



Q3 2022 Results

November 8, 2022



Disclaimer and Forward-Looking Statements

This presentation includes "forward-looking information" within the meaning of applicable Canadian securities laws, and "forward-looking statements" within the meaning of applicable United States securities laws, including the United States Private Securities Litigation Reform Act of 1995 (collectively referred to herein as "forward-looking statements"). All forward-looking statements are based on the beliefs as well as assumptions of TransAlta Corporation (the "Company", "TransAlta", "we" or "our") based on information available at the time the assumption was made and on management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors deemed appropriate in the circumstances. Forward-looking statements are not facts, but only predictions and generally can be identified by the use of statements that include phrases such as "may", "will", "can", "could", "would", "shall", "believe", "expect", "estimate", "anticipate", "intend", "plan", "forecast", "foresee", "potential", "enable", "continue" or other comparable terminology. These statements are not guarantees of our future performance, events or results and are subject to risks, uncertainties and other important factors that could cause our actual performance, events or results to be materially different from that set out in or implied by the forward-looking statements.

In particular, this presentation contains forward-looking statements including, but not limited to, statements relating to: our ability to deliver the remainder of the Clean Electricity Growth Plan; the Company's projects under construction, including the timing of commercial operations, expected annual EBITDA and the costs of the Horizon Hill wind project ("Horizon Hill wind project"), the White Rock East and White Rock West wind projects ("White Rock Wind projects"), Northern Goldfields solar project, Garden Plain wind project, and the Mount Keith 132kV transmission expansion; the execution of the Company's early and advanced stage development pipeline in the United States, Canada and Australia, including the size, cost, expected timing and EBITDA generation from the projects; the ability to realize future growth opportunities in Australia, including with our customer BHP Billiton Nickel West; Fall Economic Statement supporting our Canadian growth; refinancing debt maturing in 2022; the timing of the remediation of the Kent Hills wind facilities; the Company's projected share buybacks; financial outlook for 2022, including adjusted EBITDA, cash available for distribution, and free cash flow per share; gross margins in the Energy Marketing segment; forward prices for Alberta spot market within the \$140 to \$150 per MWh range; and our 2022 priorities, including as it pertains to our strategic initiatives, growth and commercial priorities, and financial flexibility priorities. The forward-looking statements contained herein are based on current expectations, estimates, projections and assumptions, having regard to the Corporation's experience and its perception of historical trends, and includes, but is not limited to, expectations, estimates, projections and assumptions relating to: the impacts of inflation; the demand of renewable energy; the timing of regulatory approvals; foreign exchange rates; the availability and cost of labour, services and infrastructure; and the satisfaction by third parties of their obligations, including under power purchase agreements. Forward-looking statements are subject to a number of significant risks, uncertainties and assumptions that could cause actual plans, performance, results or outcomes to differ materially from current expectations. Factors that may adversely impact what is expressed or implied by forward-looking statements contained in this presentation include, but are not limited to: increased force majeure claims; reduced labour availability and ability to continue to staff our operations and facilities; disruptions to our supply chains, including our ability to secure necessary equipment and to obtain regulatory approvals on the expected timelines or at all in respect of our growth projects; restricted access to capital and increased borrowing costs; changes in short-term and/or long-term electricity supply and demand; fluctuations in market prices, including lower merchant pricing in Alberta, Ontario and Mid-Columbia; reductions in production; a higher rate of losses on our accounts receivables due to credit defaults; increased impairments and/or write-downs of assets; increased cybersecurity threats; commodity risk management and energy trading risks, including the effectiveness of the Company's risk management tools associated with hedging and trading procedures to protect against significant losses; changes in demand for electricity and capacity and our ability to contract our electricity generation for prices that will provide expected returns and replace contracts as they expire; changes to the legislative, regulatory and political environments; reductions to our generating units' relative efficiency or capacity factors; disruptions in the source of fuels, including natural gas and coal, as well as the extent of water, solar or wind resources required to operate our facilities; general economic risks, including deterioration of equity markets, increasing interest rates or rising inflation; failure to meet financial expectations; general domestic and international economic and political developments, including escalation of armed hostilities at Ukraine, the threat of terrorism, diplomatic developments or other similar events; equipment failure and our ability to carry out or have completed the repairs in a cost-effective manner or timely manner or at all, including the remediation and foundation replacement at the Kent Hills wind facilities is more time consuming or costly than expected; industry risk and competition; fluctuations in the value of foreign currencies; structural subordination of securities; counterparty credit risk; changes to our relationship with, or ownership of, TransAlta Renewables; changes in the payment or receipt of future dividends, including from TransAlta Renewables; risks associated with development projects and acquisitions, including capital costs, permitting, engineering risks, and delays in the construction or commissioning of projects; inadequacy or unavailability of insurance coverage; our provision for income taxes; legal, regulatory and contractual disputes and proceedings involving the Company; and labour relations matters. The foregoing risk factors, among others, are described in further detail under the heading "Risk Factors" in our Annual Information Form and our Management's Discussion and Analysis for the year ended December 31, 2021. Readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on them, which reflect the Company's expectations only as of the date hereof. The forward-looking statements included in this document are made only as of the date hereof and we do not undertake to publicly update these forward-looking statements to reflect new information, future events or otherwise, except as required by applicable laws. In light of these risks, uncertainties and assumptions, the forward-looking statements might occur to a different extent or at a different time than we have described or might not occur at all. We cannot assure that projected results or events will be achieved.

