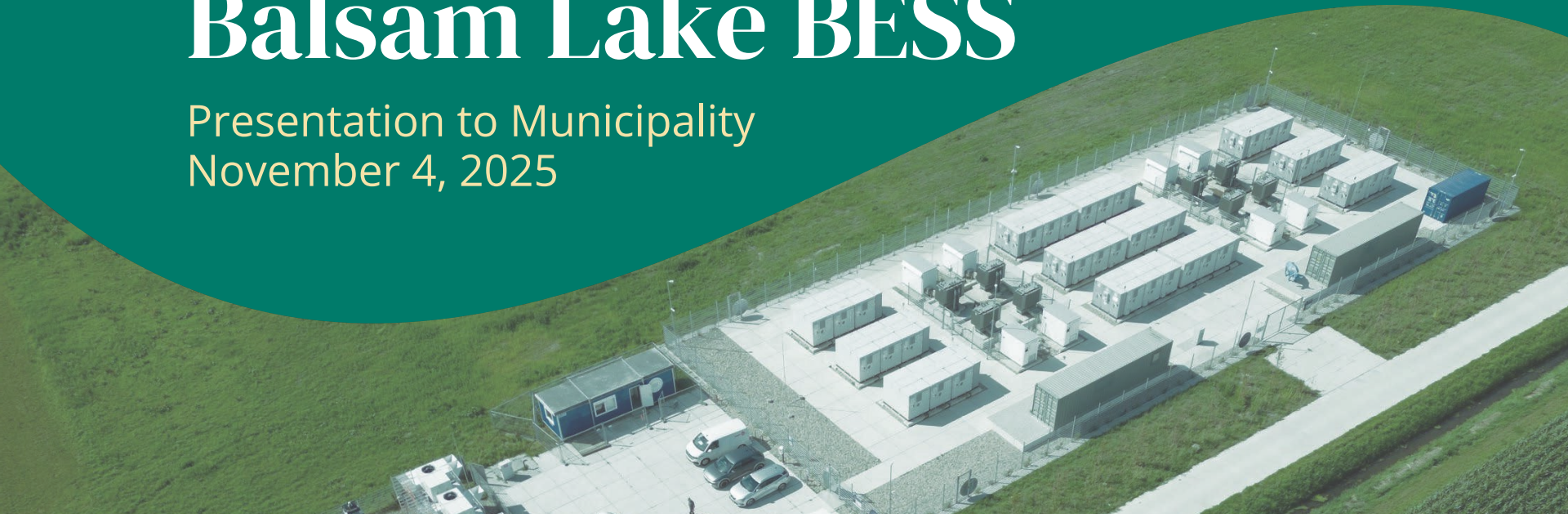
SKYLINE ENERGY

Balsam Lake BESS

Presentation to Municipality
November 4, 2025



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- Why Do We Need Energy Storage?
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- Proven Project Technology
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- Community Opportunity
- Key Suppliers
- Project Timeline
- Our Requests

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Introductions

Matt Kennedy
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Skyline Energy

Skyline Energy, part of the Skyline Group of Companies, is a leading Canadian clean-energy developer and asset manager headquartered in Guelph, Ontario. Since launching the **Skyline Clean Energy Fund** in 2018, we've built a diversified portfolio of 80+ solar installations and multiple biogas facilities across the province with in excess of $500 million.

The Skyline Clean Energy Fund will own the Balsam Lake BESS through our subsidiary Skyline Clean Energy SPV VI Inc., likely with an Indigenous Partner.

To accelerate the growth of our battery energy storage (BESS) portfolio, **Skyline Energy has partnered with Toronto-based Blue Circle Energy**, specialists in renewable energy project development.

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Skyline Group

With over $9B in assets under management and a proven record in renewable energy, **Skyline Energy brings the scale, stability, and expertise municipalities can depend on**. Our clean-energy division combines long-term investment discipline with purpose-built systems that deliver reliable, sustainable energy.

By partnering with a Skyline Group company, municipalities gain a trusted ally in achieving climate goals, building energy resilience, and driving economic growth for their communities.

