

2026 Investor Day

transalta™

Keephills, Alberta

MARCH 23, 2026



Forward-looking statements and non-IFRS measures

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 Private Securities Litigation Reform Act of 1995 (collectively referred to herein as "forward-looking statements"). 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 those set out in or implied by the forward-looking statements. In particular, this presentation contains forward-looking statements about the following, among other things: the strategic priorities of the Company and that the execution of the Company's strategy will realize value for shareholders; that the Company is well-positioned to capture opportunities arising out of the evolution of the power market, our expected financial and operational performance, including our 2026 Outlook, our 2029 Adjusted EBITDA, our hedging position, and that we have a path to increase our credit ratings; the expected costs, schedule and regulatory timelines for the Centralia coal-to-gas conversion project; our expectation for the Phase I start date of the data centre of Keephills and the potential for additional phases of development to aggregate to 1GW of load; our expectations related to the supply and demand of power in Alberta, including demand growth as a result of population increase, electrification and data centre load growth; power prices in Alberta; our pipeline of growth opportunities, our funding plan and that our Energy and Marketing teams are able to deliver merchant upside and synergies.

The forward-looking statements contained in this presentation are based on many assumptions including, but not limited to, the following: no significant changes to applicable laws and regulations, including carbon pricing, royalty rates and climate-related regulations; no unexpected delays in obtaining required regulatory and other third-party approvals; no material adverse impacts to investment and credit markets; no significant changes to power price and hedging assumptions; no significant changes to gas commodity price assumptions and transport costs; no significant changes to interest or foreign exchange rates; no significant changes to the demand for, and growth of, electricity generation; no significant changes to the integrity and reliability of our facilities; no significant changes to the Company's debt and credit ratings; no unforeseen changes to economic and market conditions; no significant event occurring outside the ordinary course of business; no significant changes to the Company's ability to develop, access or implement, on a timely basis and on reasonable terms, the technology necessary to efficiently and effectively operate the Company's assets and achieve expected future results; no significant supply chain disruptions or shortages of raw materials or skilled labour; no significant changes to the Company's ability to access the capital markets on reasonable terms; and no material changes to international trade laws, regulations, agreements, treaties, taxes, tariffs, duties or policies of Canada, the United States, Australia or other countries.

These assumptions are based on information currently available to TransAlta, including information obtained from third-party sources. Actual results may differ materially from those predicted. Factors that may adversely impact what is expressed or implied by forward-looking statements contained in this presentation include, but are not limited to: fluctuations in power prices; changes in supply and demand for electricity; our ability to contract our electricity generation for prices that will provide expected returns; our ability to replace contracts as they expire; risks associated with development projects and acquisitions; our ability to develop, access or implement, on a timely basis and on reasonable terms, the technology necessary to efficiently and effectively operate our assets and achieve expected future results; any difficulty raising needed capital in the future on reasonable terms; long-term commitments on gas transportation capacity that may not be fully utilized over time; changes to legislative, regulatory and political environments, including changes to carbon pricing, renewable energy policies and emissions regulations in Canada, the United States and Australia; environmental requirements and changes in, or liabilities under, these requirements; operational risks involving our facilities, including unplanned outages and equipment failure; disruptions in the transmission and distribution of electricity; grid reliability; reductions in production; impairments and/or writedowns of assets; adverse impacts on our information technology systems and our internal control systems, including increased cybersecurity threats; commodity risk management and energy-trading risks; reduced labour availability, ability to continue to staff our operations and facilities and other labour relations matters; disruptions to our supply chains; weather conditions and their impact on electricity generation and demand; climate change-related risks, including the increased frequency and severity of extreme weather events; reductions to our generating units' relative efficiency or capacity factors; general economic risks, including deterioration of equity markets, increasing interest rates, changes to foreign exchange rates or rising inflation; general domestic and international economic and political developments, including potential trade tariffs; industry risk and competition, including from emerging technologies affecting the demand, generation, distribution or storage of electricity; counterparty credit risks; inadequacy or unavailability of insurance coverage; increases in the Company's income taxes and any risk of reassessments; legal, regulatory and contractual disputes and proceedings involving the Company; reputational and stakeholder-related risks; and loss of key personnel and the inability to replace them in a timely manner.

The foregoing risk factors, among others, are described in further detail under the heading "Risk Management" in the Annual MD&A. Readers are urged to consider these factors carefully when evaluating the forward-looking statements and are cautioned not to place undue reliance on them. The forward-looking statements included in this presentation 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.

This presentation contains financial outlooks about the Company's prospective results of operations. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on such financial outlooks. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, such financial outlook information. The Company has included the financial outlooks contained herein 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. Such financial outlooks have been approved by management of the Company and are provided as of the date of this presentation.

Certain financial information contained in this presentation, including Adjusted EBITDA, Free Cash Flow ("FCF"), FCF per share, Build Multiple and Adjusted Revenue do not have standardized meanings as prescribed by International Financial Reporting Standards ("IFRS") and therefore may not be comparable to similar measures presented by other entities. The most directly comparable measures presented in the financial statements are: (i) in respect of Adjusted EBITDA, earnings before income taxes; (ii) FCF and FCF per share, Cash Flow From Operating; and (iii) Adjusted Revenue, Revenue. Build multiple is calculated using capital expenditures and adjusted EBITDA and we believe it provides investors with a useful measure to evaluate capital projects. Readers are cautioned that our method for calculating build multiple may differ from methods used by other entities. These measures should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Sustaining capital expenditures is a supplementary financial measure, representing capital expenditures incurred for major maintenance to sustain the existing capacity or production of the existing asset to the end of its useful life. Please refer to the "Non-IFRS and Supplementary Financial Measures" section of our Annual MD&A, for further discussion of these items, including, where applicable, reconciliations to measures calculated in accordance with IFRS.

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.

TransAlta's Executive Leadership Q&A Panel



John Kousinioris

President and
Chief Executive Officer



Joel Hunter

EVP, Finance and
Chief Financial Officer



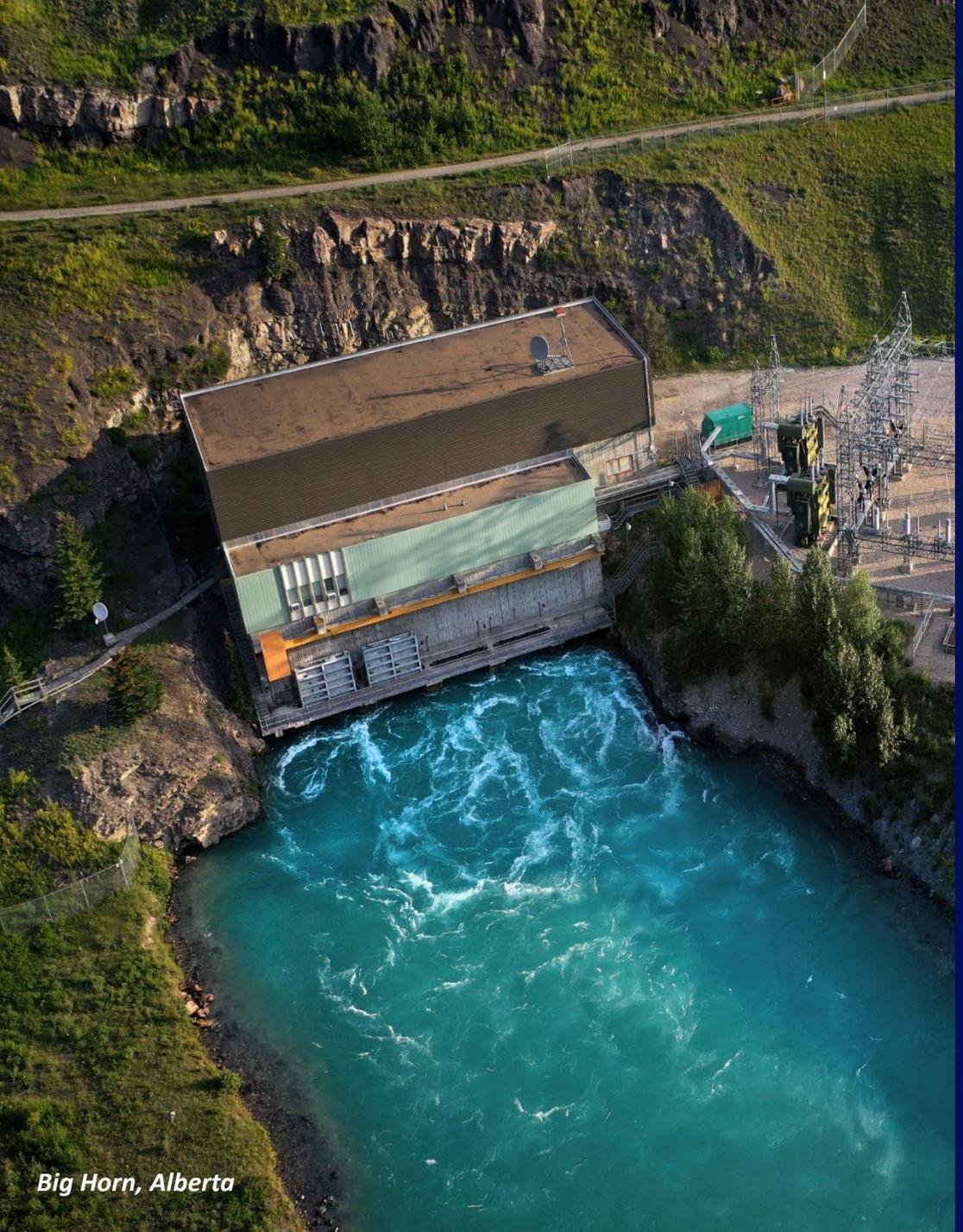
Nancy Brennan

EVP, Legal, External Affairs
and Corporate Secretary



Chris Fralick

EVP, Generation



Big Horn, Alberta



TransAlta Overview **John Kousinioris**

Strategic Overview **Joel Hunter**

Reliable Operations and Alberta Strategy **Chris Fralick**

Strategic Priority: Safe Reliable Operations

Strategic Priority: Optimize the Alberta Fleet

Break

Growth and Financial Overview **Joel Hunter**

Strategic Priority: Grow with Discipline

Strategic Priority: Enhance Financial Flexibility

Closing Remarks **Joel Hunter**

Q&A **Executive Leadership**

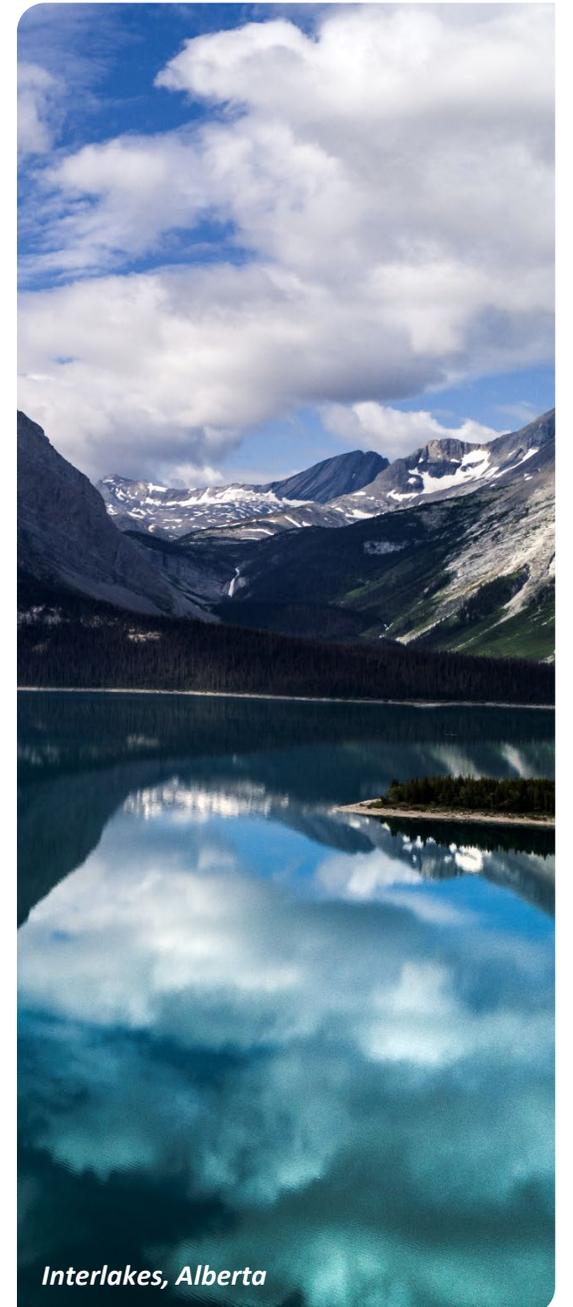
John Kousinioris

President and Chief
Executive Officer



Investor Day Key Takeaways

- 1 **TransAlta is a proven operator across diverse technologies**
- 2 **The outlook for power has never been stronger and existing generation will play a critical role**
- 3 **We are focused in the right strategic geographies**
- 4 **We are best positioned to capture expected load growth in Alberta**
- 5 **Centralia is essential to support reliability in the state of Washington**
- 6 **We have a demonstrated track record of disciplined, accretive M&A**
- 7 **Our strong financial position and disciplined capital allocation enable attractive, long-term growth**



Interlakes, Alberta

TransAlta Overview

Interlakes, Alberta

TransAlta at a Glance



\$10 billion

Enterprise value¹

Strong balance sheet and capital discipline



115 years

Generation experience

Across diverse technologies



\$4.8 billion

Market capitalization¹

Listed on the TSX and NYSE



1,350

Employees

Central to value creation

~9,300 MW

Diversified portfolio

- 92 generating facilities
- Canada, United States and Australia
- Hydro, thermal, wind, solar, battery

~\$400 million

- 2026 midpoint guidance free cash flow²

~80%

- 2026 forecasted adjusted revenue² from generation assets is contracted or hedged

Our Competitive Advantage



Safe and reliable operator across diverse technologies



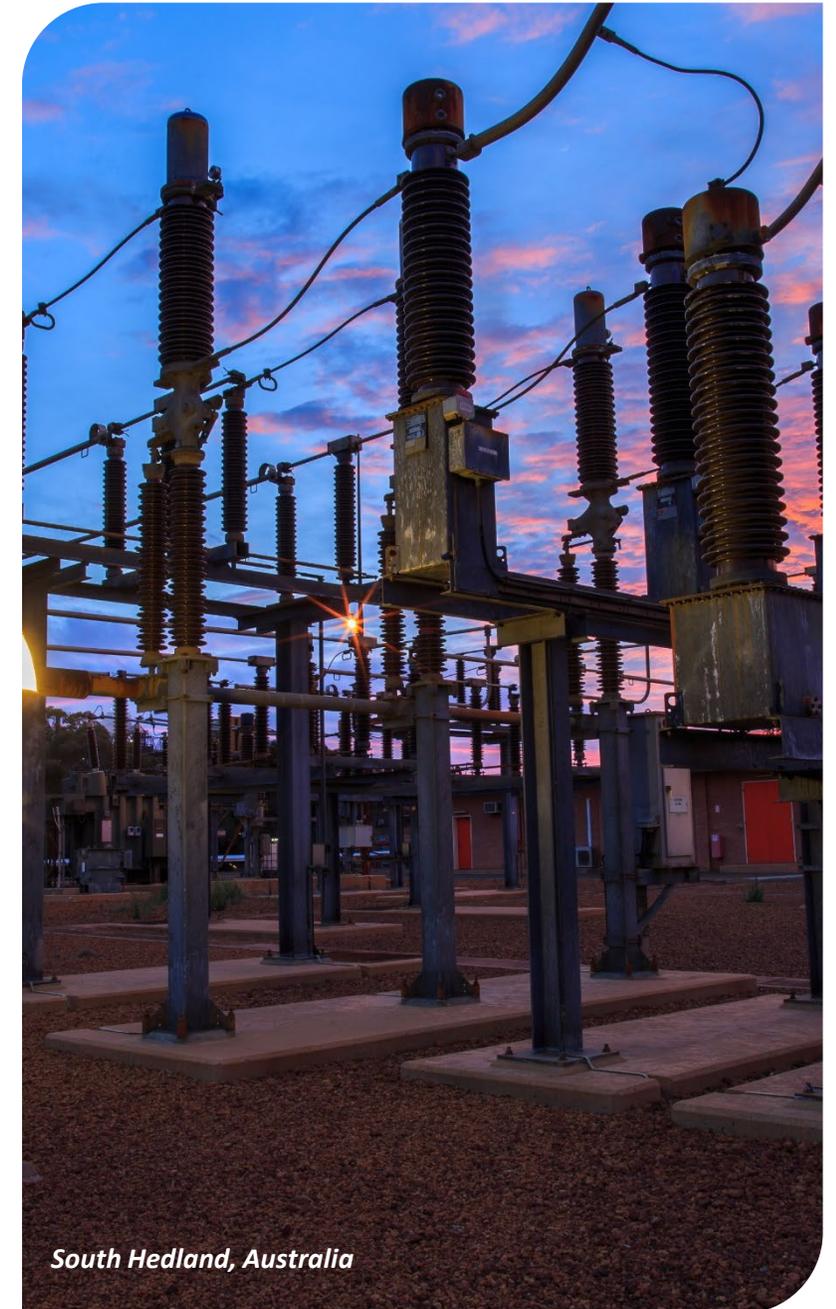
Optimization and trading excellence



Valuable legacy generation sites



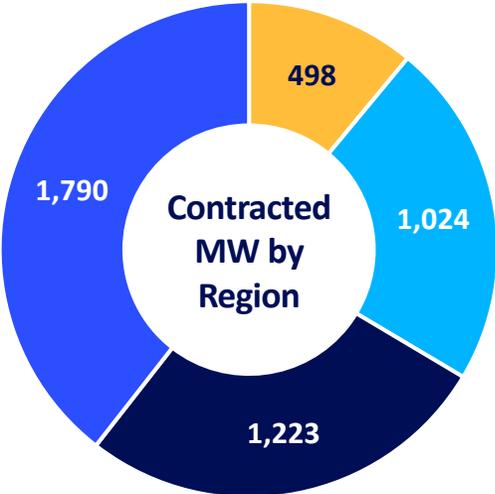
Financial strength flexibility



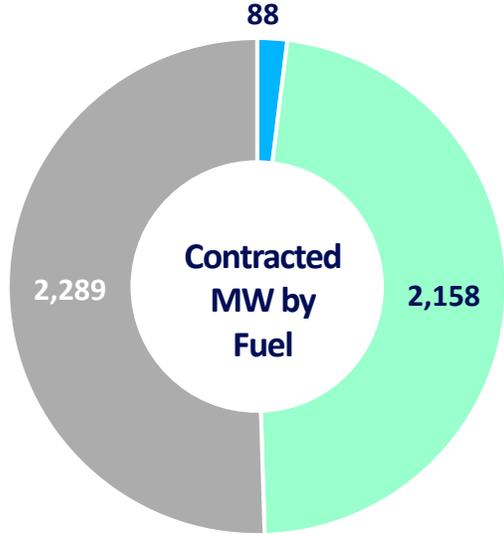
South Hedland, Australia

Solid Contracted Base

**Weighted Average Contract Life of 9 Years¹ Across Geographies and Fuels
Fleet Capacity is 51% Contracted**



Australia U.S. Alberta Rest of Canada



Hydro Wind and Solar Gas

Total: 4,535 MW

Our contracted assets provide a predictable and stable long-term cash flow base

Refer to "Slide Notes" for corresponding notations.