Certain financial information contained in this presentation, including EBITDA or Adjusted EBITDA, Free Cash Flow ("FCF") and cash available for distribution ("CAFD") may not be standard measures defined under International Financial Reporting Standards ("IFRS") and may not be comparable to similar measures presented by other entities. These measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Please refer to the "Additional IFRS Measures and Non-IFRS Measures" and "Reconciliation of Non-IFRS Measures" section of the Management Discussion & Analysis for the nine months and year ended December 31, 2021 for further discussion of these items, including, where applicable, reconciliations to measures calculated in accordance with IFRS. The purpose of the financial outlooks contained herein are to give the reader information about management's current expectations and plans and readers are cautioned that such information may not be appropriate for other purposes and is given as of the date of this presentation. The Company is not making any offer or invitation of any kind by communication of this document to the recipient and under no circumstances is it to be construed as a prospectus or an advertisement.

All amounts referenced in this presentation are in Canadian currency unless otherwise specified.



John Kousinioris

President and Chief Executive Officer

Q3 2022 Achievements

Q3 2022 Results and Financial Position



Adjusted EBITDA¹ of **\$555 million**

FCF¹ of **\$393 million** or **\$1.45** per share

Upward revision to guidance

Operational availability of **~94%**

Access to **\$2.3 billion** in liquidity, ~ **\$0.8 billion** in cash

Dividend increase of **10%** to **\$0.22** per year starting Jan. 1, 2023

Growth and Customer Solutions



322 MW of advanced stage development projects

Added **553 MW** to renewables development pipeline across Canada and the US in Q3

5 year capacity contract extension at Sarnia and Melancthon 1 with IESO

Continued **rehabilitation** of Kent Hills wind facilities

Strategic Initiatives



52% of generation EBITDA from renewables and storage in Q3 2022 versus **35%** in 2020

Advanced Clean Electricity Growth Plan

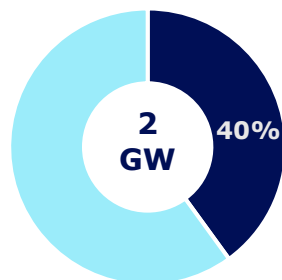
Returned **\$16 million** to shareholders through NCIB



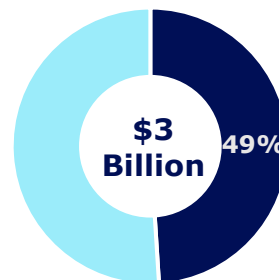
Clean Electricity Growth Plan Execution

	MW	Location	Capital (\$ millions)	PPA Term	Customer	EBITDA (\$ millions)	COD
North Carolina Solar	122	North Carolina	US\$99	11 years	Duke	US\$9	In service
Garden Plain Wind	130	Hanna, AB	\$190 - \$200	17 years ¹	Pembina and investment-grade customer	\$14 - \$15	Q4 2022
Northern Goldfields Solar	48	Western Australia	AU\$69 - \$73	16 years	BHP	AU\$9 - \$10	H1 2023
White Rock Wind	300	Caddo County, OK	US\$470 - \$490	Long-term	Amazon	US\$48 - \$52	H2 2023
Horizon Hill Wind	200	Logan County, OK	US\$300-\$315	Long-term	Meta	US\$30 - \$33	H2 2023
Mt Keith Transmission Expansion	NA	Western Australia	AU\$50 - \$53	15 years	BHP	AU\$6 - \$7	H2 2023