$9B+

In assets under management

1000+

Employees

$4.2B+

In equity under management

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Blue Circle Energy

Blue Circle Energy is a renewable energy development advisor with deep expertise in solar PV and BESS across multiple global jurisdictions. With decades of combined experience, the team has successfully advanced projects through every stage of development, from early siting and permitting, to construction, financing, and long-term operations.

By bringing this global perspective back to Ontario, Blue Circle helps its clients unlock the benefits of solar and battery storage projects. System design, licensing, procurement, construction management, and asset oversight, can be handled by an experienced partner committed to reliable delivery.

BlueCircle
ENERGY

SKYLINE
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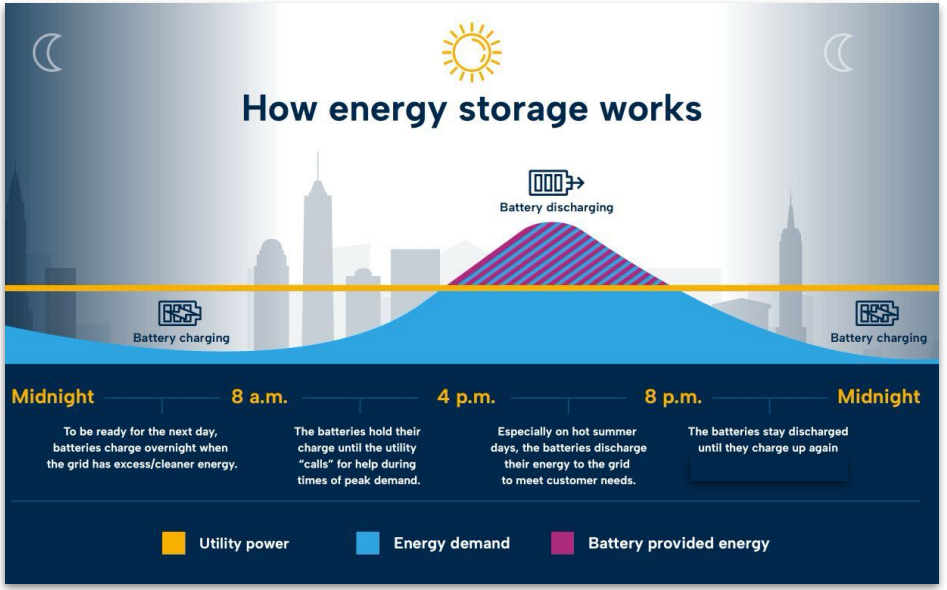
What is Energy Storage?

BESS plays a critical role in Ontario's electricity grid, functioning like a "**shock absorber**" for the grid, keeping supply and demand in balance while making renewable energy more dependable and cost-effective.

Acts as Backup Power - When the sun isn't shining, wind isn't blowing, or during sudden demand spikes (heat waves, winter storms).

Grid Balancing - Smooths out irregularities to maintain a reliable and resilient grid.

Load Shifting - Absorbs energy when it is cheap and plentiful and delivers it back when the grid is under stress.



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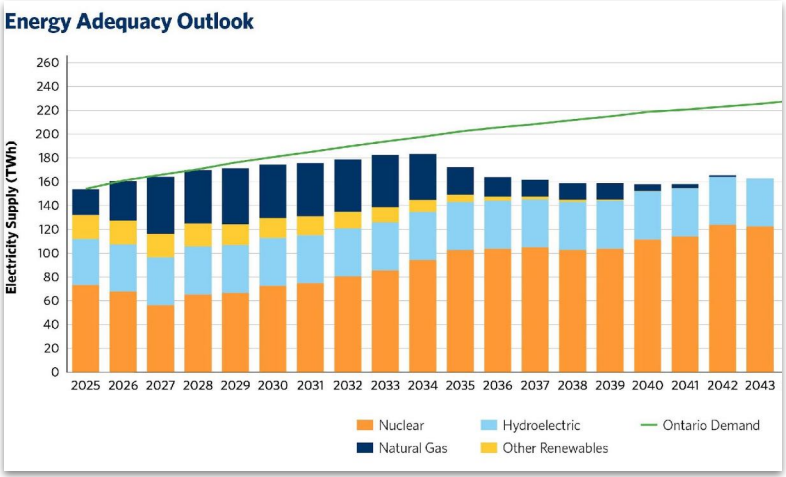
Why Do We Need Energy Storage?