Contracted Power Portfolio Serves Diverse Industries



TransAlta has a long and proven history of powering communities and large-scale industrial operations

Over 85% of counterparties are investment-grade¹

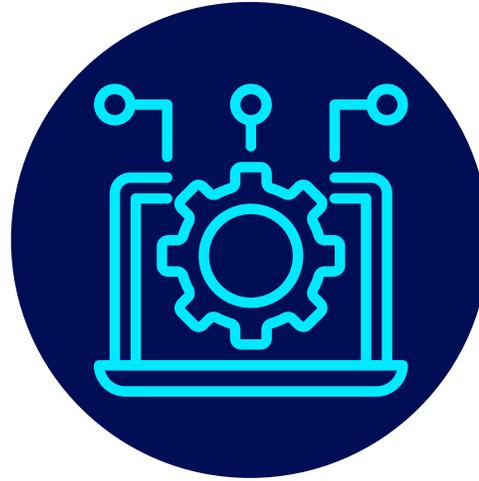
58% of our facilities have long-term contracts²

Refer to "Slide Notes" for corresponding notations.

Operations Enhanced by a Leading Energy Marketing Team



**Manage commodity risk
for assets**



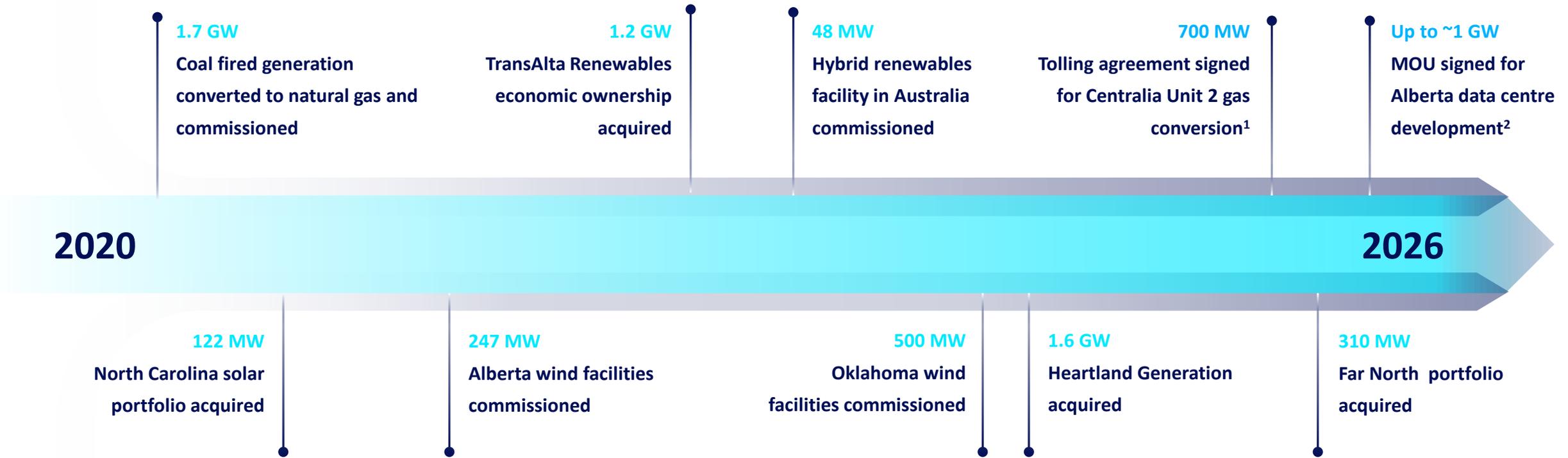
**Provide market insights to
the Growth and M&A teams**



**Trade Gas, Power and Emission
products across North America**

Adjusted EBITDA¹ Contribution of ~\$800 million Since 2020

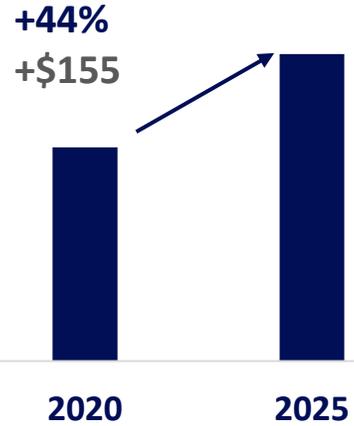
Asset Portfolio Strengthened Since 2020



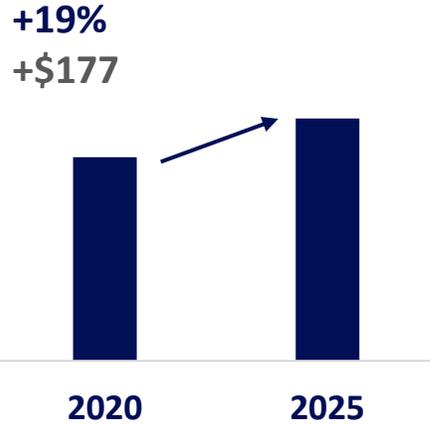
Acquired 3.2 GW and built 2.7 GW of generation

Strategic Position Strengthened Since 2020

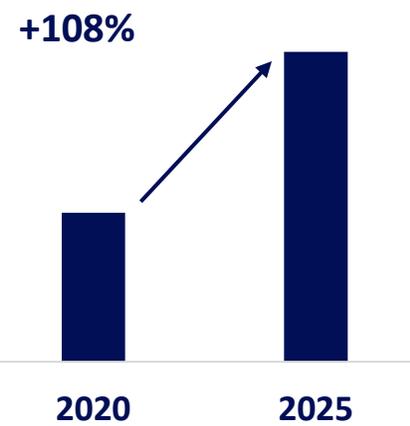
Free Cash Flow¹
(\$ millions)



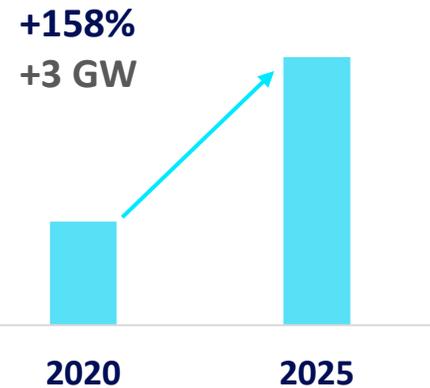
Adjusted EBITDA¹
(\$ millions)



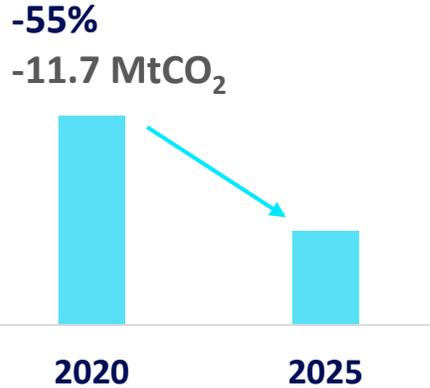
Total Shareholder Return⁴



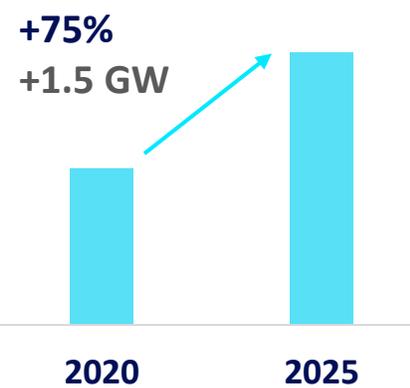
Contractedness²
(GW)



Emissions³
(million tonnes CO₂)



Renewables Capacity²
(GW)



Record safety results

Average fleet availability of 90%+

Successfully reduced Scope 1 & 2 emissions from 2015 levels by 75%

Simplified credit facility and enhanced financial flexibility

Joel Hunter

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



Strategic Overview



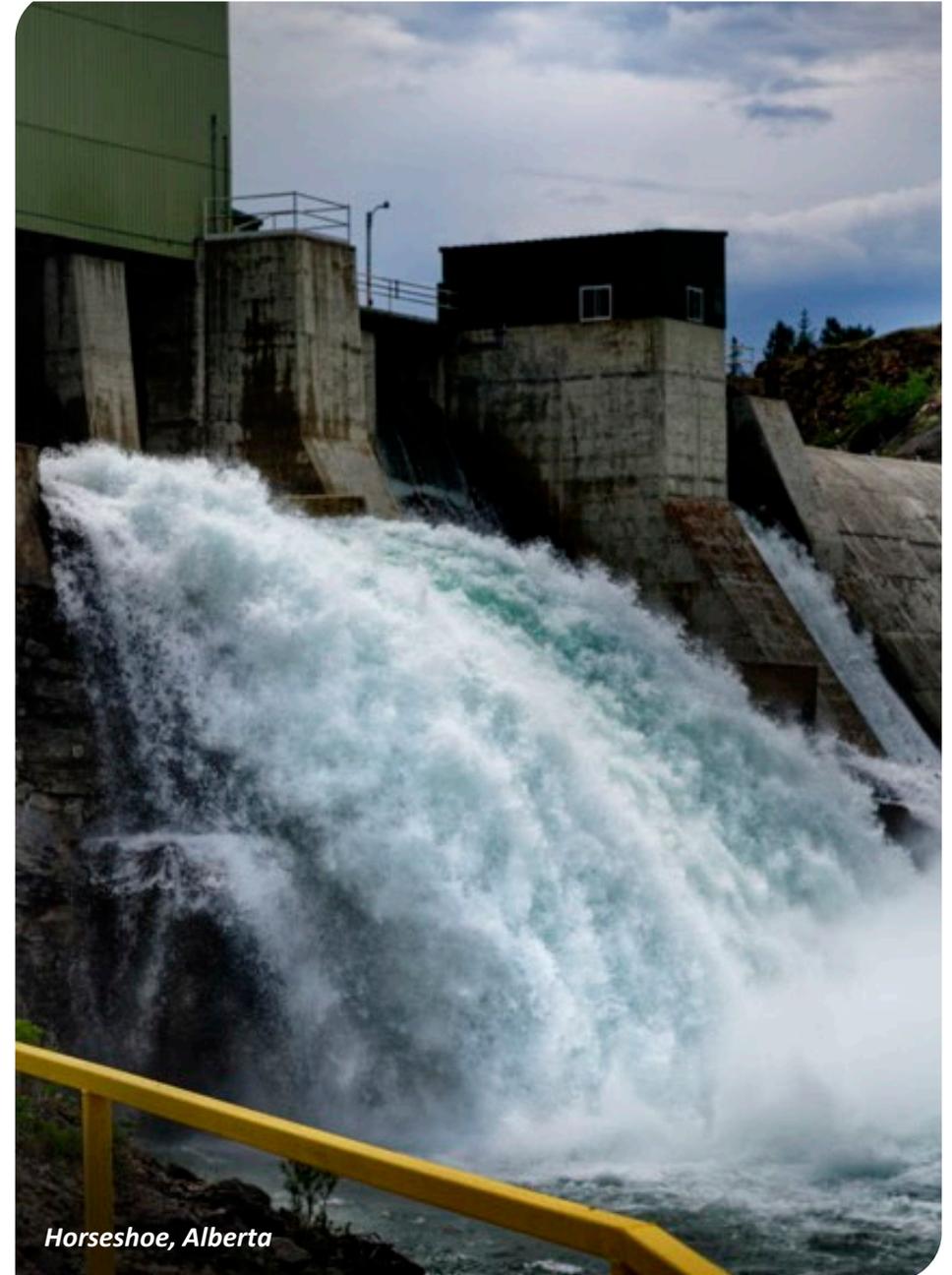
Antrim, New Hampshire

Key Takeaways

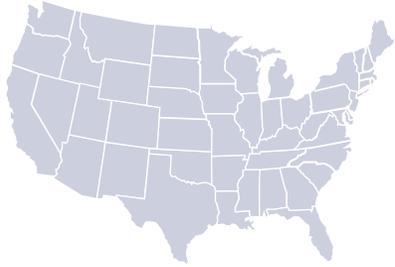
1 Significant opportunity for power generators

2 TransAlta is well positioned to grow in our core geographies

3 Strategic priorities are focused on ensuring we maximize value from our base business and growth opportunities



Power Demand Is Accelerating



40 to 100 GW of new peak load demand in U.S. over the next five years^{1,2}



Canada's electricity demand is expected to rise ~62% between 2025 and 2050³



Western Australia grid contemplates ~5 times electricity requirement due to anticipated new industrial load from mining and heavy-industry⁵



Data centres now account for ~55% of forecast U.S. electricity demand growth over the next five years²



Data centre projects currently under review in Canada could represent ~14% of total national electricity demand by 2030⁴



Supplying expected demand with renewable energy sources would require almost 10 times the amount of current generation capacity⁵



Manufacturing reshoring and industrial electrification are expected to add ~30 GW of new U.S. load, on top of data centre growth²

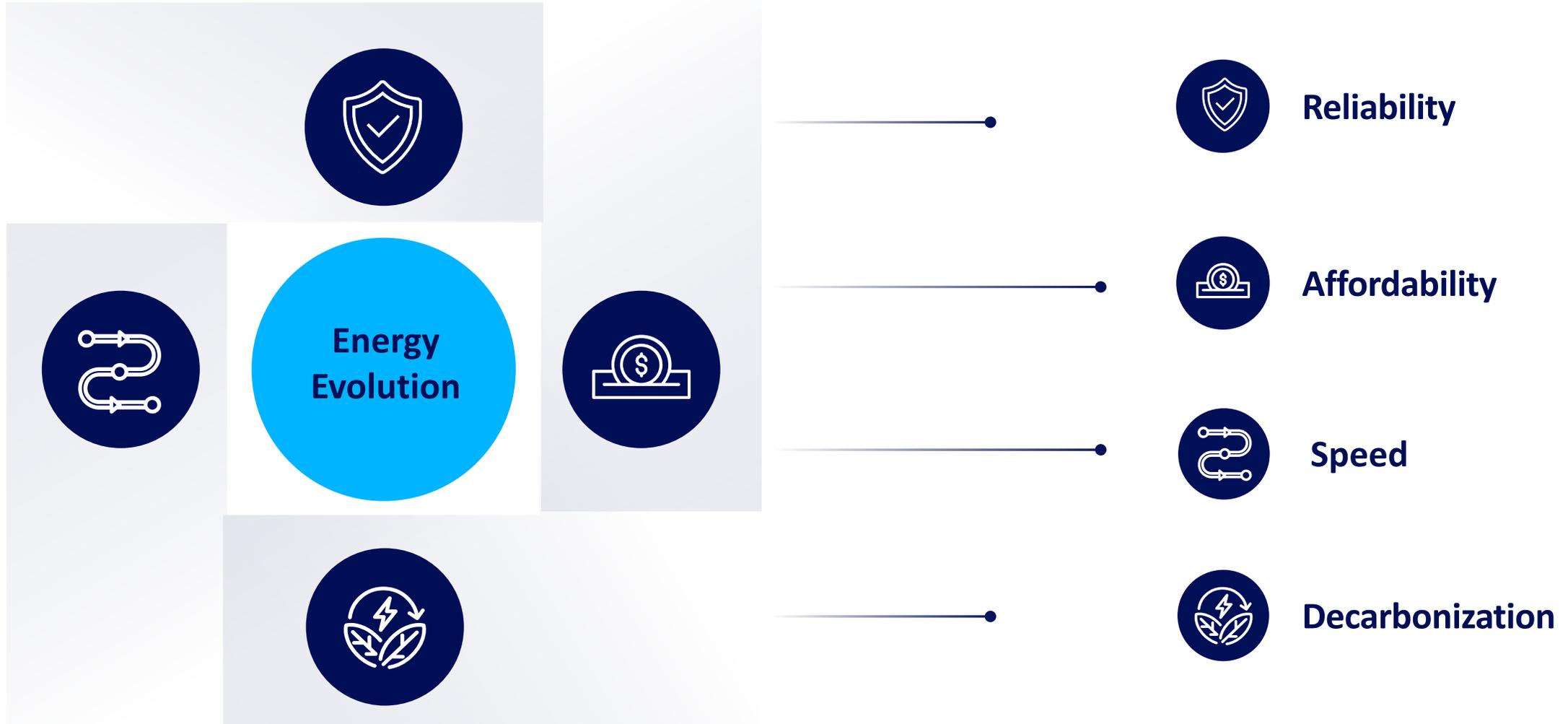


Canadian regulators are reviewing proposed data centre capacity equivalent to powering ~70% of Canadian households⁴



Shift in load growth to later in evening requires dispatchable and firm capacity to maintain reliability⁵

Balance Required in Evolving Power Industry



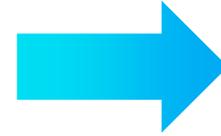
Significant Opportunity Created by Growing Power Demand

Market Evolution Creates Opportunities for Power Producers

Grids and data centres require increasing amounts of **reliable, cost-effective power**, quickly

Increasing value of legacy generation sites due to near-term needs and greenfield development constraints

Pace of **new reliable technology** development has **not met the growing need for additional power**; all **technologies required** to enable **growth**



