

**APPOINTMENT OF CEO**

The Company is pleased to formally confirm the appointment of Ross MacLachlan as Managing Director and CEO. He has over 35 years of experience in technology commercialization and success in the renewable energy sector. He was a board member and early stage investor of Canadian independent power producer, Pristine Power which developed over 600 Megawatts of power projects prior to its sale to Veresen Corp.

Mr MacLachlan was recruited to Kalina Power by the Company's two largest investors in January 2015 and became integral to the Company's restructuring, development of an effective business model and the raising of sufficient funds to implement the strategies for the Company. He became a board member in June 2015.

His appointment as CEO is in keeping with the Company's revised business strategy which includes the recruitment of senior executives to secure partnerships, preferred vendors and project financing for the deployment of the Kalina Cycle on an International scale.

As announced previously, the Company resolved to make this appointment upon completion of the recent financing and negotiated Mr MacLachlan's share based compensation to be in alignment with that financing. The board therefore proposes to issue shares to Mr MacLachlan as follows:

- In recognition of his performance over the past year, he will be issued 3,000,000 shares; and
- As part of his long term incentive package, he will be issued a total of 6,000,000 shares.

The shares shall be escrowed and released over three tranches up to July 2018. The Voluntary Escrow agreement will contain provisions for early release from lock up through the achievement of performance based criteria set by the Company's board.

Shareholder approval for the issue of these shares will be sought at the Company's AGM in November. More detail regarding this and other matters requiring approval will be provided in the materials circulated in advance of the AGM.

**For further information, please contact:**

Tim Horgan  
Executive Director

Alwyn Davey  
Company Secretary

Ph: +61 (0)3 9236 2800