The Independent Electricity System Operator (IESO) forecasts growing energy demand in Ontario[1]. The province needs enough safe, clean, decarbonized energy that meets demand. To fill this gap, **IESO is seeking proposals for energy and capacity infrastructure in the coming years. The current request for proposal cycle runs until December 18th, 2025.**

Battery Energy Storage Systems ("BESS") is a critical grid capacity resource that makes better use of existing energy generation, supports the integration of renewable energy, and helps keep energy affordable in Ontario. As **an alternative to gas plants**, BESS offers a practical path to decarbonizing Ontario's electricity supply and meeting future clean energy needs.



[1] The IESO suggests demand could rise **by 75% in the next 25 years**, the equivalent of adding **four to five cities the size of Toronto** to the grid.

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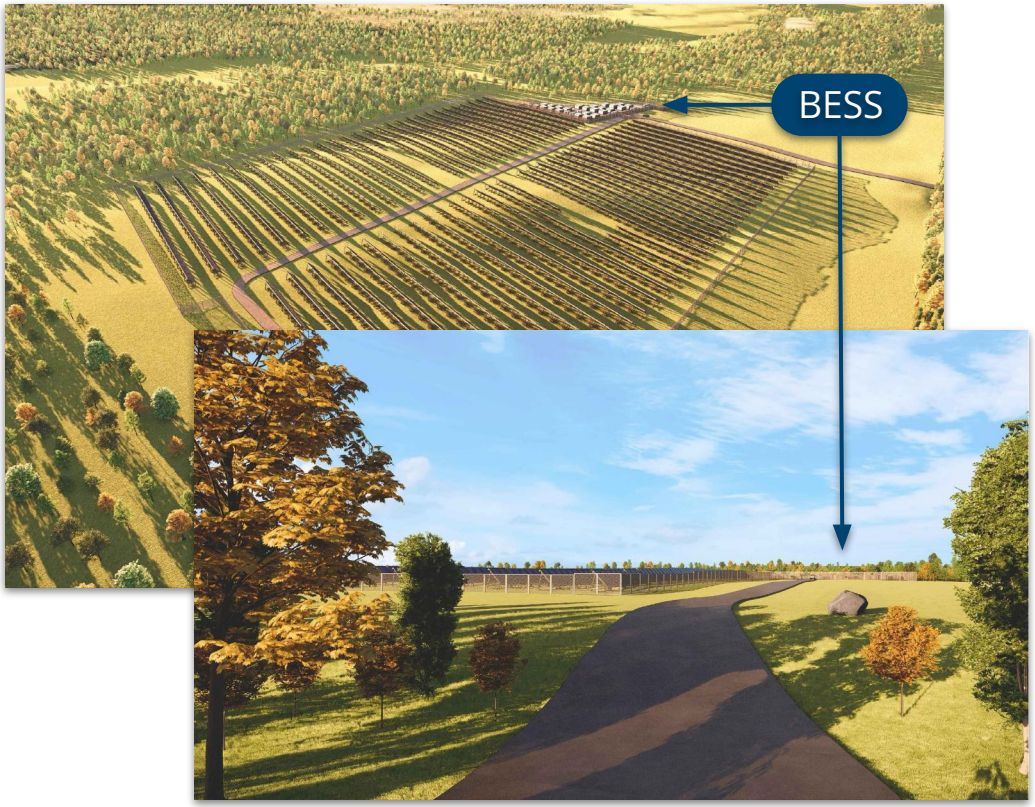
Balsam Lake BESS Details

Capacity:
- ✓ 22 MW (8 hour duration)

Interconnection:
- ✓ To the 44kV feeder (M7 - Lindsay TS)

Site Area:
- ✓ Open area south of existing PV plant
- ✓ ~ 2 acres (pending final site plan)
- ✓ Approximately forty (40) 20-foot shipping containers, plus associated power conversion equipment