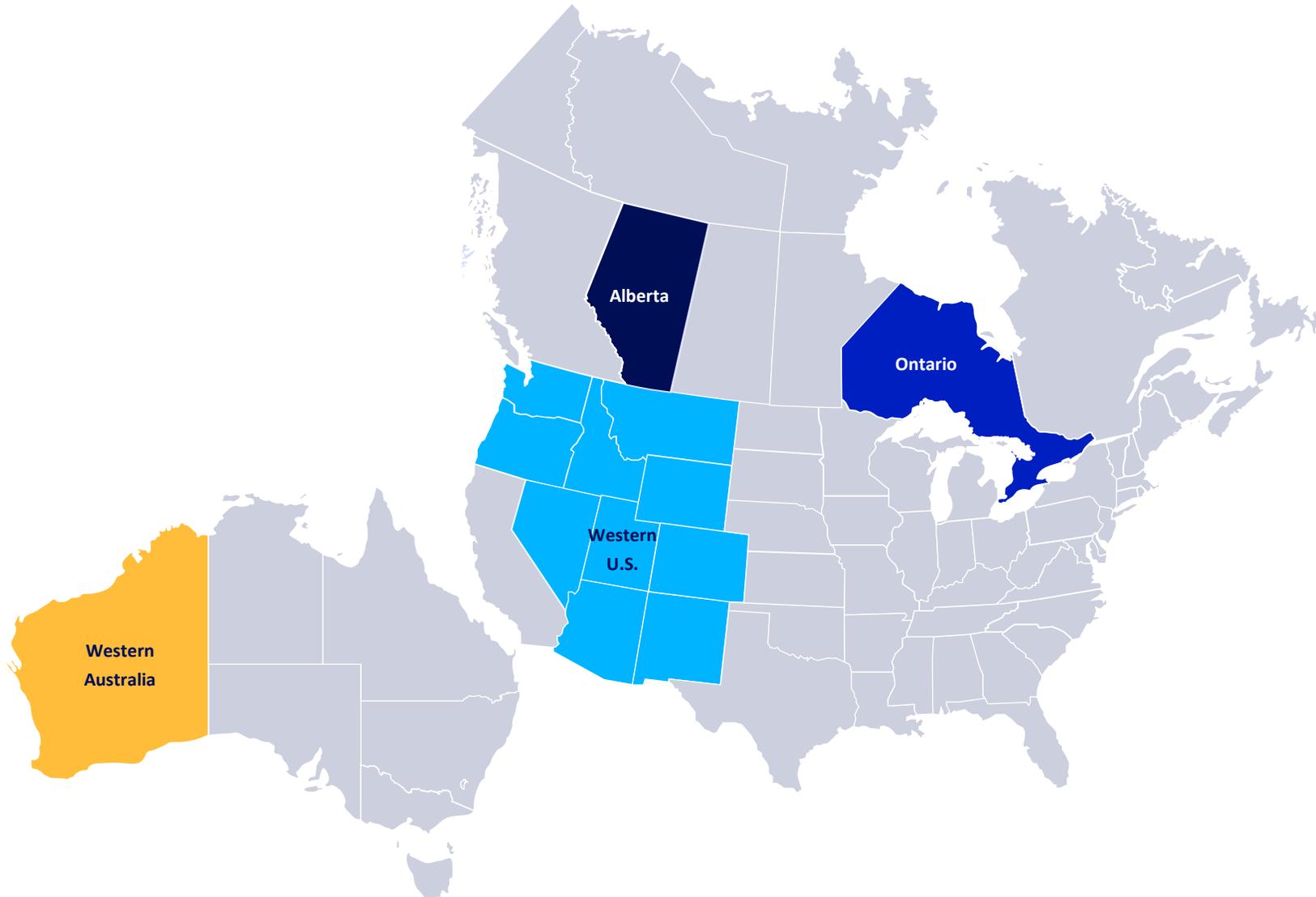
TransAlta is Well-Positioned to Capture Opportunities

Proven operator of **reliable** power

Legacy sites for economic repurposing

Optimization maximizes value of different technologies and **Energy Marketing and Trading captures** and manages market volatility

Growth Focused in Core Geographies



Leverage our competitive advantages

Understood regulatory environments

Ability to scale and increase contractedness

Long-term attractive fundamentals

Ontario



Tightening Market Conditions

Wholesale electricity prices rising, signaling growing supply-demand imbalance



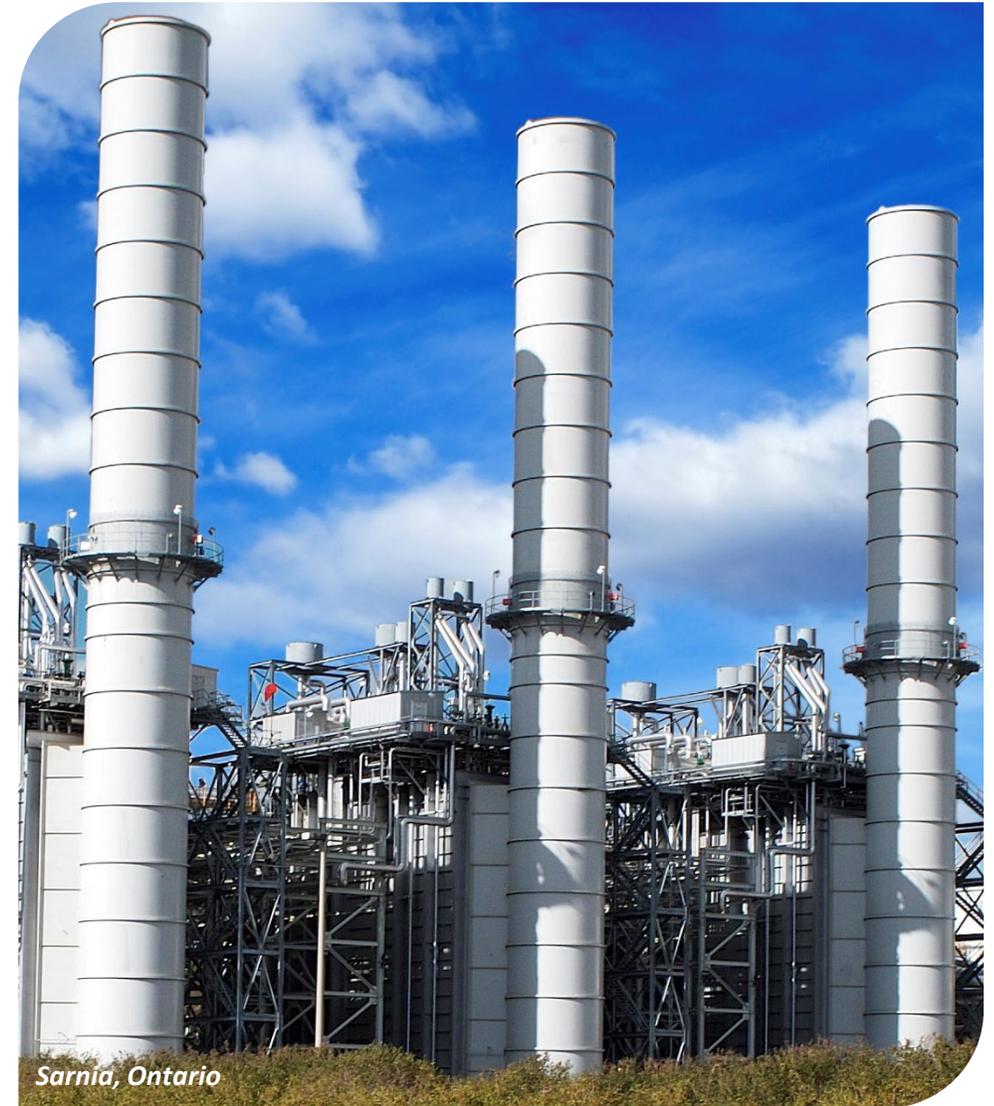
Demand Growth Outlook

3% compound annual growth rate expected through 2040¹, driven by population growth, economic expansion and electrification within industrial, transportation and commercial sectors



Capacity Shortfall Risks

Over 10 GW of existing, contracted resources set to expire by 2035¹



Sarnia, Ontario

Supportive long-term fundamentals for existing and new infrastructure

Western U.S.



Increasing Demand

Annual electricity demand forecasted to increase ~20% over next decade, driven by data centres, semiconductor manufacturing, residential demand and electrification¹



Volatility and Scarcity Pricing

Thermal retirements and renewables build-outs have increased price volatility and resulted in capacity shortfalls during peak hours



Customer-Driven Opportunity

Large flexible load growth spurring interest in hybrid solutions with firming, optimization and customized contracting



Long-term attractive fundamentals for bilateral contracted opportunities underpinned by sophisticated market intelligence

Western Australia



Decarbonizing Resource Economy

Operational electrification from mining and industrial customers are driving demand for firm, clean power solutions¹



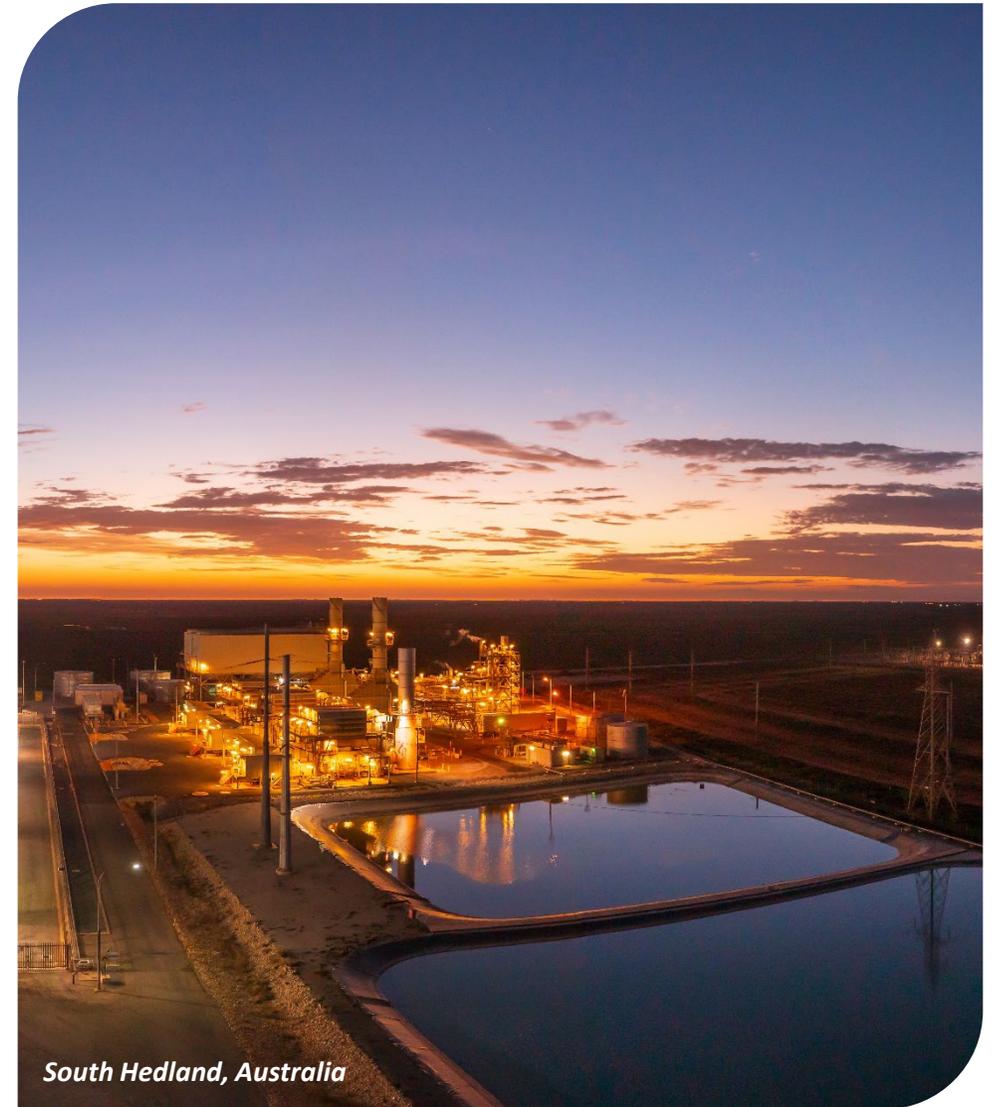
Grid Evolution and Reliability Focus

Northwest and Southwest interconnected systems face growing reliability needs as residential solar penetration and coal retirements reshape supply and demand fundamentals



Exportable Model

Behind-the-fence power solutions and firming expertise offer a blueprint for emerging off-grid opportunities in core jurisdictions



South Hedland, Australia

Load growth from resource build-out and long-standing customer relationships enable contracted development

Alberta



Long Power Supply

One of the only North American jurisdictions that is long power making it an attractive location for data centre development



New Demand Growth Driver

Over 16 GW of cumulative large-load connection requests over the past 1.5 years¹



Energy Only Market

Restructured energy market rewards existing dispatchable generation



Sheerness, Alberta

Contract new load and maximize shareholder returns through active management and optimization

Strategic Priorities

Operate with excellence to maximize value of our base business



Safe reliable operations



Optimize Alberta fleet



Enhance financial flexibility

Grow with discipline to maximize value for shareholders



Advance legacy site projects



Pursue accretive M&A



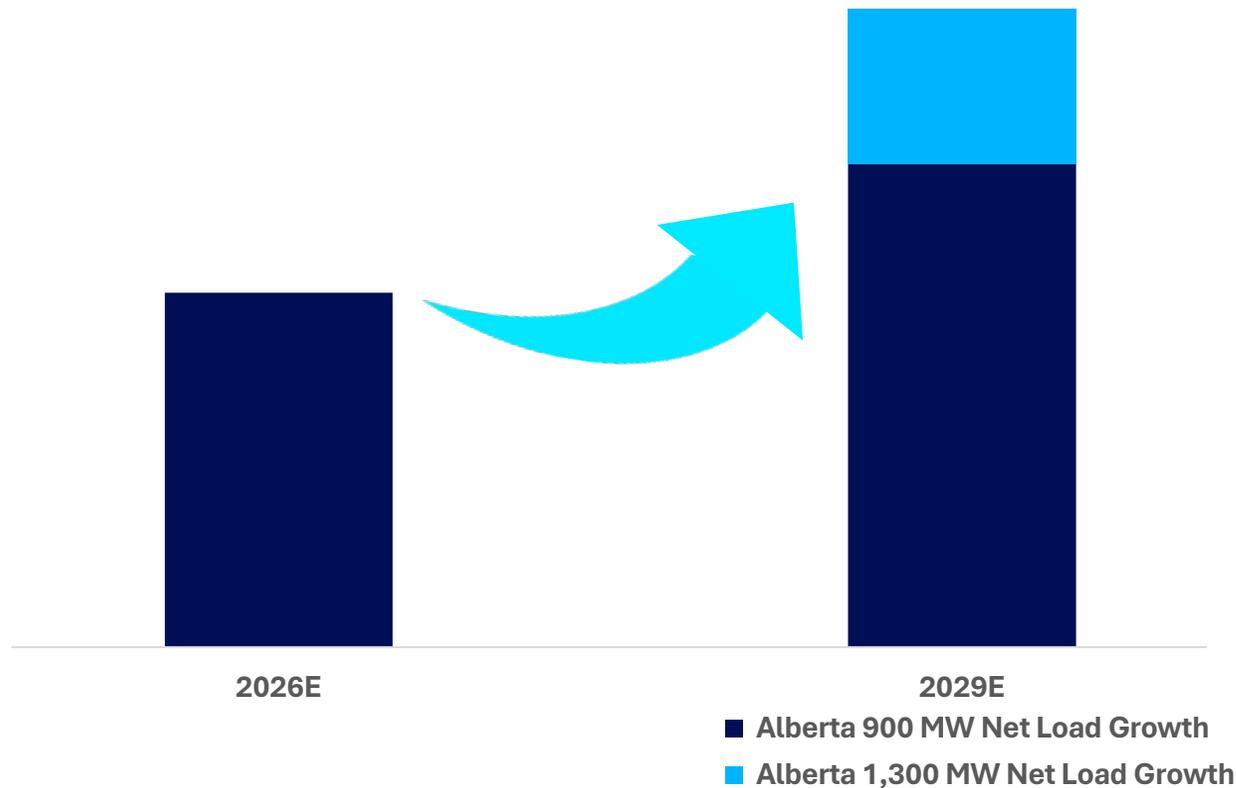
Develop greenfield projects



Kepphills, Alberta

Path to 2029

Adjusted EBITDA¹



Assumptions²

- ✓ Centralia Unit 2 COD in H2 2028
- ✓ Keephills data centre online
- ✓ Incremental load growth in Alberta driving price recovery to average mid-\$80s to low-\$120s per MWh
- ✓ Consistent performance from base business
- ✓ Excludes greenfield development and M&A

Increased cashflows to be reinvested in long-term, contracted opportunities

Chris Fralick

Executive Vice President,
Generation



Strategic Priority: Safe Reliable Operations



South Hedland, Western Australia

Key Takeaways

1

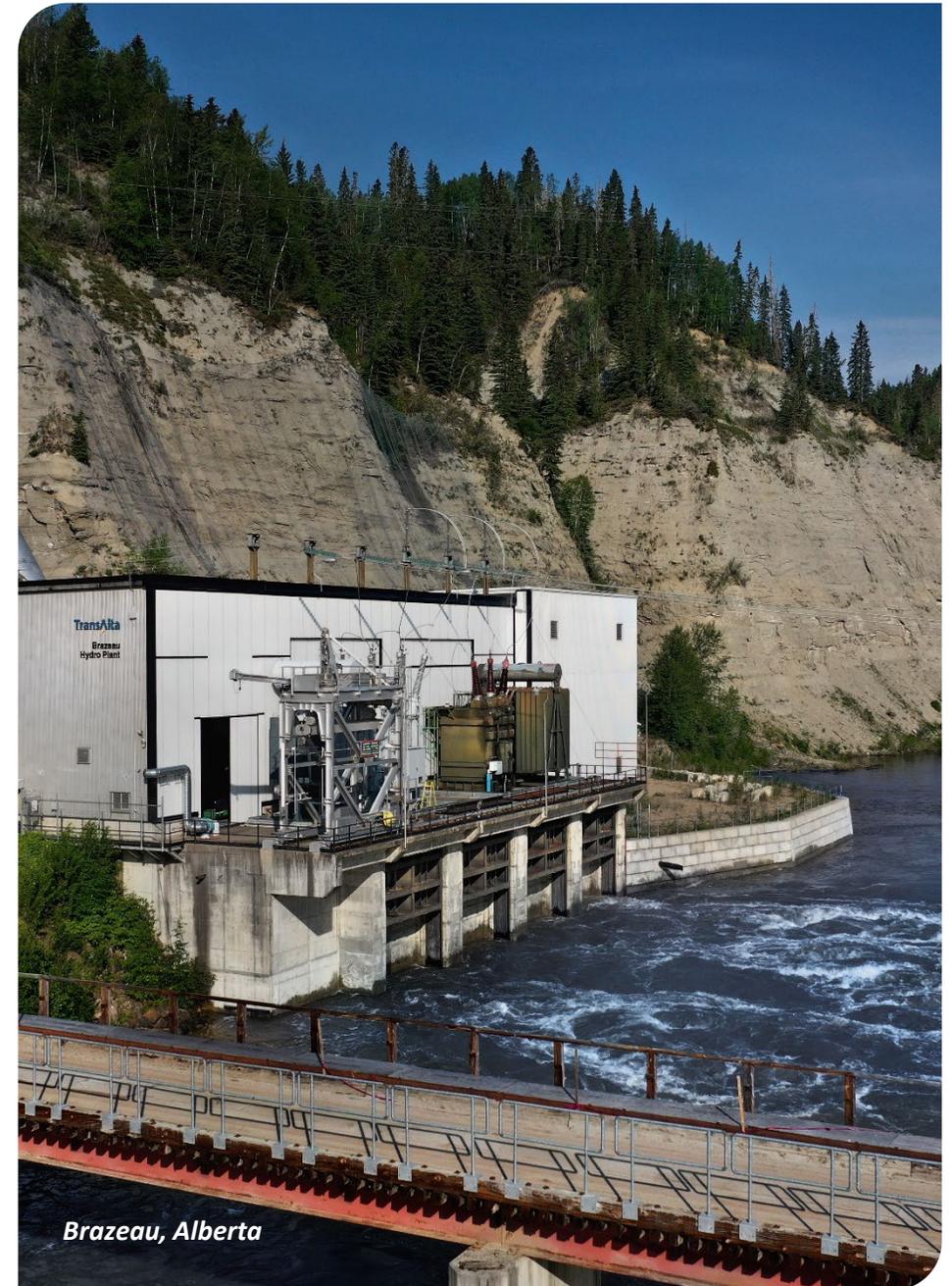
Strong safety and operational performance