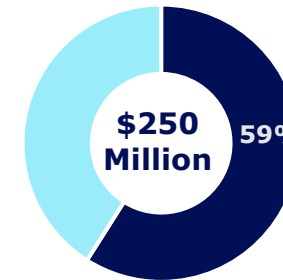
**Capacity
Target**



**Capital
Target**



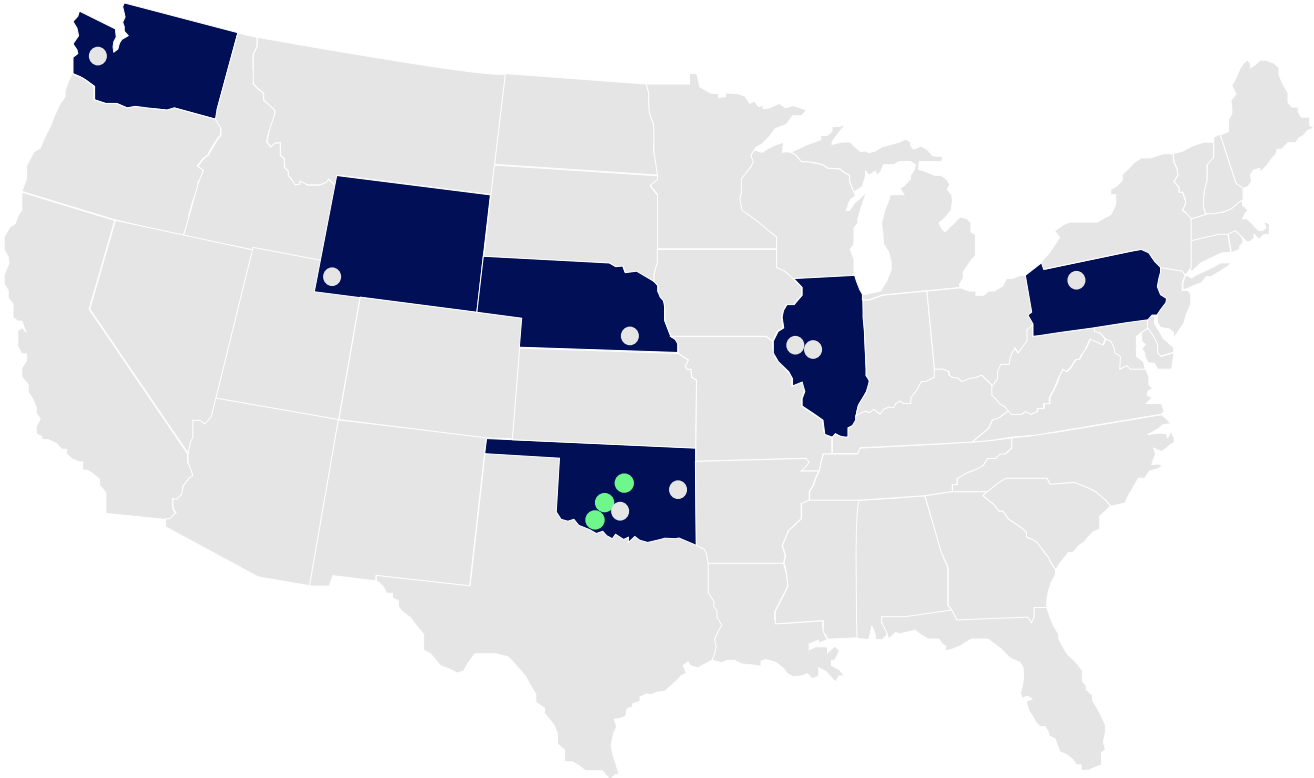
**Incremental
EBITDA Target**