Technology:
- ✓ Lithium Iron Phosphate (LFP)



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Balsam Lake BESS Site

Address	1246 Northline Road, Kawartha Lakes
Owner	2426628 Ontario Inc. (Skyline Energy)
Planning	Rural, with some EP. Not Prime Ag Area.
Zoning	Rural General (RG), with some EP
Land Type	Cleared, generally level lot
Surrounding Uses	Existing 3MW solar PV generation facility Rural and residential Nearest residential > 250m
Setbacks	> 30m from creeks > 120m from wetland & significant woodland Outside of EP areas & SAR conservation area

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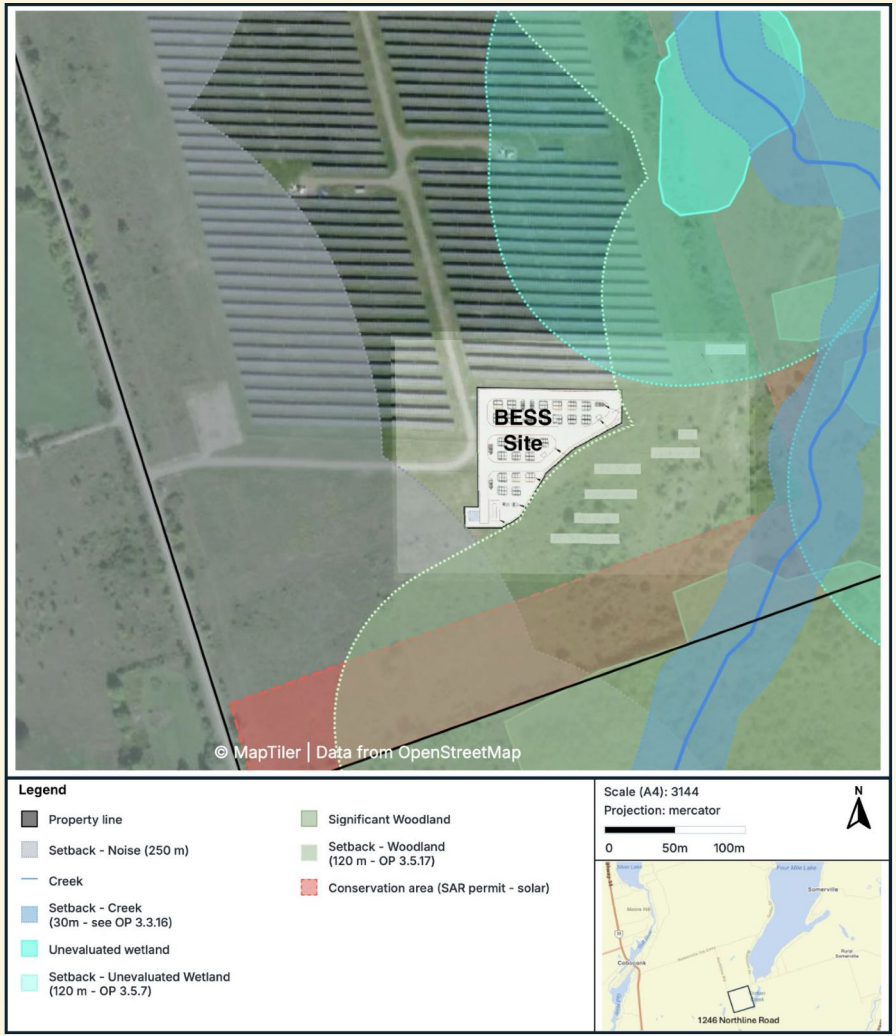

Safe and Proven Technology

Regulation Adherence

All of our projects will be built based on Ontario regulations, and will follow environmental impact assessment, zoning, and permitting requirements and conditions as required.

Safe and Clean

No fumes, chemicals or electromagnetic frequencies that are harmful to humans or wildlife whatsoever are released during normal operation.