2

Unique ability to operate diverse set of technologies including dynamically based on resource and price signals

3

Focused on efficiency and maximizing value of our assets



High-Quality Diverse Portfolio



Hydro
25 Facilities
923 MW



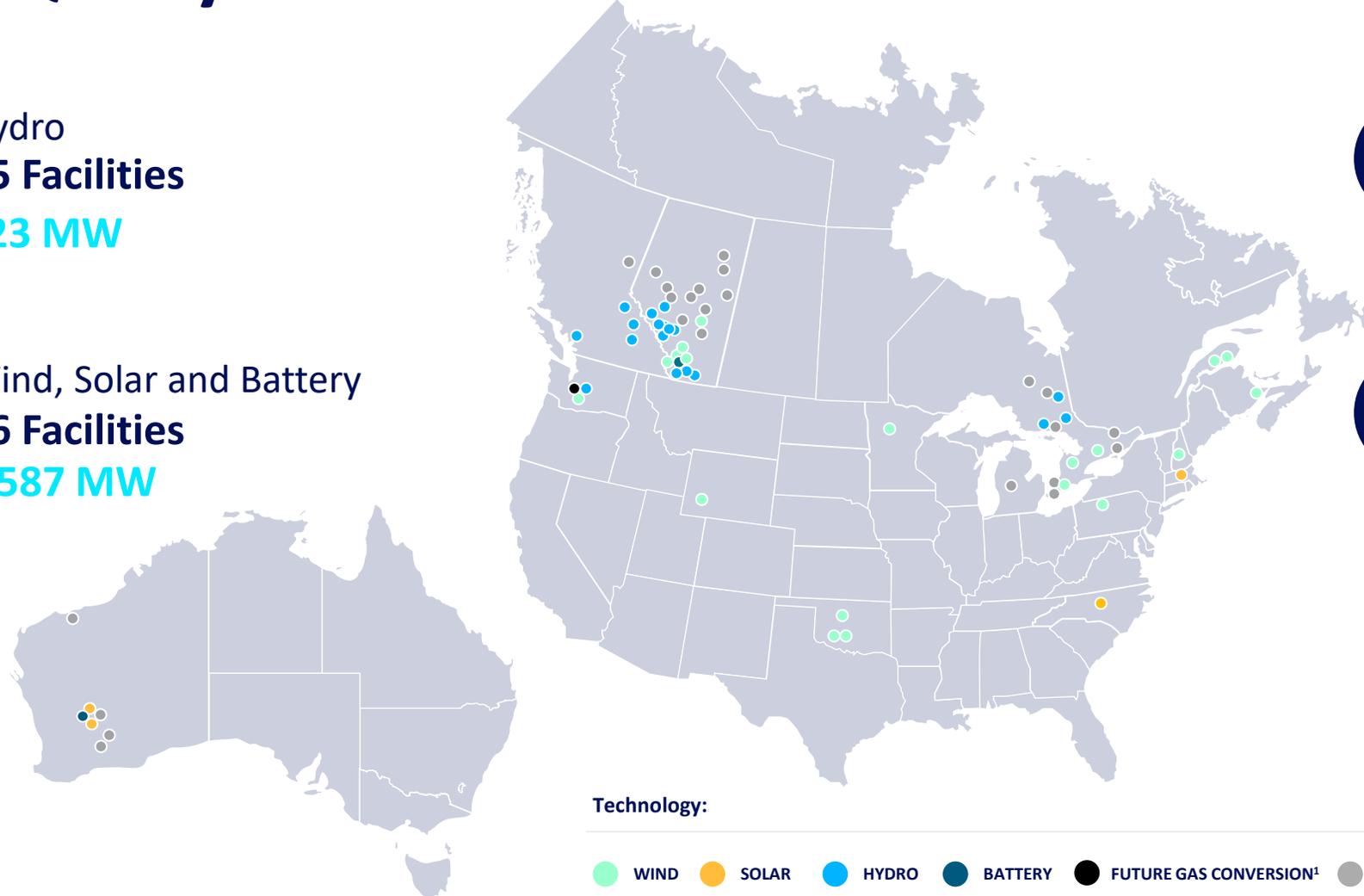
Wind, Solar and Battery
36 Facilities
2,587 MW



Future Gas Conversion¹
1 Facility
~700 MW



Natural Gas
30 Facilities
5,144 MW



Well diversified portfolio of high-quality assets

Reliable Operations



Industry leading safety



Diverse portfolio of technologies, jurisdictions, lifecycle stages and commercial arrangements

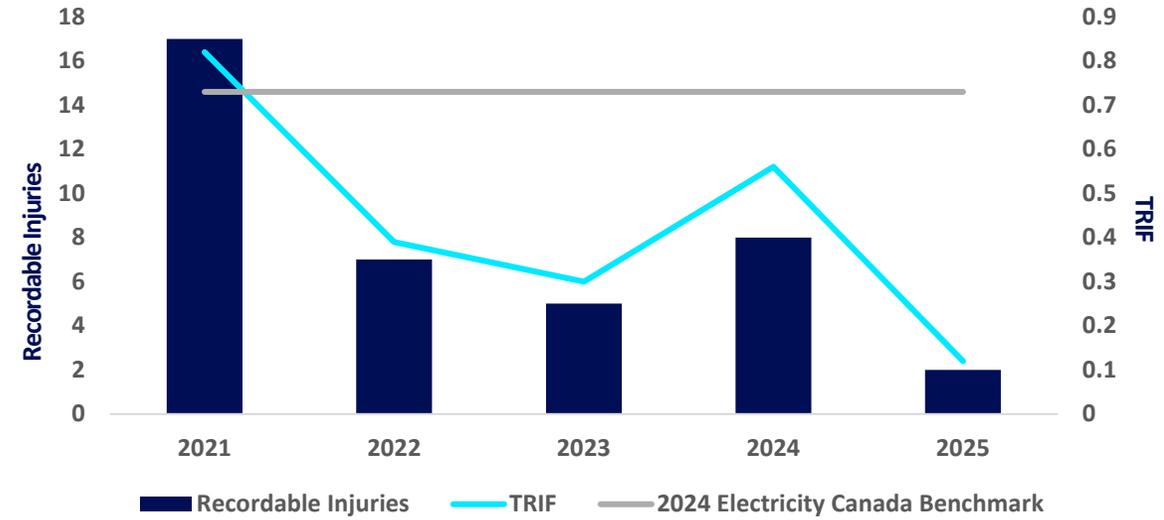


Strong long-term availability performance

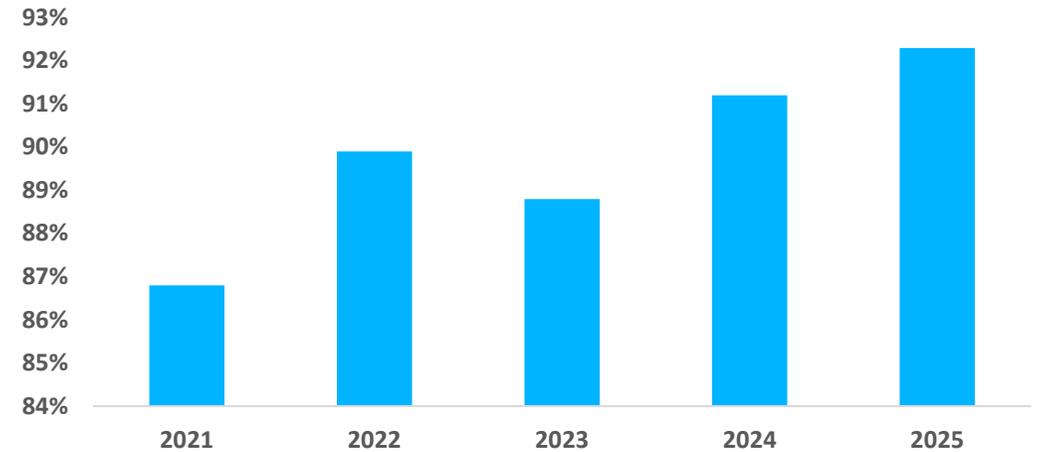


Leveraging technology and data analytics to optimize fleet

Total Recordable Injury Frequency (TRIF)



Fleet Availability



Continuously strengthening our operational performance



Focused on **maximizing the value of our assets** through life-cycle optimization

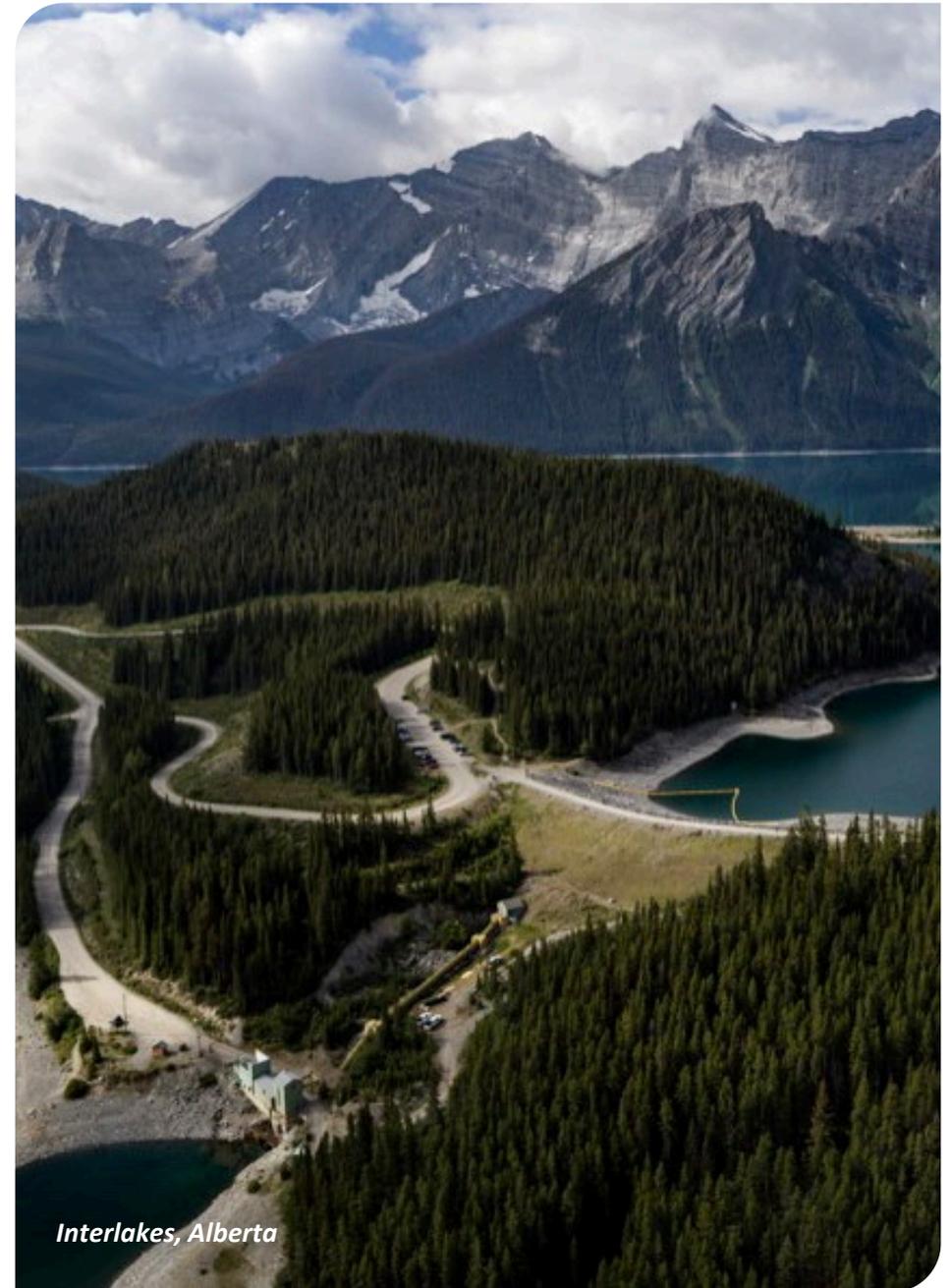
Strategic Priority: Optimize Alberta Fleet



Barrier, Alberta

Key Takeaways

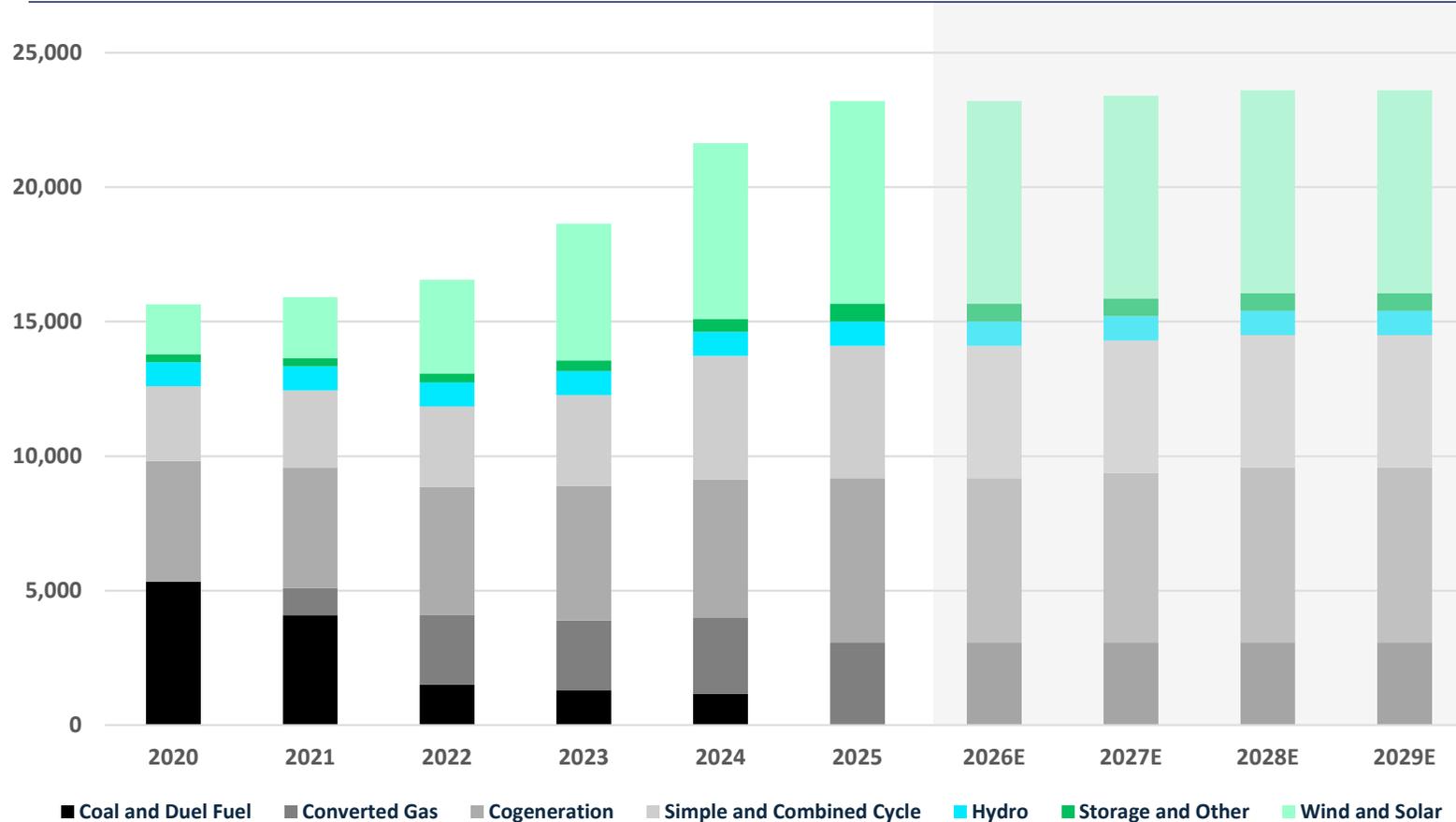
- 1 Evolved our Alberta portfolio and operating approach to capture value**
- 2 Only operator in Alberta with six technologies, enhanced by optimization capabilities**
- 3 Alberta is one of the only North American markets that is long power**
- 4 Load growth will tighten market conditions**
- 5 Well positioned to capture future growth opportunities**