Projects under construction totaling ~\$1.4 Billion



Development Pipeline: United States



Legend

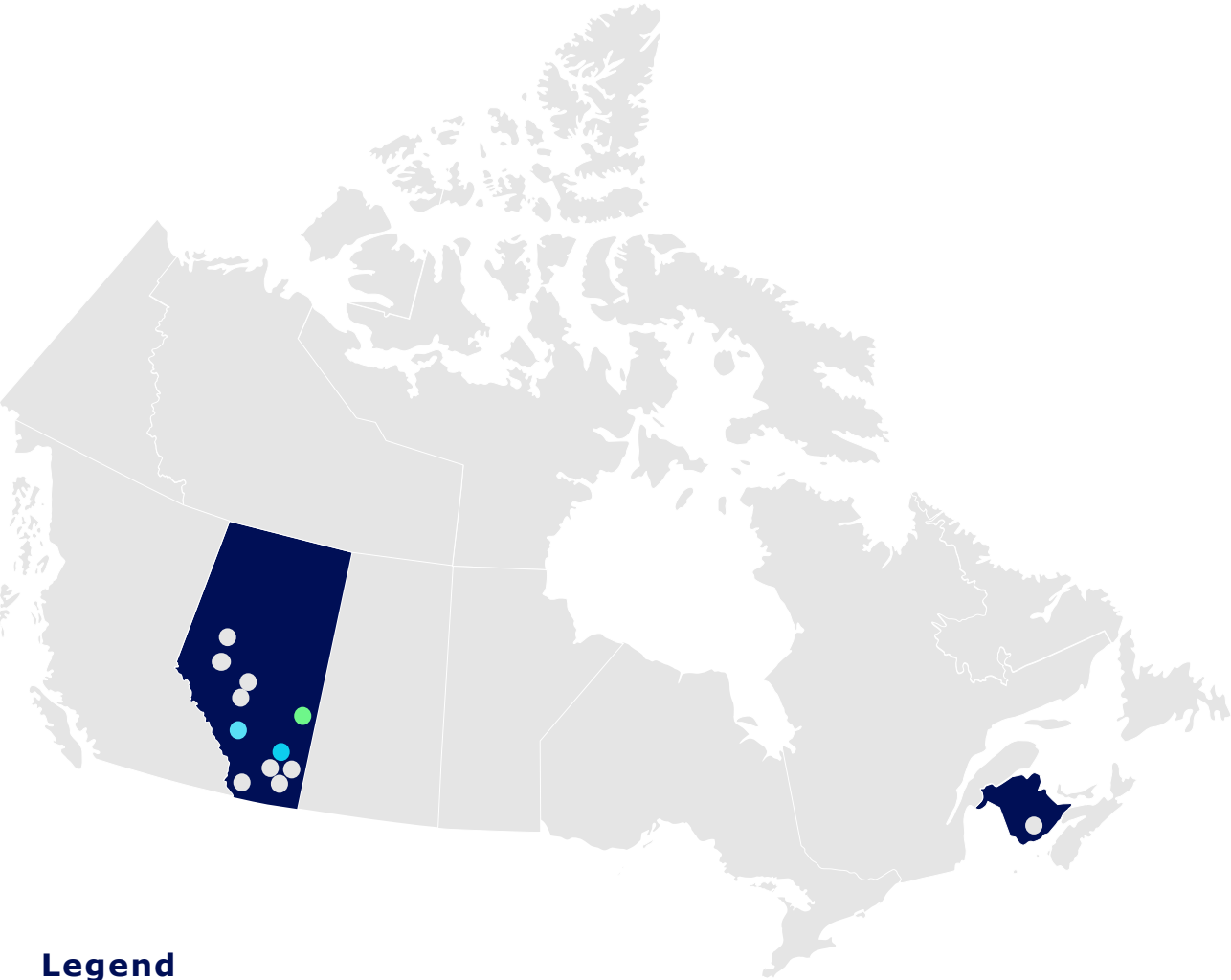
- Early-stage development site
- Under construction