Low Incident Risk

The risk of a fire from a BESS is extremely low. An LFP BESS unit has a 200-times lower likelihood of fire than a standard gas station

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Safety at Every Level

Site Layout	Designed in compliance with NFPA 855 and UL 9540A ensuring adequate spacing between containers and road clearances
Container Design	Equipped with multi-layer fire detection, thermal monitoring, and automatic suppression systems. Factory-integrated fire detection and suppression systems included in all BESS units.
Emergency Response Plan	Skyline will ensure a comprehensive emergency response plan is drafted with the expertise of ESRG and local fire authorities
Fire Department Training	ESRG will provide training on emergency response plan to local fire authorities

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ESRG
ENERGY SAFETY RESPONSE GROUP

Community Engagement

City of Kawartha Lakes:

- ✓ Pre-Consultation with Planning
- ✓ Presentation to Council
- ✓ Ongoing dialogue with Councillors and staff

Public:

- ✓ Completed community meeting (Oct 27)
- ✓ Open to ongoing feedback

Indigenous Communities:

- ✓ Outreach to Indigenous communities who are part of Williams Treaties and to Metis Nation of Ontario
- ✓ Indigenous equity partnership, if possible

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Community Meeting (Oct 23) Discussion Points

Will the Project contaminate the drinking water supply?

- Project does not release contaminants under normal operation
- Transformer leaks are managed through spill containment structures
- Emergency response plan includes quick cleanup of ash and other fire residues before they enter groundwater

What about the risk of batteries catching fire?

- LFP BESS fires are very rare
- System is NFPA 855 and UL 9540A compliant
- Designed to detect, suppress and prevent spread of fire
- Emergency response plan and BESS fire training ensure rapid, safe response

Will the Project be noisy?

- HVAC is main noise source
- Project will meet or beat all NPC-300 rural noise standards (max 40dB; library volume)
- Design will be subject to acoustical study and will be revised to include noise abatement and mitigation measures as needed

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Community Opportunity

Local Jobs

Creating local jobs through preference for local suppliers and trades during construction and operation.

Money to Municipality

Direct funding via Benefit Agreement – $1,000/MW per year for 20 years.

All costs associated with the building and interconnection of this project will be borne by Skyline Energy.

Local Energy Reliability

Stores energy from the grid in times of low demand and discharges when it's most needed, reducing outages during peak demand events.

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BESS Manufacturer

CanadianSolar

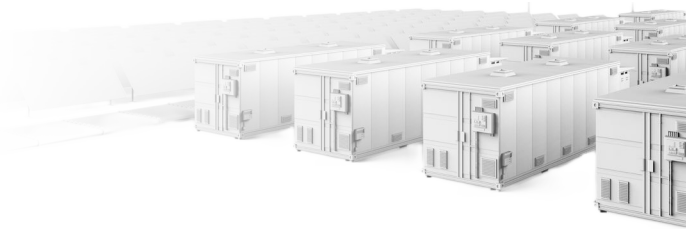
Why Canadian Solar?

Canadian Roots, Global Reach: Headquartered in Guelph, Ontario, Canadian Solar is a trusted, TSX- and NASDAQ-listed company with a strong Canadian identity.

Global Manufacturing Power: Their batteries are produced in China, where scale manufacturing drives cost efficiency and supply reliability.

Lithium Iron Phosphate (LFP) – Proven Safety

LFP batteries are inherently safer than other lithium-ion chemistries. They are resistant to thermal runaway, meaning a lower fire risk.



We are evaluating multiple LFP BESS manufacturers to ensure the best fit. Canadian Solar is currently leading due to its balance of safety, scale, cost-effectiveness, and Canadian market presence.

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Operations & Maintenance

Anvil Crawler Development Corp. (ACDC), a fully integrated member of Skyline Group of Companies, brings deep roots in Ontario's clean energy ecosystem and a proven track record across the full lifecycle of BESS infrastructure, design, build, operation, and maintenance.

Anvil Crawler has successfully delivered BESS projects for the Toronto Transit Commission, integrating battery systems that now power e-bus depots with peak shaving and grid support capabilities. They have also led Ontario microgrid and EV charging deployments, backed by federal funding through NRCan. ACDC has also performed BESS deployments for Panasonic and Powerbank.

For this project, ACDC will provide operations and maintenance services, ensuring long-term reliability and performance of the BESS.