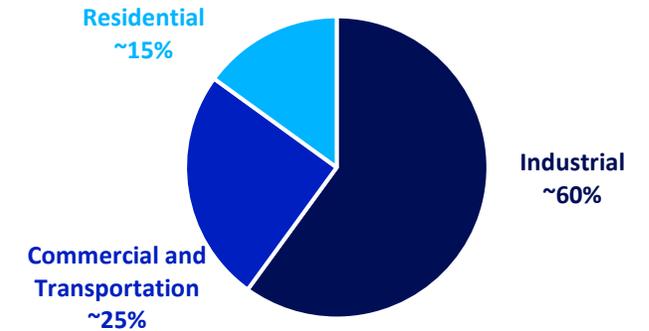
Interlakes, Alberta

Alberta Power Market Overview

Installed Capacity 2020-2029 (MW)¹



2025 Grid Load²



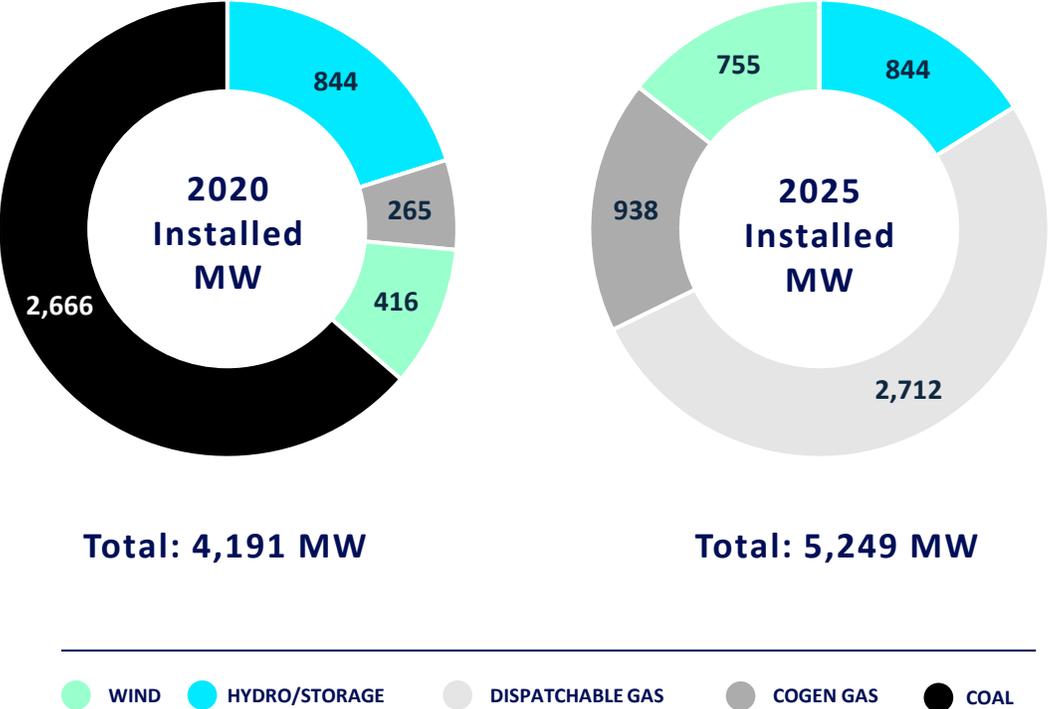
2025 Market Statistics³

- Average Load – 10.3 GW
- Summer Peak – 12.0 GW
- Winter Peak – 12.8 GW

Installed capacity has increased by ~50% since 2020

Our Evolving Position in the Alberta Market

Fleet Evolution



Current Portfolio Position



Hydro/Storage



Wind



Dispatchable Gas



Cogen Gas

Assets	18	13	7	6
	844 MW	755 MW	2,712 MW	938 MW
	Baseload and peaking energy	Intermittent Carbon-free	Peaking/Flexible	Partially-dispatchable
	Ancillary services	Energy only	Energy plus ancillary services	Energy, steam plus ancillary services



Commercial and Industrial Business

Largest provider in Alberta, 90%+ customer retention, ~3-year average contract term



Fleet Rationalization

Longer-term optimization decisions to preserve capital and avoid expenditures



Emissions Credits

Produced and procured credits are utilized at a cost that is lower than the provincial benchmark



Financial Hedges

Provide fleet and cash flow stability; track record of outperformance



Sustaining Capital and Cost Management

Long-term forecasting of production allows for optimization investment in planned maintenance

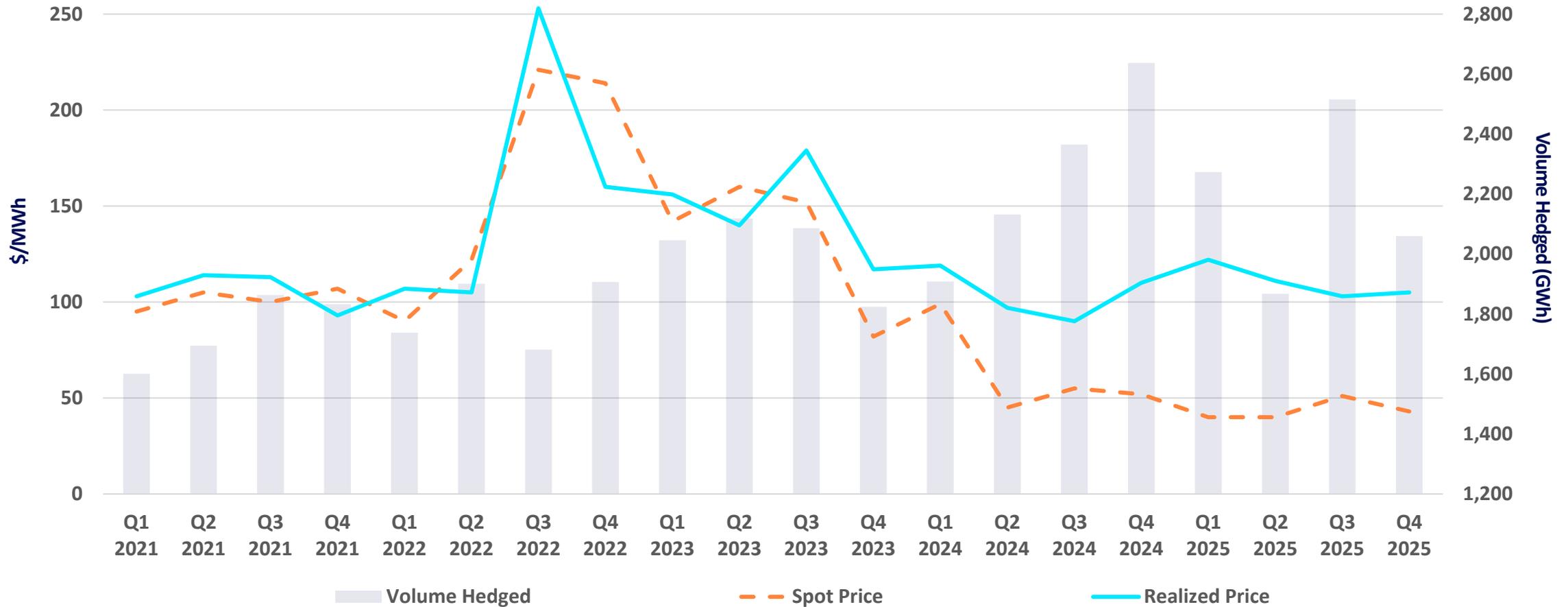


Optimal Dispatch

Actively manage hedge positions with fleet dispatch and power purchases

Best-in-class asset optimization team ensures effective **dispatch**, **reliability** and **portfolio efficiency**

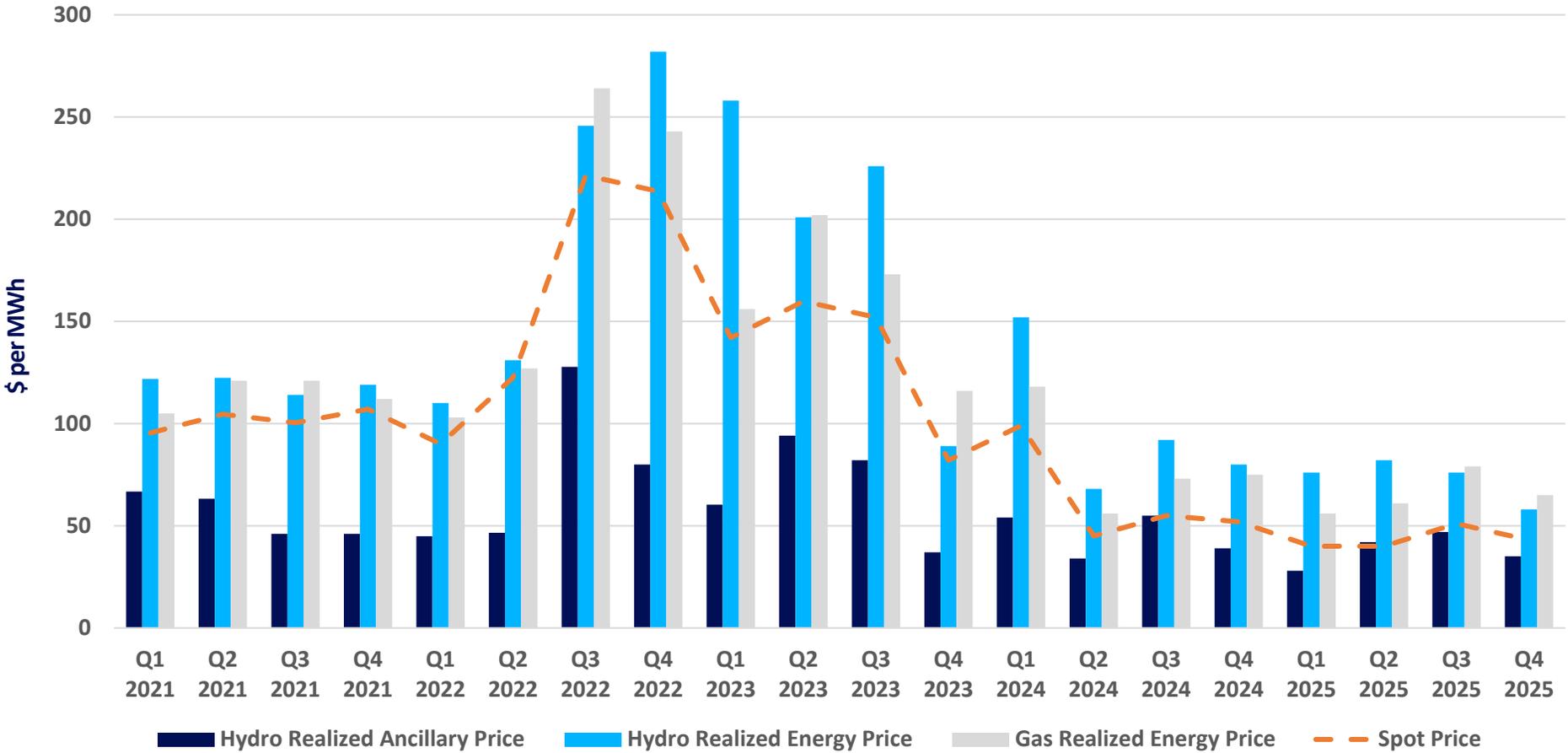
Hedging Strategy Mitigates Downside and Captures Upside



Successfully manage hedged and merchant production in volatile spot market

Portfolio Management Extracts Premium Pricing

Realized energy and ancillary prices



34%¹

Average realized hydro merchant premium to spot

20%¹

Average realized gas merchant premium to spot

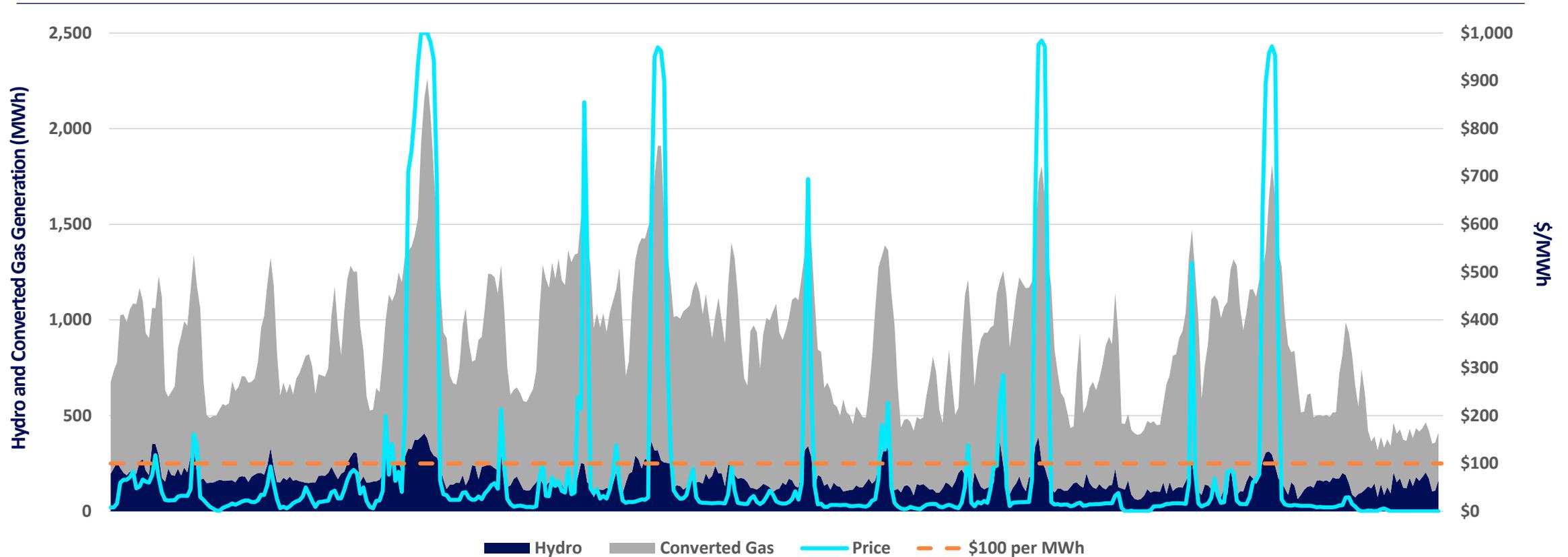
56%¹

Average hydro ancillary services price to spot

Refer to "Slide Notes" for corresponding notations.

TransAlta Fleet Optimized to Meet Reliability Needs

Dispatchable Fleet Response in September 2025¹ (\$ per MWh)



Dispatchable fleet responds when supply tightens

TransAlta Well Positioned for Restructured Energy Market (2028+)



Pricing Framework¹

Offer cap increase from \$999.99/MWh to **\$1,500/MWh** from new market inception to 2032 and then **\$2,000/MWh** from 2032+

Offer floor decreased from \$0/MWh to **-\$100/MWh** from 2032+

Administrative scarcity pricing curves applied to energy and ramping product that **increase price cap to \$3,000/MWh**

Locational marginal prices (nodal pricing) for generators



New Reliability Products and Regulations¹

New 30-minute ramping product

Constructive market power mitigation approach

Financial transmission rights for incumbent generation



TransAlta's Positioning

Higher offer caps allow for the capture of **additional revenues** in tight system conditions

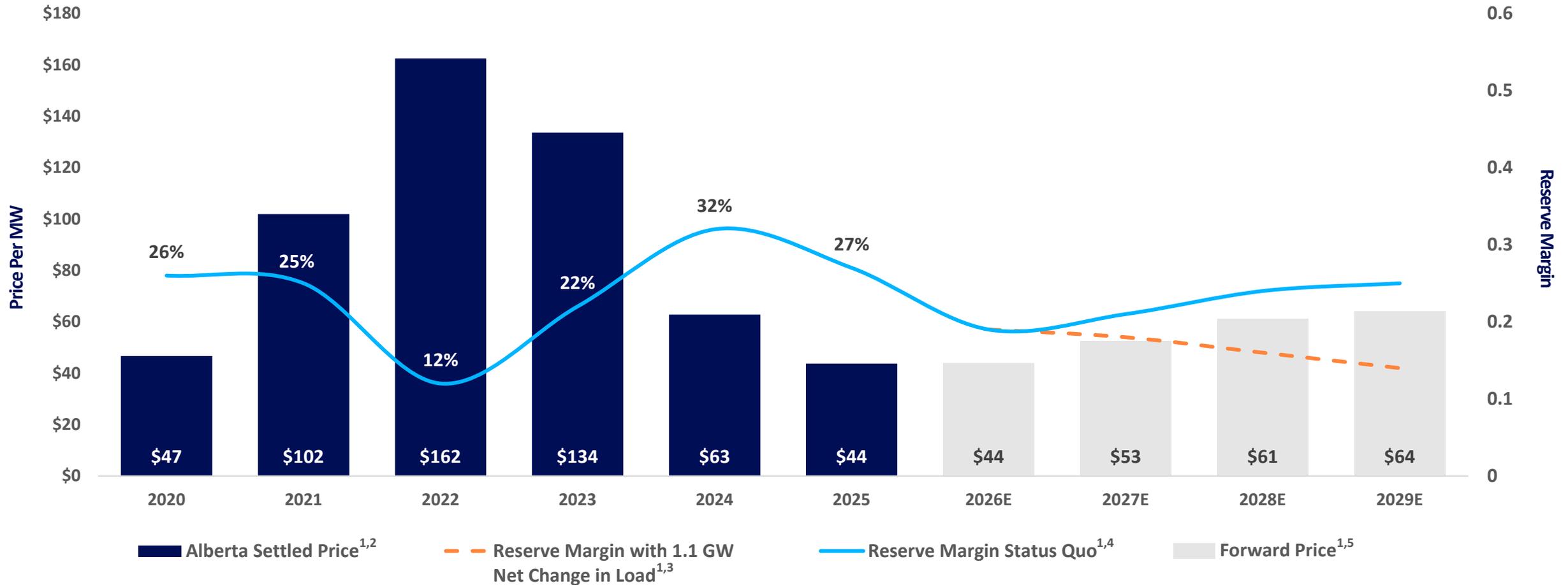
TransAlta's **diversified fleet includes** a significant number of **dispatchable resources** that are **eligible** to provide the 30-minute **ramping product**

Incumbent transition payments **shelter TransAlta's fleet from** the adverse risk of **lower locational marginal pricing**

Provides market with a clear path forward

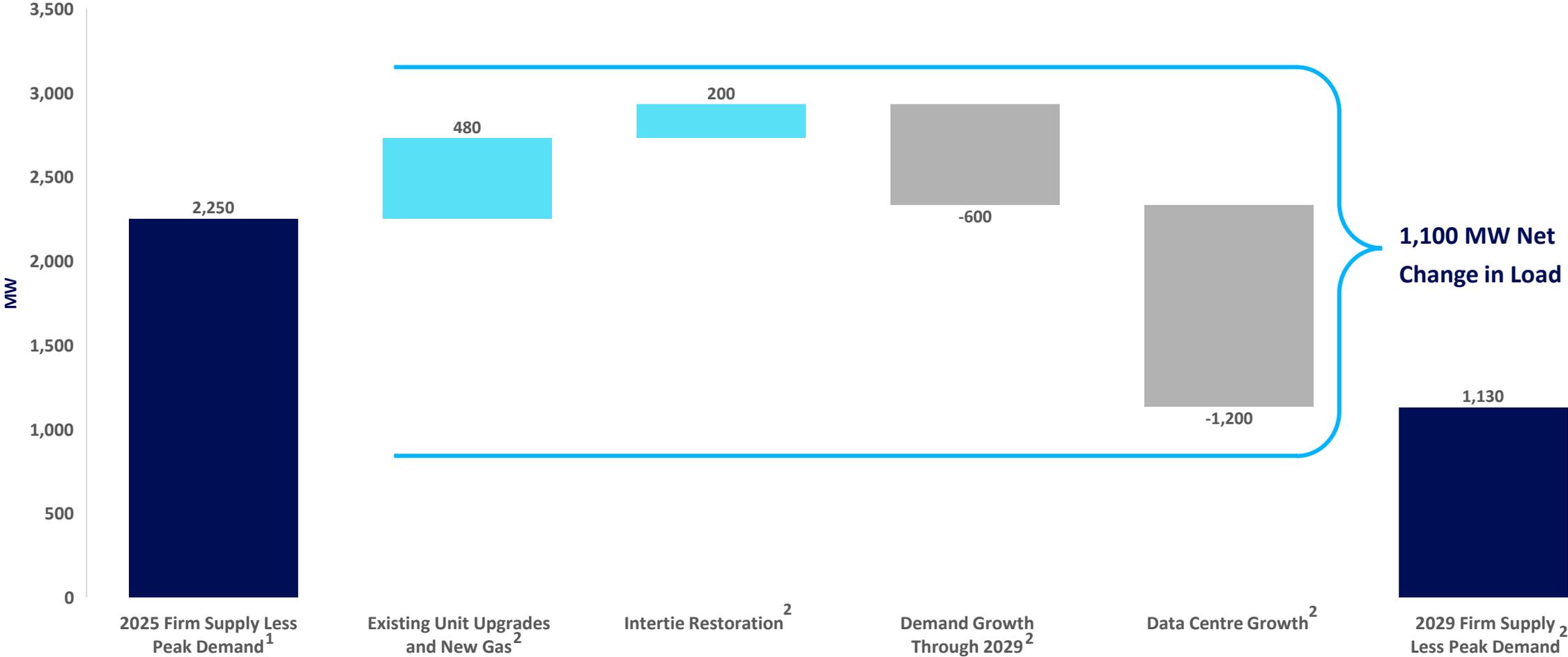
Revised market design favours dispatchable generation