Total All Stages: **1,994 MW – 2,244 MW**

Project	MW	Fuel	Location	Stage	COD Range
White Rock West	100	Wind	OK	<div></div>	2023
White Rock East	200	Wind	OK	<div></div>	2023
Horizon Hill	200	Wind	OK	<div></div>	2023
Prairie Violet	130	Wind	IL	<div></div>	2026
Old Town	185	Wind	IL	<div></div>	2025
Big Timber	50	Wind	PA	<div></div>	2026
Trapper Valley	225	Wind	WY	<div></div>	2026
Monument Road	152	Wind	NE	<div></div>	2025-26
Dos Rios	242	Wind	OK	<div></div>	2025-26
Oklahoma Solar	100	Solar	OK	<div></div>	2026+
Other US Wind Prospects	160	Wind	Various	<div></div>	2025+
Centralia Site Redevelopment	250 – 500	Various	WA	<div></div>	TBD



Development Pipeline: Canada



Legend

- Advanced-stage development site
- Early-stage development site
- Under construction

Total All Stages: **2,017 MW – 2,867 MW**

Project	MW	Fuel	Location	Stage	COD Range
Garden Plain	130	Wind	AB	●	2022
Tempest	100	Wind	AB	●	2024
WaterCharger	180	Battery	AB	●	2023
Riplinger	300	Wind	AB	●	2025
Willow Creek 1	70	Wind	AB	●	2024-2025
Willow Creek 2	70	Wind	AB	●	2024-2025
Red Rock	100	Wind	AB	●	2025-2026
SunHills Solar	80	Solar	AB	●	2024
McNeil Solar	57	Solar	AB	●	2024
Canadian Battery	10	Battery	NB	●	2024+
Canadian Wind	370	Wind	Various	●	2025+
Brazeau Pumped Storage	300-900	Hydro	AB	●	2032
Alberta Thermal Redevelopment	250-500	Various	AB	●	TBD



Development Pipeline: Australia



Legend

- Advanced-stage development site
- Early-stage development site
- Under construction

Total All Stages: **310 MW**

Project	MW	Fuel	Location	Stage	COD Range
Northern Goldfields Solar	48	Solar and Battery	WA	●	2022
Mt Keith 132kV Expansion	N/A	Transmission	WA	●	2023
SCE Capacity Expansion	42	Gas	WA	●	2023
Goldfields Expansions	170	Wind, Solar, Gas	WA	●	2024
South Hedland Solar	50	Solar	WA	●	2024





