from surplus waste heat has become a global priority for industries motivated to reduce their carbon footprint
- Supportive regulatory environments and strong electricity prices have emerged in recent years
- Deployed at fourteen plants worldwide including:
  - Germany: Two operating plants plus one plant nearing completion / one plant in pipeline
  - Japan: Three operating plants plus two plants in pipeline
  - China: Sinopec plant in construction expected to lead to major deployment in the region

# Where Are The Plants Using the KALiNA Cycle®?

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- KALiNA capital costs are in the range of US\$2 - 5 million per MWe
- Positive NPV at power price of US 7cents per KWh\*

	Annualised Costs (Cents Per KWh)
Site Annual O&M Expenses per Kwh	1.1 cents
Selling, Administrative and General Expenses (SAGE) per Kwh	0.7 cents
Twenty year Nominal Capital Cost per KWh	1.8 cents
Principle and Interest Cost per KWh**	2.7 cents
<b>TOTAL</b>	<b>6.3 cents</b>

\*Assuming 50/50 debt equity funding on a fully-owned 4MWe project and a twenty year life  
Costs estimates based on 4MWe KALiNA Power island only as an add-on to an existing heat source

\*\*Principle and interest cost from year one to year ten only

# Cheapest Source of Clean Energy

- In a rapidly expanding market for Clean Energy, KALiNA Cycle<sup>®</sup> enjoys considerable cost advantages and is up to four times cheaper than alternative clean energy sources

	Additional Cost of Generation Compared to KALiNA Cycle <sup>®</sup> *
Solar Thermal	4 x
Solar Panels	2 x
Wind - Onshore	1.2 x
Wind - Offshore	3 x
Biomass	1.5 x
Natural Gas - Cogen	3 x

\*U.S. Energy information administration annual energy outlook 2014 and management calculation  
Costs estimates based on KALiNA Power island only as an add on to an existing heat source

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# Key Highlights of New Business Plan

- Improve project execution
  - New team with track record of building successful companies and demonstrated success in developing and constructing power projects, including waste heat plants
  - Improve contracting and licensing procedures to ensure effective oversight and control
  - Focus on selective BOOT opportunities supported by major government funding and industrial partners
- Improve corporate structure
  - Removed over US\$12,500,000 of external debt at Asia, China and U.S.A. subsidiary levels
  - Increased ownership of KALiNA Power Asia from 49.2% to 75%
  - Entered agreements to increase ownership and control of operations in China to 49.9% non-dilutable A class shares
- Improve profitability
  - Increased engineering revenues, combined with improved subsidiary ownership levels, increases anticipated group EBITDA by 40% compared to the previous business model

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# Major Opportunity in China

- Chinese Government mandate companies to achieve energy efficiencies
- Exclusive cooperation implementing KALiNA Cycle® in China
- First 4MWe project utilises waste heat from a new petrochemical plant on Hainan Island
- KALiNA to oversee construction completion in compliance with specifications and license
- Successful completion to act as blueprint for roll-out:
  - Joint venture to design, supply and construct KALiNA plants in the region
  - Numerous opportunities identified for after Hainan completion

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- Deployment through provision of turnkey solutions in conjunction with selected local partners and selective BOOT project opportunities supported by major government funding
- Focus on markets where rule of law and effective regulatory power pricing frameworks exist
- Frost and Sullivan estimates opportunity for power plants in the waste heat, geothermal and solar thermal sectors in China and Asia from 2014-21 is 29,000 MW at a capital cost of \$72 billion. The Asian market represents approximately 50% of this opportunity
- Deployment throughout North and Central America focusing on existing market opportunities as well as utilising managements extensive previous experience in the region in securing new projects and generous government funding

## Ross MacLachlan, Executive Director

- Thirty-five years of technology development and project funding as CEO and Executive Director, recent Lignol Energy
- Raised over US\$100 million in both the conventional energy and alternative energy sectors
- Former Director of Pristine Power which built over 600 MWe of projects eventually sold for US\$300m to Veresen Inc

## Mark Mirolli, Engineer, Chief Technology Officer

- Twenty-five years experience in thermal power generation, design and construction and the leading international expert on the KALiNA Cycle®
- Former Director of Technology Development for ABB Combustion Engineering
- Widely regarded thermal power expert and one of the original minds behind the development of fluidized bed boiler technology

## Tim Horgan, Solicitor, Executive Director

- Former Counsel at Gillette and sat on its AMEE Operating Committee overseeing annual sales in excess of US\$1.2 billion
- Oversaw acquisition and worldwide licensing of the 2002 and 2006 FIFA World Cups for over US\$1 billion in revenues

## John Byrne, Non-Executive Chairman

- Thirty years experience in industrial project development and capital markets success
- Founded Western Coal Corporation which was dual listed on AIM and TSX which was sold for over US\$1 billion

# Status And Timeline Of Key Milestones

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## H1, 2015

- ✓ Capital raising and new management
- ✓ Retention and recruitment of key personnel
- ✓ Business plan assessment and review
- ✓ Restructure Asia, China and US subsidiaries
- ✓ Capital raising

## H2, 2015

- Finalise and implement new business model and IP strategy
- Finalise recruitment of additional key personnel
- Restructure contract for construction and management of Sinopec Hainan plant
- Complete joint venture and agreements for roll-out of additional China plants
- Negotiations regarding targeted Japanese, North and Central American projects
- Worldwide turnkey solution roll-out with higher margins and quality controls for design and construction

## 2016

- Initiate construction of additional plants in China
- Initiate construction of new plants with strategic partners and subsidiaries in other parts of the world

# Capital Structure

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Capital Structure	Shares @ 10c	Warrants @ 10c (30 Nov 15)	Warrants @ 10c (30 Sept 16)	Options @ 11c (30 Jun 18)	Enterprise Value AU\$
	131,195,298	66,875,838	20,328,767	21,600,000	13 million

Major Shareholders	%
Harrington Global	25.01
John Byrne (and associated entities)	21.03

Thank You

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