Reserve Margin Tightening



Expected load and lack of new supply accelerates tightening reserve margins which are not yet reflected in the forward price

Potential Supply and Demand Changes 2025 to 2029

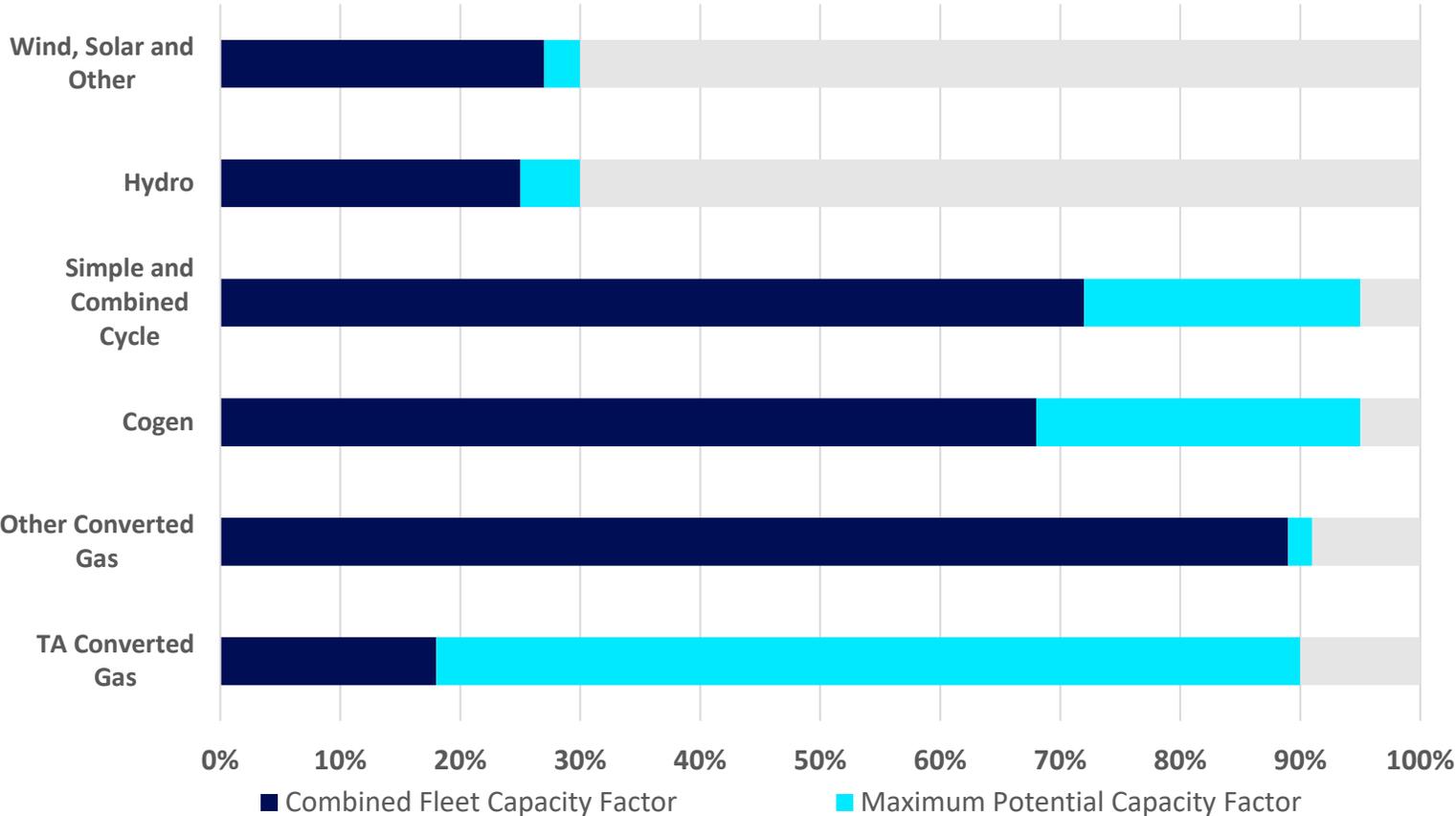


Anticipated demand growth and data centre load outpace near-term supply additions

Refer to "Slide Notes" for corresponding notations.

Role of TransAlta’s Coal-to-Gas Units in the Alberta Market

Alberta Power Market 2025 Capacity¹



Total Installed Capacity ¹	Capacity Limitations
8,223 MW	Limited duration and fuel intermittency
899 MW	Water flow and reservoir capacity
4,973 MW	Economics and unit maintenance
6,137 MW	Industrial requirements
466 MW	Unit maintenance
2,612 MW	Economics and unit maintenance
23,310 MW	

Dispatchable fleet has existing capacity to serve expected load growth

Refer to "Slide Notes" for corresponding notations.

TransAlta's Coal-To-Gas Units Are Flexible and Designed To Operate Above 90%

91.9% 3-year average
availability across CTG fleet

✓ Demonstrated ability to exceed 90%

Unit **operation adjusted to**
current **market demand**

✓ Lower capacity factors are the result of a deliberate strategy that can be adjusted to meet market requirements

3.7% 3-year planned outage
maintenance factor

✓ Planned maintenance outage durations can be optimized to market conditions

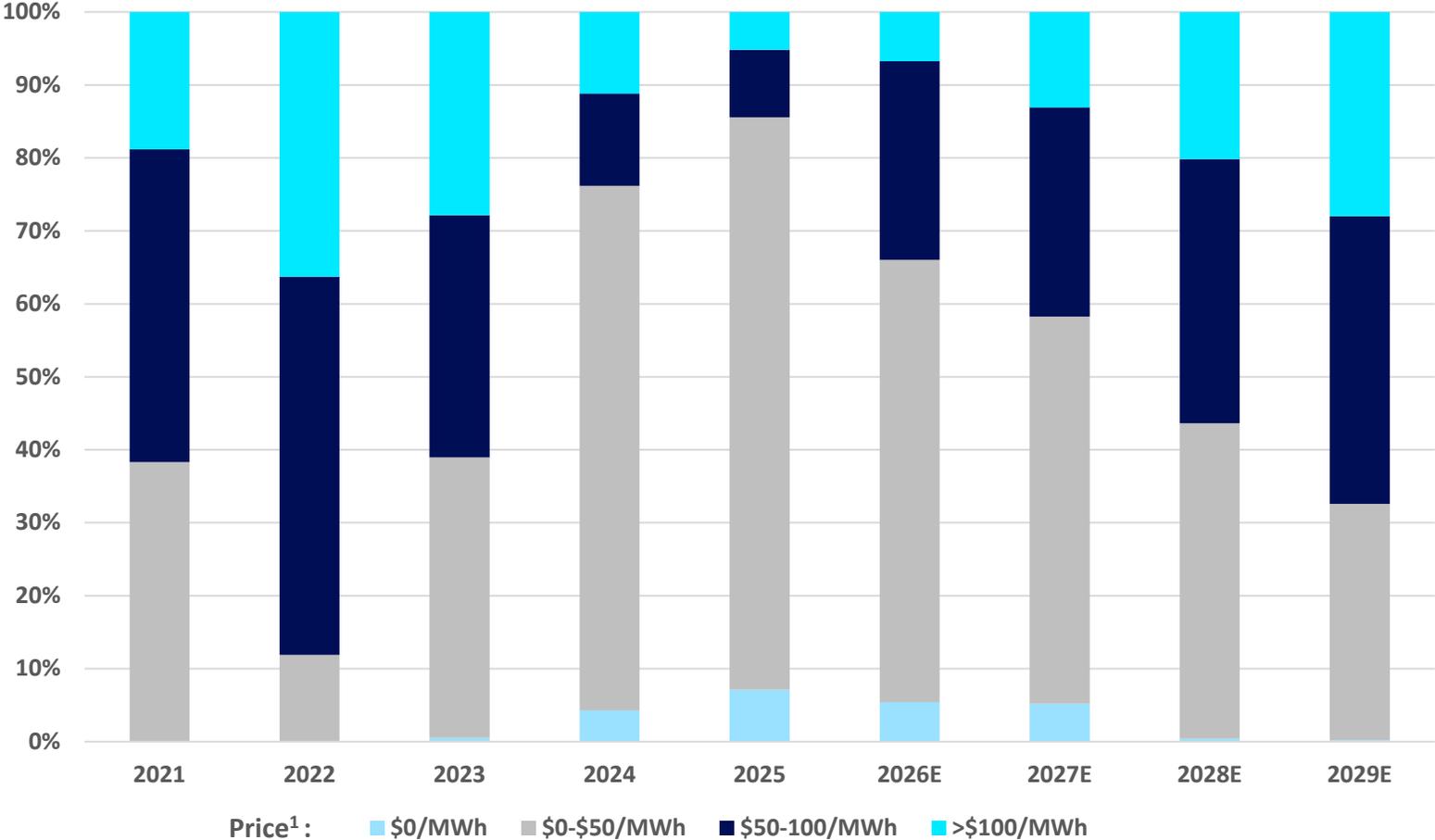
Flexibility improved through unit
modifications and upgrades

✓ Flexible operating modes have improved ability to cycle and lower minimum load



Battle River, Alberta

High-Priced Peaking Hours to Increase as Market Tightens



Number of peaking hours expected to increase



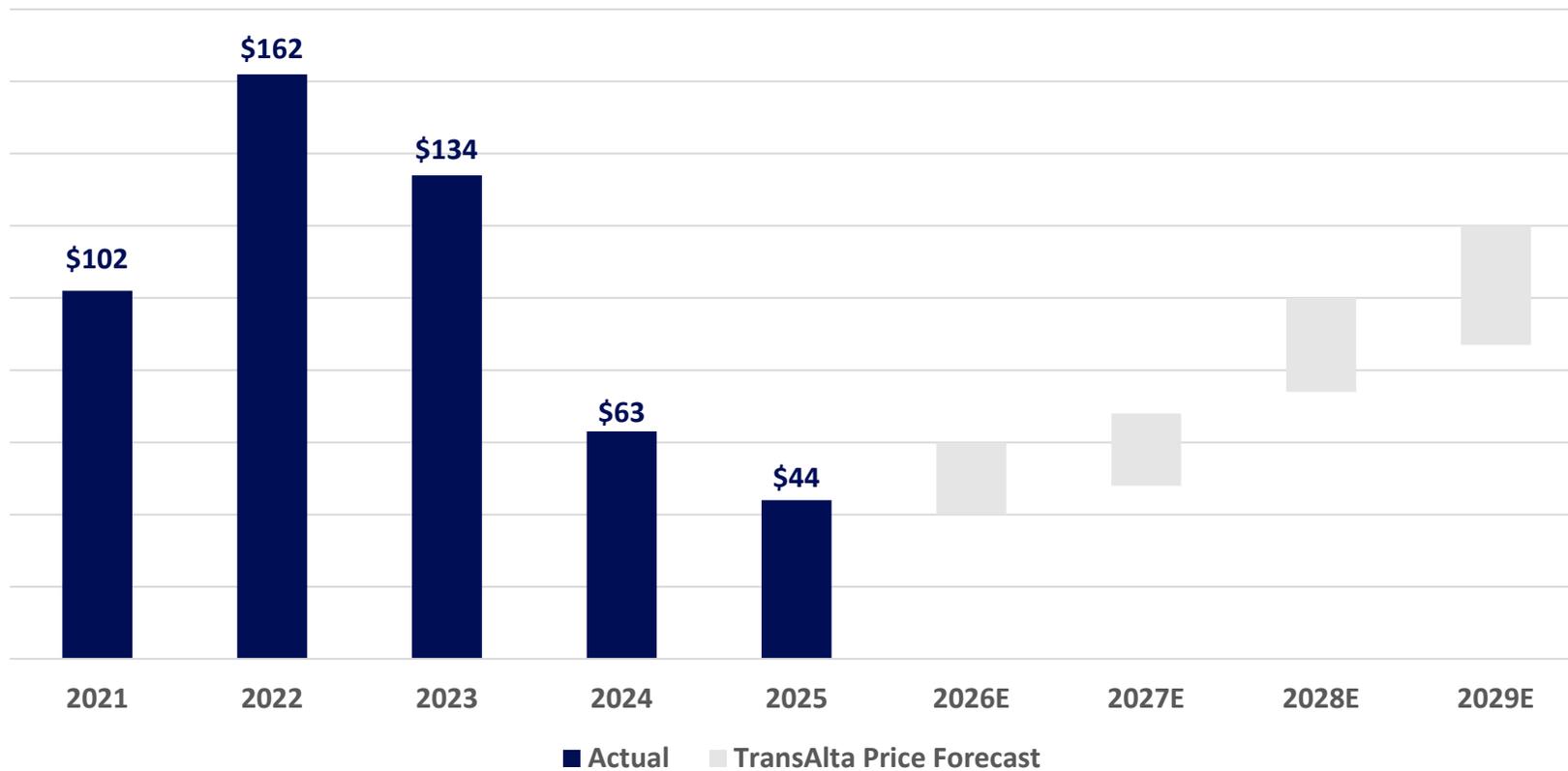
TransAlta well-positioned to respond in tightening market

TransAlta's dispatchable fleet positioned to provide reliability and capture high-priced hours

Refer to "Slide Notes" for corresponding notations.

TransAlta Alberta Power Price Forecast

Actual and forecast annual average power price (\$ per MWh)¹



Annual demand expected to grow at 1.5% per year through 2029 driven by population growth and electrification²



Incremental demand growth of 1.2 GW by 2029 from data centres accelerates market tightening



TransAlta fleet well-positioned to respond in tightening market

Price recovery follows net load increase

Break



Wyoming Wind, Wyoming

Joel Hunter

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



Strategic Priority: Grow with Discipline



Horizon Hill, Oklahoma

Key Takeaways

- 1 Alberta focused data centre strategy**

- 2 Centralia required to support grid reliability in Washington**

- 3 Continue to advance targeted long-term growth opportunities**

- 4 Strong track record of accretive M&A**



Investment Principles



Leverage Core Competencies



Customer Centric



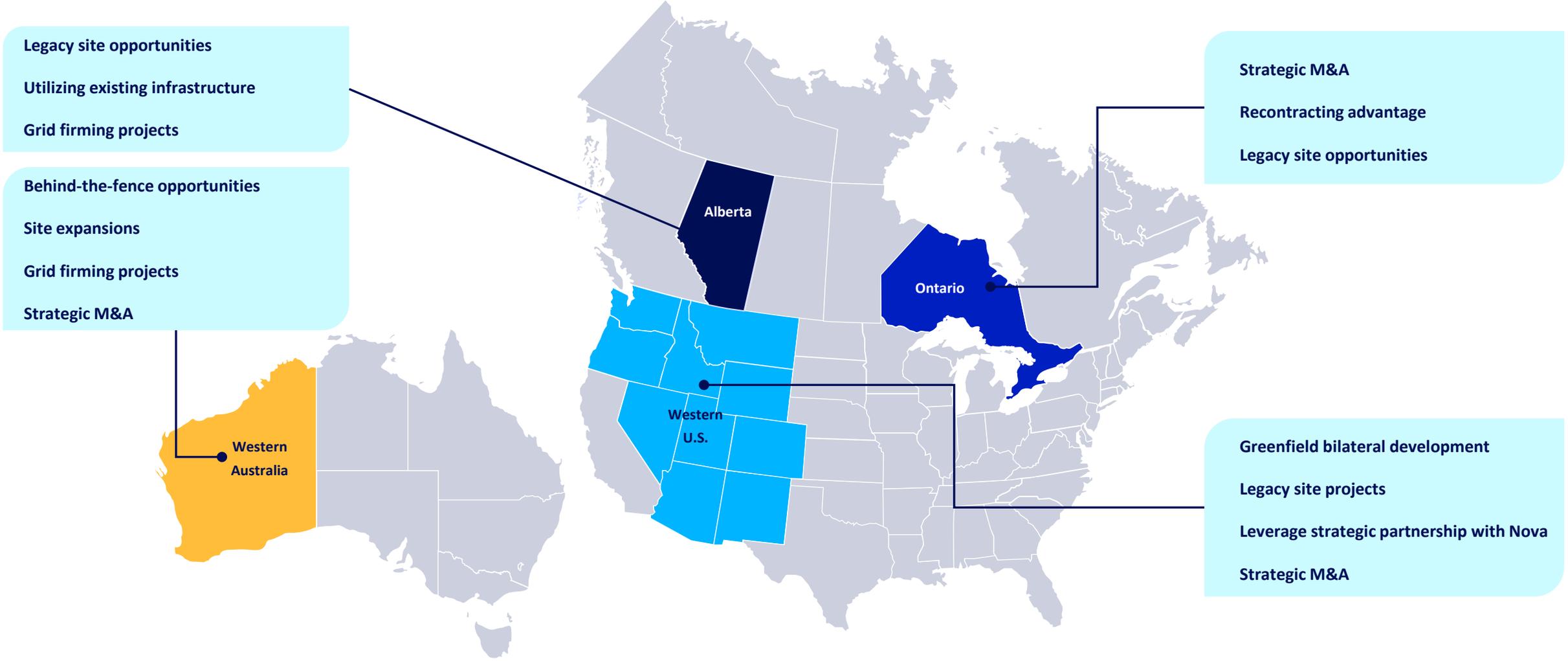
Strategic Geographies



Strong Financial Discipline



Disciplined Growth Focused in Core Regions



Growth opportunities **diversified** across regions and technologies

Alberta Data Centre Advantage



Ample availability of natural gas

- ✓ Existing local gas supply from WCSB



Colder climate with low relative humidity supports lower operating costs

- ✓ Abundant water supply



Supportive regulatory environment

- ✓ Federal and Provincial MOU supports existing and new power generation
- ✓ Province supportive of data centre load