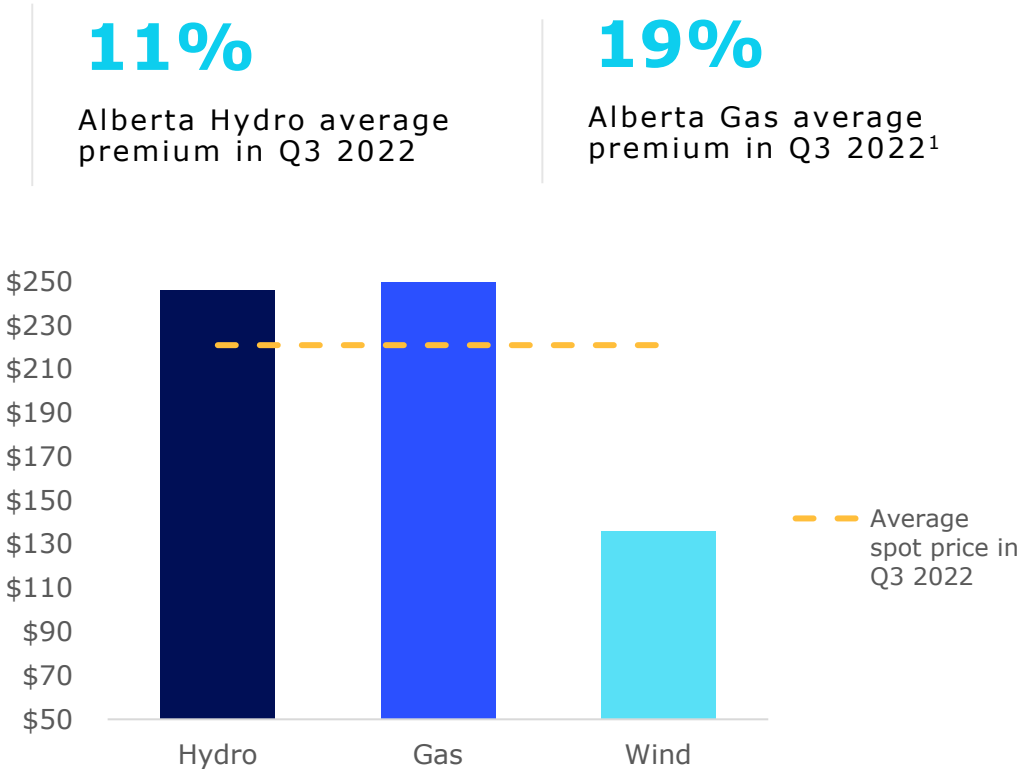
Todd Stack

**Executive Vice President, Finance and
Chief Financial Officer**

President, TransAlta Renewables Inc.

Alberta Electricity Portfolio

Q3 2022 Realized Merchant Prices



2022 Balance of Year Hedging

	Volume	Average Hedge Price
Energy	1,850 GWh	~\$95 / MWh
Natural Gas	98% ²	\$3.62 / GJ

Realizing the value of our diversified fleet in Alberta



¹ Excludes gains and losses from hedging positions that are entered into in order to mitigate the impact of unfavourable market pricing.

² 19 million GJ representing 98% of hedged energy production.

TransAlta Segmented Results

3 and 9 Months Ended September 30, 2022

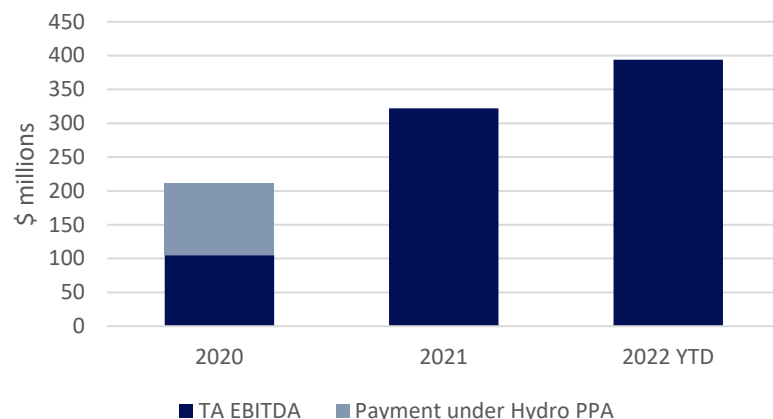
Q3 2022	Q3 2021	Adjusted EBITDA ¹	YTD 2022	YTD 2021
245	82	Hydro	394	255
42	55	Wind and Solar	219	186
195	155	Gas	365	385
51	55	Energy Transition	67	96
53	79	Energy Marketing	120	177
(31)	(24)	Corporate	(72)	(56)
555	402	Total	1,093	1,043

¹ Adjusted EBITDA is a non-IFRS measure. Certain additional disclosure for this specified financial measure have been incorporated by reference and can found on pages M39-M47 in the MD&A for the third quarter of 2022, are available on SEDAR at www.sedar.com, and on www.transalta.com under the Investors section.

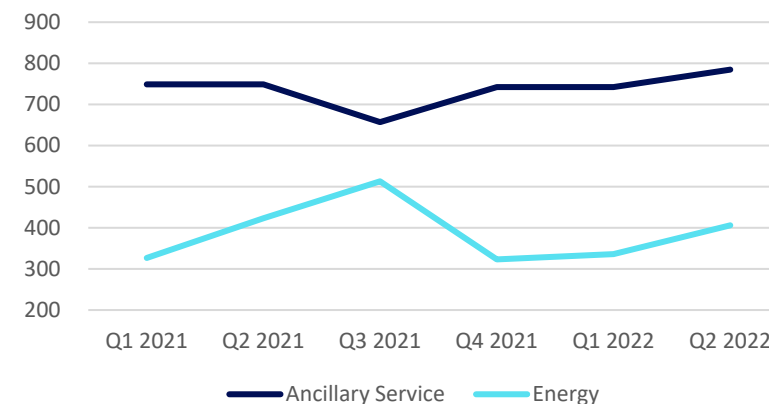


Alberta Hydro Exceeds Expectations

Hydro Adjusted EBITDA¹ (\$millions)