Panasonic

POWERBANK

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Fire Safety

Energy Safety Response Group (ESRG) is a firefighter-led organization who specializes in battery storage testing, deployment and lifecycle services. ESRG possesses nearly 150 years of combined experience in firefighting, training, fire and failure investigation, risk assessment, hazardous materials, and energy storage safety and testing.

Via ESRG, we will coordinate training, site familiarization and emergency response planning development with local fire services and EMS prior to commissioning.

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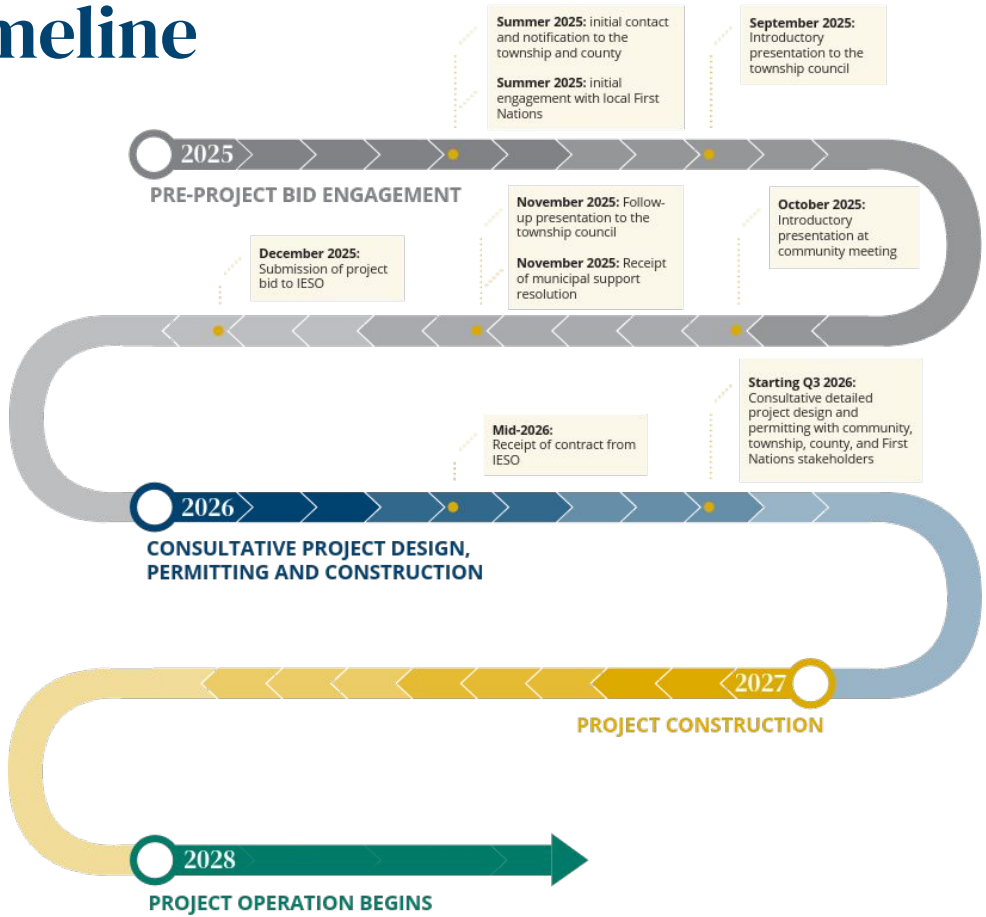
Project Timeline



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Requests of the City of Kawartha Lakes

November 2025

Municipal Support Resolution

Resolution of Council that expresses **support for Skyline Energy submitting the Project in the RFP** and that confirms certain other matters

- Does not supersede planning approvals and permits (“downstream approvals”)
- Mandatory under IESO LT2 RFP, which closes in December
- Must be in IESO-approved form

Once the Project has a Contract

Downstream approvals

Skyline Energy will continue to work with the municipality to apply for and obtain downstream approvals:

- Official Plan Amendment
- Zoning Bylaw Amendment
- Site Plan Approval (if required)
- Building permits
- Community Benefit Agreement

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Questions?

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