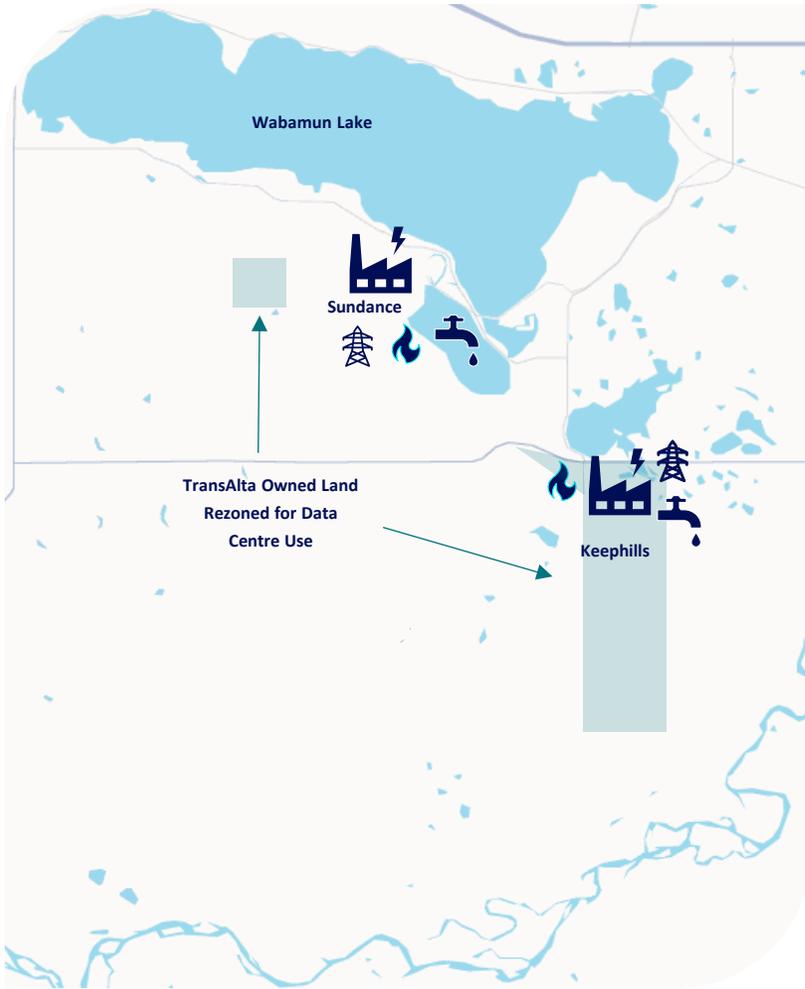
aeso

Deregulated power market

- ✓ Data centre operators allowed to enter into agreements directly with power producers
- ✓ Transmission in region built for a much larger operating footprint due to retired units

TransAlta is uniquely positioned to capture data centre load growth

Data Centre Memorandum of Understanding



Location	Keephills	Counterparties	CPP Investments and Brookfield
Phase I	230 MW	Fuel	Grid+
Phase II	Up to 1 GW ¹	Phase I COD	2027+



Available transmission interconnection



Existing gas lines to Keephills



Existing water rights and available cooling infrastructure



Longstanding community relationships



Over 2,500 acres of land rezoned to enable data centre development



Phase II opportunity

Keephills is a strategic platform to scale digital infrastructure in Alberta

Advancing Generation Alternatives for 2030+

Repowering Development Projects



Keephills 1 Repower

Location	Keephills, Alberta
Capacity	~800 MW
Fuel	Natural Gas
Technology	2x1 Combined Cycle



Sundance 5 Repower

Location	Sundance, Alberta
Capacity	~800 MW
Fuel	Natural Gas
Technology	2x1 Combined Cycle

Advanced Staged Development Project



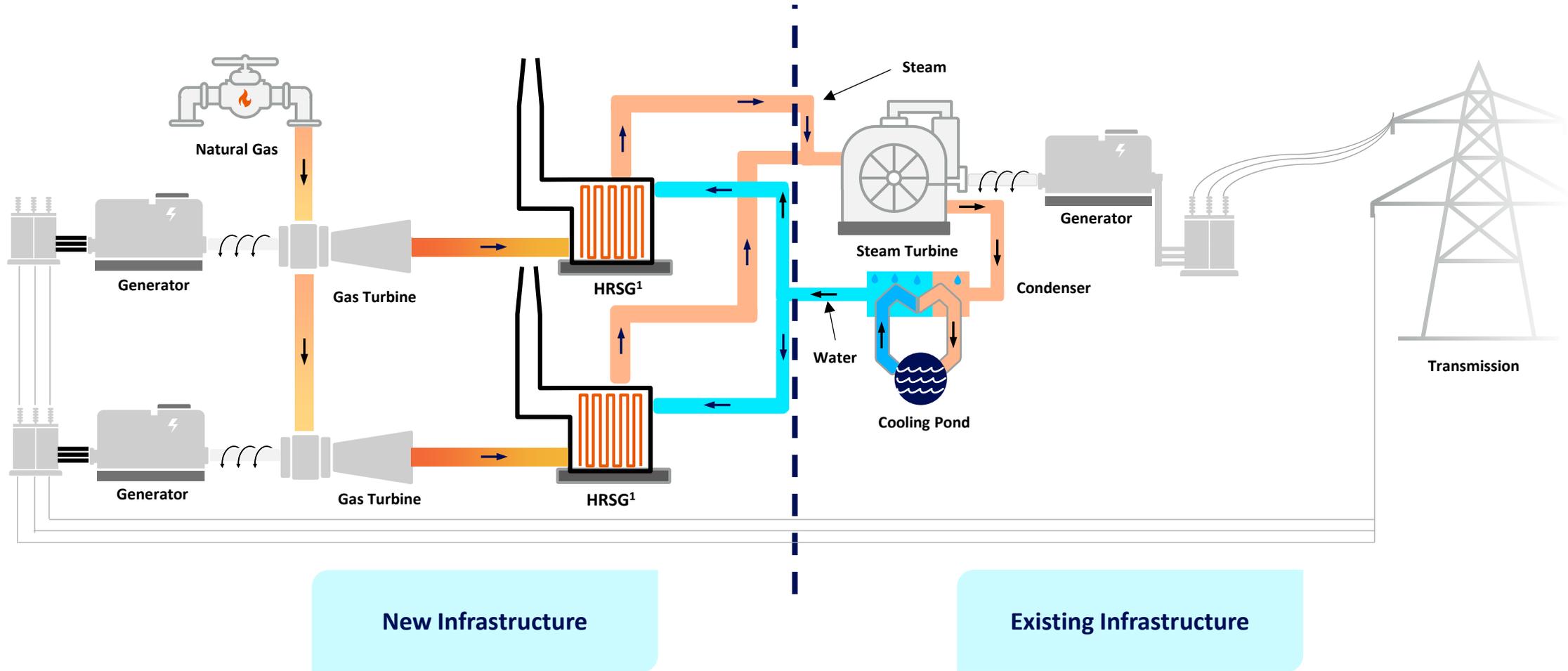
Flipi Gas Plant

Location	Rimbey, Alberta
Capacity	460 MW
Fuel	Natural Gas
Technology	Combined Cycle

Development projects submitted as **Planned Units** under CER

Repowerings would **utilize existing infrastructure**

Repowered Combined Cycle Projects Leverage Recently Retired Facilities



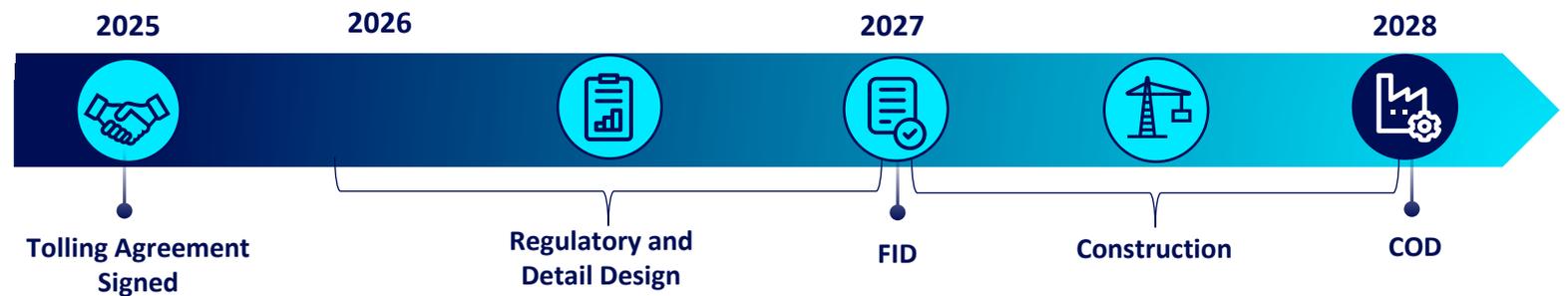
Centralia Coal-To-Gas Conversion



Centralia, Washington

Location	Centralia, Washington	Fuel	Natural Gas
Capacity	~700 MW	Customer	Puget Sound Energy
Term	16 years	Capital	~US\$600 million
COD	H2 2028	Build Multiple¹	~5.5 times

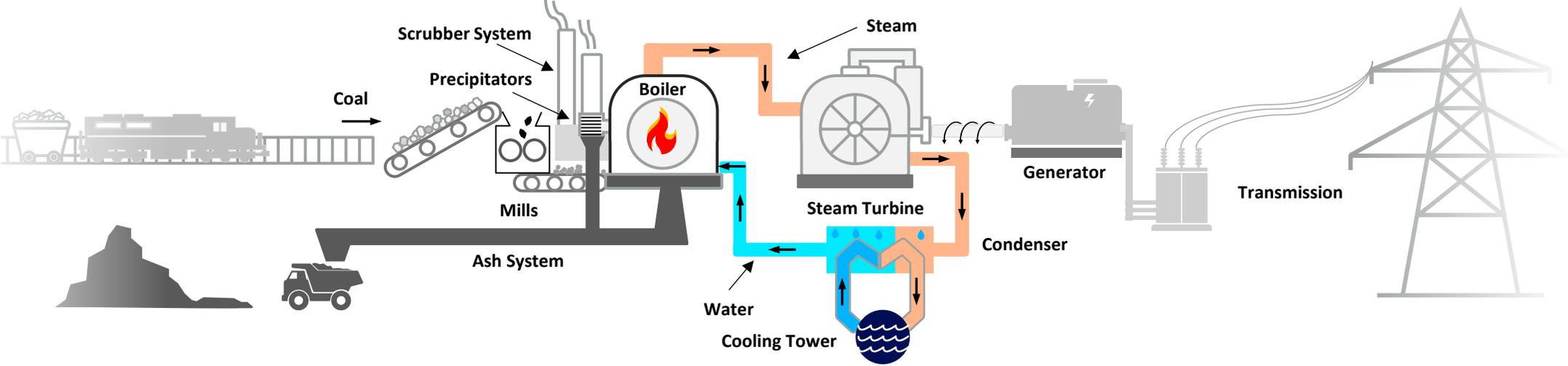
- ✓ Unique power solution to support critical reliability in the region
- ✓ Permits submitted, preliminary engineering and initial cost estimates complete
- ✓ Puget Sound Energy submitted rate case in Q1 2026
- ✓ Fully contracted, stable and predictable cash flows



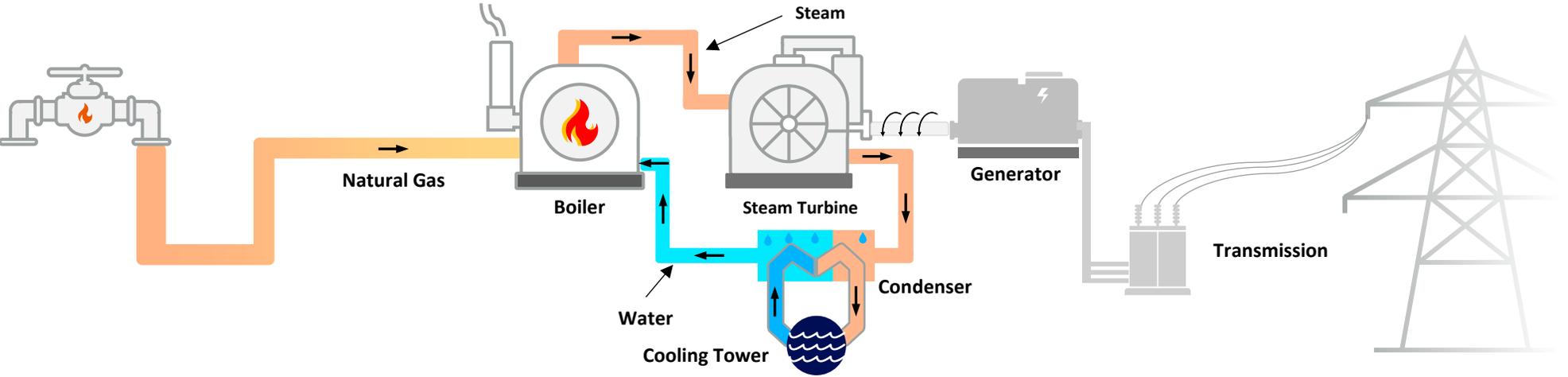
Refer to "Slide Notes" for corresponding notations.

Centralia Will Be Simplified Through Boiler Conversion

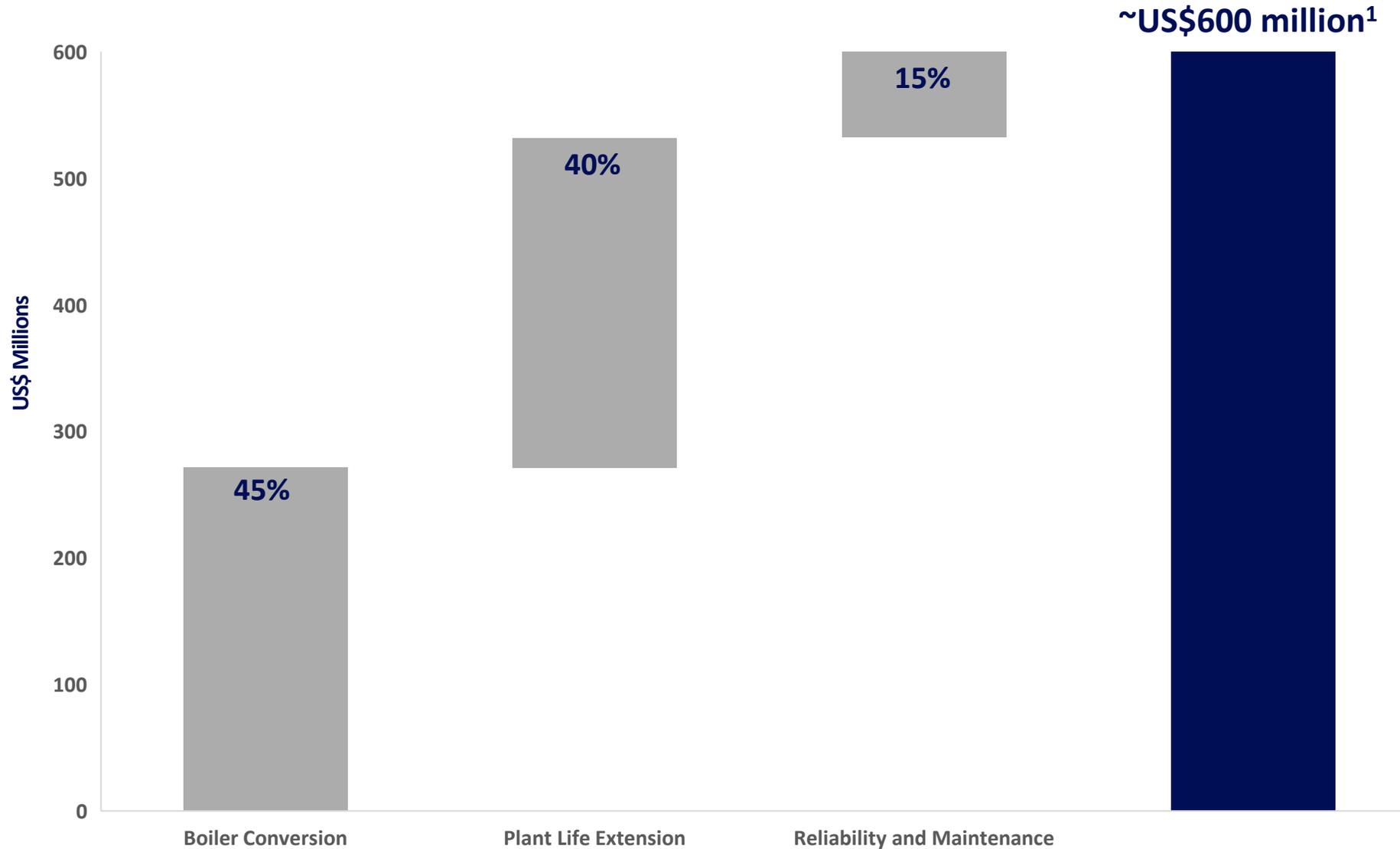
Coal Operation



Coal To Gas Boiler Conversion



Centralia Capital Profile

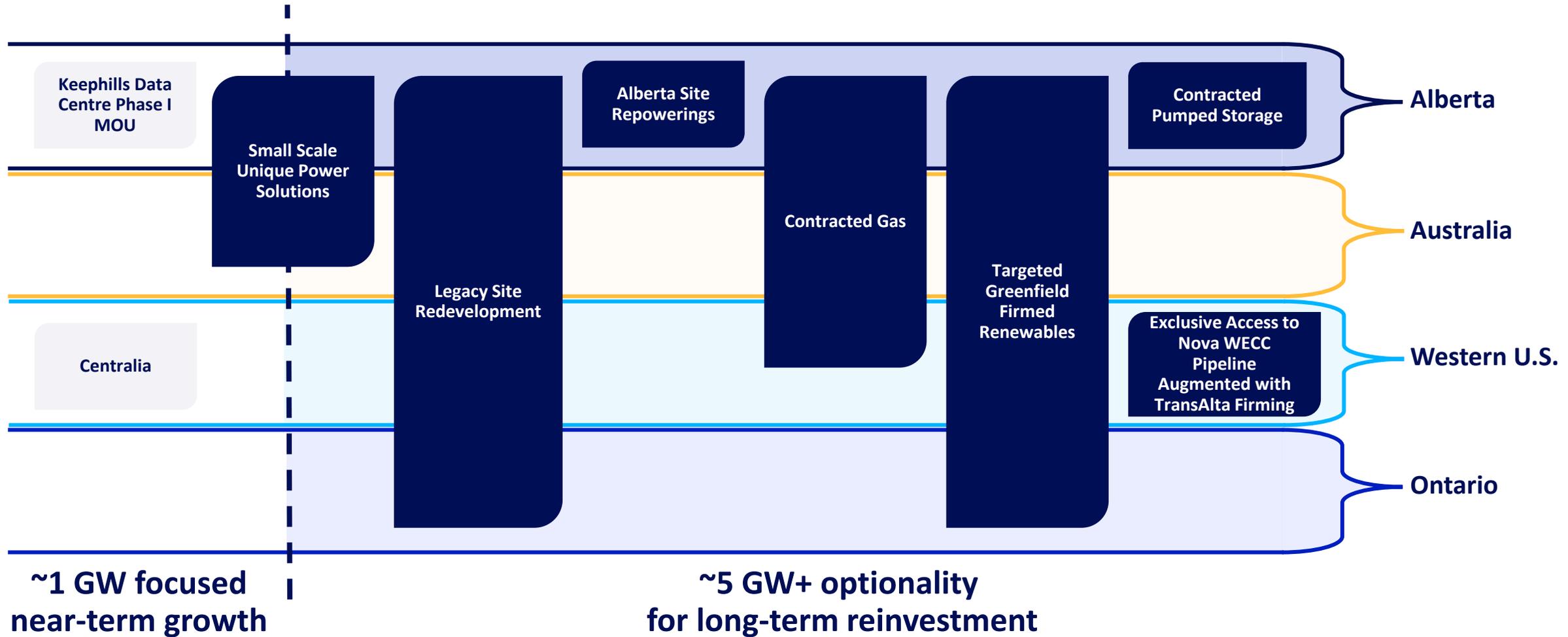


Capital costs expected to be fully recovered with return within contract period

In-house expertise on coal-to-gas conversions

Equipment required for conversion is not subject to significant supply chain constraints or bottlenecks