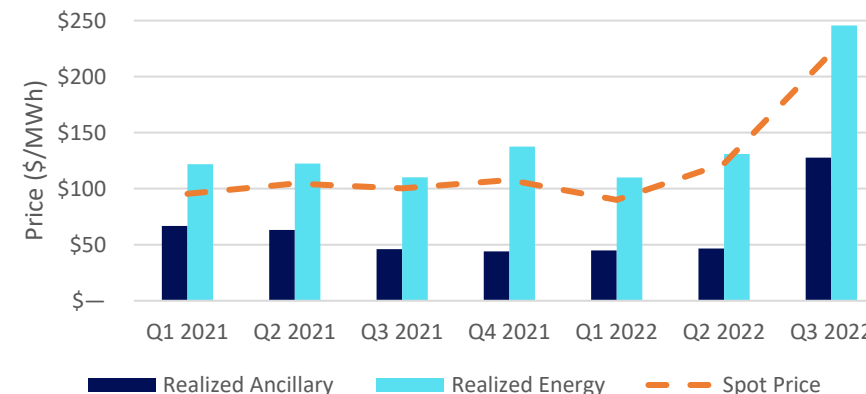


Hydro Volumes (GWh)



**Hydro delivers
exceptional value for
TransAlta
shareholders**

Realized Prices (\$/MWh)



52%

Average Realized
Ancillary Price to Spot

118%

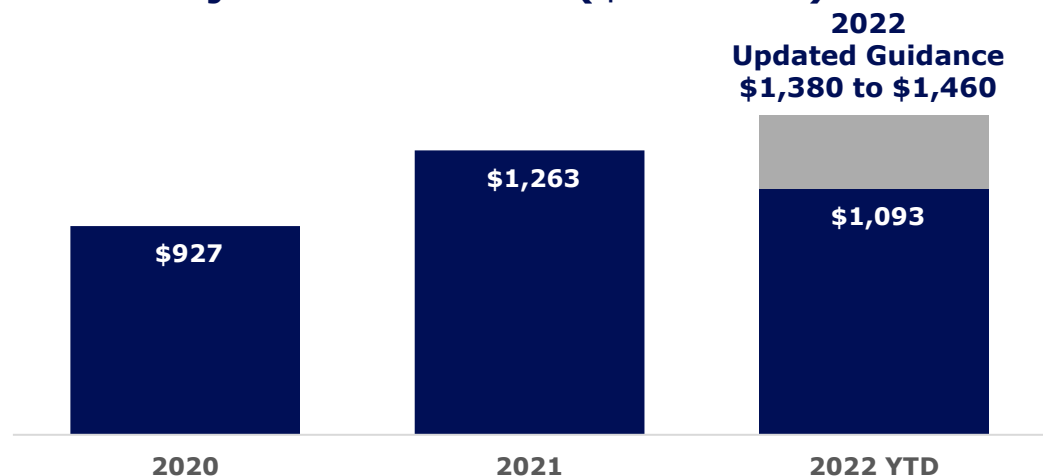
Average Realized
Energy Price to Spot

¹ Adjusted EBITDA is a non-IFRS measures. Certain additional disclosure for these specified financial measures have been incorporated by reference and can found on pages M39-M47 in the MD&A for the third quarter of 2022, are available on SEDAR at www.sedar.com, and on www.transalta.com under the Investors section.

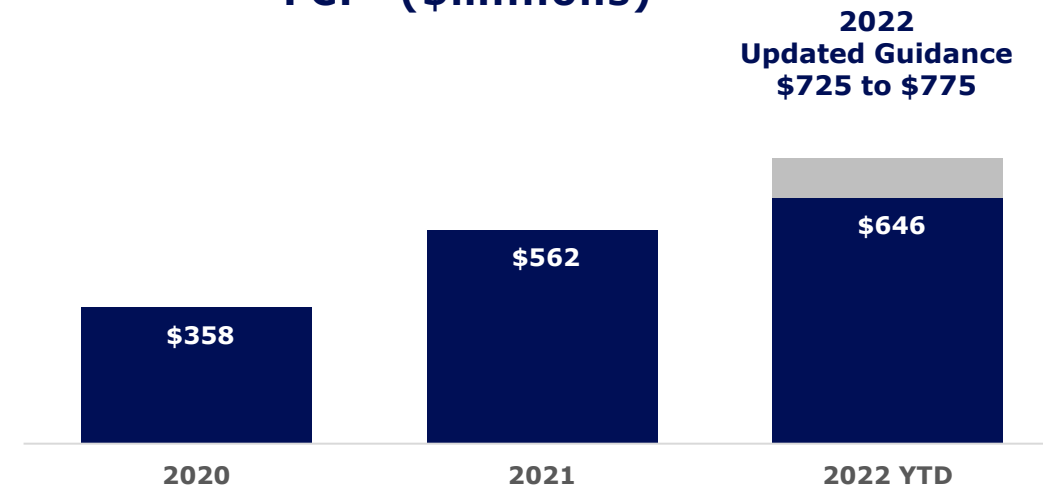


Financial Strength

Adjusted EBITDA¹ (\$millions)



FCF¹ (\$millions)



~\$2.3 Billion

Cash and available credit facility

FCF Per Share¹

~\$2.77 per share

At the midpoint of updated guidance range



2022 Outlook Update

(\$ millions)	Revised Outlook Q3 2022	Previous Outlook as of Q2 2022	Change from Previous Midpoint
Adjusted EBITDA¹	\$1,380 to \$1,460	\$1,065 to \$1,185	+ 26%
FCF¹	\$725 to \$775	\$445 to \$555	+ 49%
Market	Power and Gas Prices 2022 Revised Outlook Q3	Power and Gas Prices 2022 Outlook as of Q2	Change from Previous Midpoint
Alberta Spot (\$/MWh)	\$125 to \$150	\$80 to \$90	+ 62%
Mid-C Spot (US\$/MWh)	US\$55 to US\$65	US\$45 to US\$55	+ 20%
AECO Gas Price (\$/GJ)	\$5.00 to \$6.00	\$3.60	+ 53%

Outstanding fleet performance supports an upward revision to guidance



TransAlta Renewables Q3 2022 Highlights

3 and 9 Months Ended September 30, 2022

Q3 2022	Q3 2021		YTD 2022	YTD 2021
88	102	Adjusted EBITDA ¹	355	322
46	54	CAFD ¹	185	184
0.17	0.20	CAFD per share ¹	0.69	0.69
0.23	0.23	Dividends per share	0.70	0.70

¹ Adjusted EBITDA, CAFD, and CAFD per share are non-IFRS measures. Certain additional disclosure for these specified financial measures have been incorporated by reference and can be found on pages M14-M22 in the MD&A for the third quarter of 2022, available on SEDAR at www.sedar.com and on www.transaltarenewables.com under the Investors section.



2022 Priorities

Safety, Reliability and Availability



Achieve strong safety performance

Achieve strong fleet availability

Growth and Commercial



Secure 400 MW of growth

Complete Garden Plain and Northern Goldfields Solar

Advance White Rock, Horizon Hill and Mount Keith construction

Expand growth pipeline

Strategic Initiatives



Accelerate CO2 emissions reduction to 75% from 2015 levels by 2026

Progress ESG efforts including mine reclamation

Position company as thought leader in “net zero electricity” policy

Competitive



Finalize “One TransAlta” model to drive further business efficiencies

Financial Flexibility



Deliver Adjusted EBITDA of \$1,380 to \$1,460 million

Deliver FCF of \$725 to \$775 million

Rehabilitate Kent Hills

Secure long-term contracts for Alberta merchant fleet

Refinance ~US\$400 million senior notes

Health and Values



Completed Indigenous Cultural Awareness Training across Canada

Continue progress towards 40% gender diversity target



Our Value Proposition



**Diversified and
resilient fleet**



**Clean electricity
leader with ESG
focus**

**3.5+ GW
growth pipeline**



**Strong
financial position**





Questions and Answers

Visit us at: www.transalta.com
Investor_relations@transalta.com