Growth Opportunities Leveraging Core Competencies



Development pipeline provides optionality for disciplined reinvestment as market conditions evolve

Merger and Acquisition Strategy

Criteria	TransAlta M&A 2023 to Current		
	Far North	Heartland	TransAlta Renewables
Strategic Rationale	✓ Assets attractively positioned for recontracting and growth with land optionality	✓ Contrarian view ahead of recalibration on thermal generation value	✓ Simplified corporate structure and increased contractedness
Achieve risk adjusted hurdle rates	✓ \$306 per kW	✓ \$270 per kW 5.4x multiple ¹	✓ Cash retention, capital efficiency and corporate synergies
Accretive on a free cash flow per share basis	✓ Immediately accretive	✓ Immediately accretive	✓ Immediately accretive
Majority contracted or path to contractedness	✓ ~68% contracted	✓ ~60% contracted	✓ ~85% contracted ¹
Leverage competitive advantages	✓ Energy Marketing and Trading capabilities	✓ Portfolio Management and Optimization	✓ Enhance financial flexibility
Technology in-strategy	✓ Gas	✓ Gas	✓ Gas, Wind, Hydro, Solar, Battery
Primarily focused in core operating/growth geographies	✓ Ontario	✓ Alberta	✓ Canada, U.S. and Australia

Criteria for M&A is disciplined and focused on long-term value for shareholders

Strategic Priority: Enhance Financial Flexibility

transalta

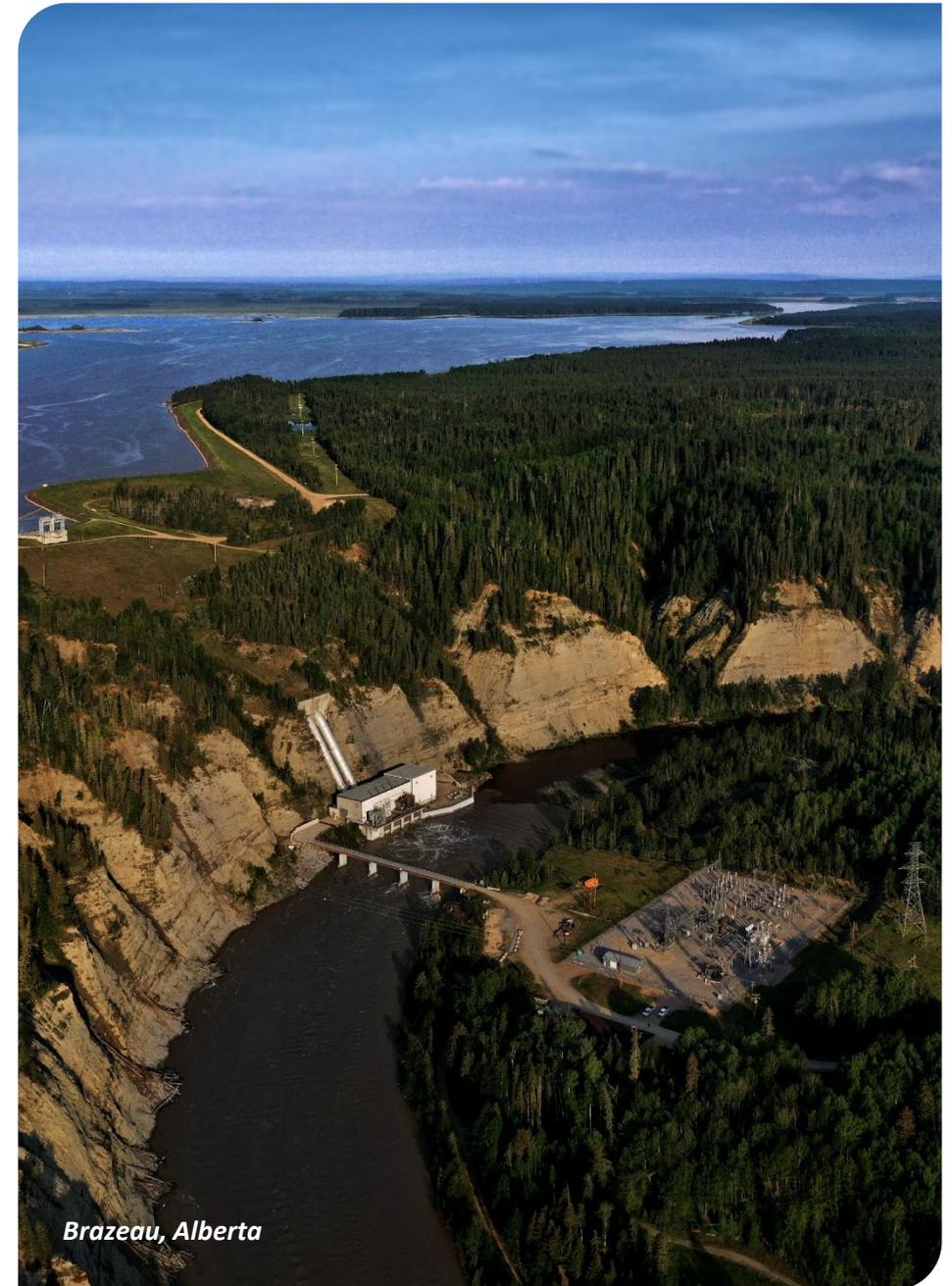
Calgary, Alberta

Key Takeaways

1 Strong financial position

2 Alberta data centres and Centralia drive attractive EBITDA growth for future capital allocation

3 Diverse set of funding levers are available



Financial Tenets

- 1 Invest in largely contracted assets with creditworthy counterparties that generate predictable and sustainable cash flow
- 2 Finance long-term assets with long-term capital; flexibility to fund at the corporate and asset level
- 3 Maintain BB+ credit ratings¹ in the near-term, with a path to BBB longer-term
- 4 Inherent value in simplicity and understandability of corporate structure
- 5 Disciplined capital allocation and cost control
- 6 Active engagement with capital markets participants
- 7 Proactive approach to portfolio management, monetizing value as funding lever

Adherence to financial tenets enhances financial strength and flexibility

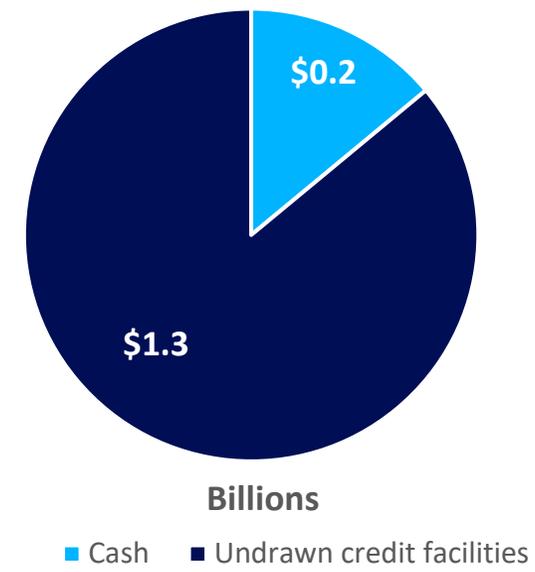
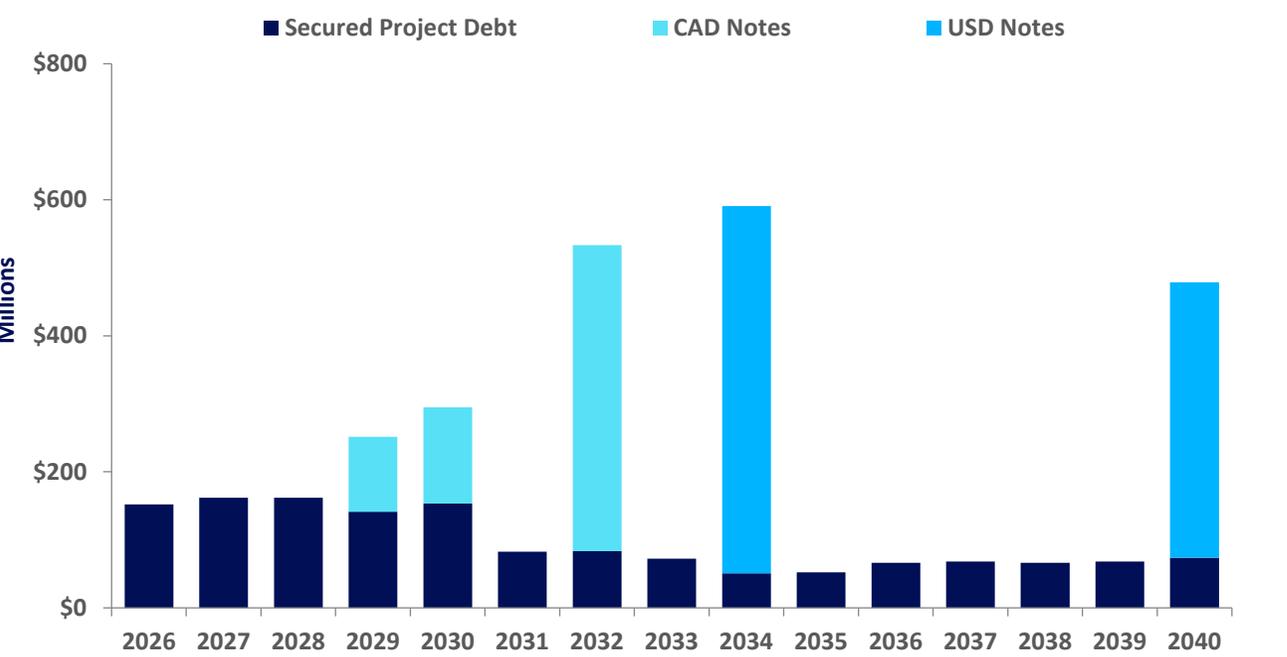
Balance Sheet Overview



Supportive Debt Maturity Profile



Significant Access to Capital



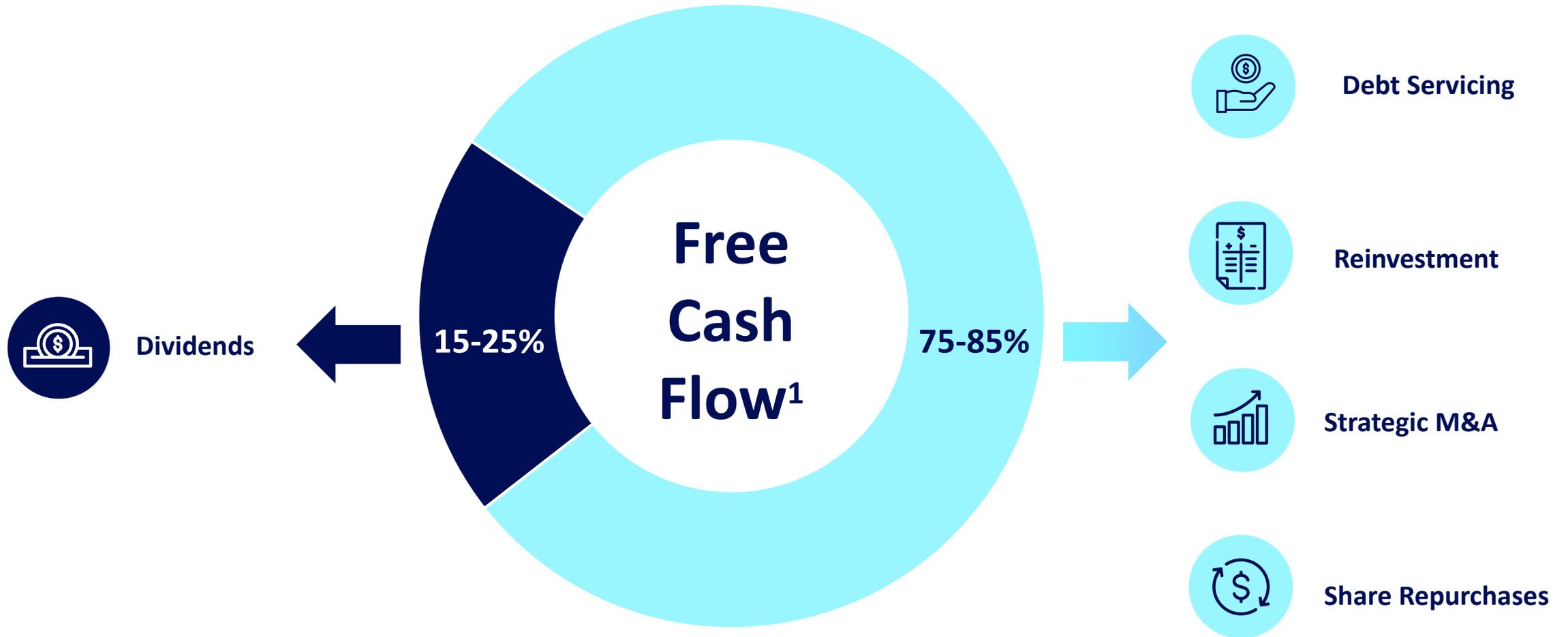
Credit Ratings¹ **BB+, Ba1 and BBB (low)**

Long-Term Debt/EBITDA Target² **3.0 - 4.0x**

Liquidity **~\$1.5 billion**

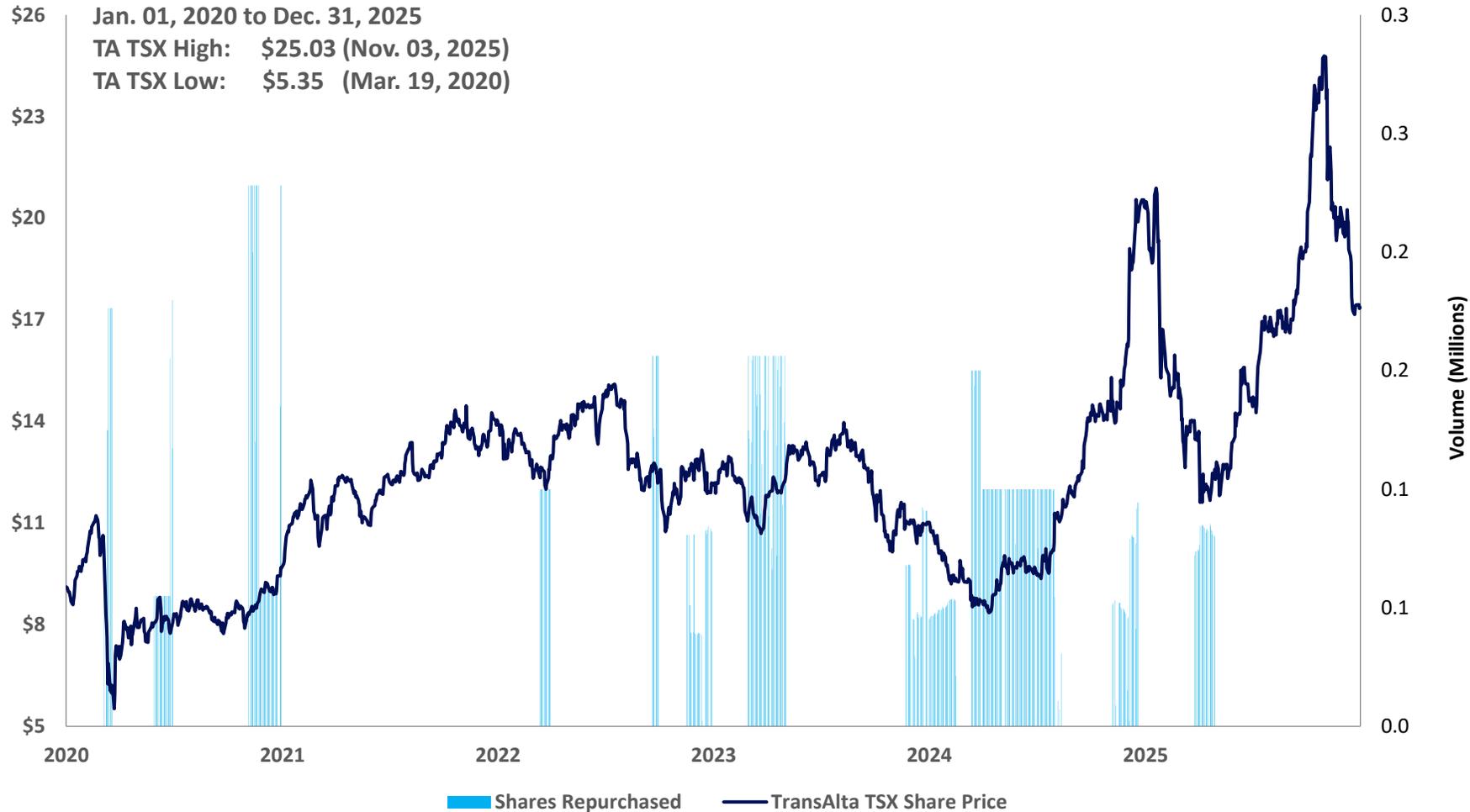
Refer to "Slide Notes" for corresponding notations.

Capital Allocation Maximizes Shareholder Value



Low dividend payout allows for **flexibility** in capital allocation

Strong Record of Disciplined Return to Shareholders

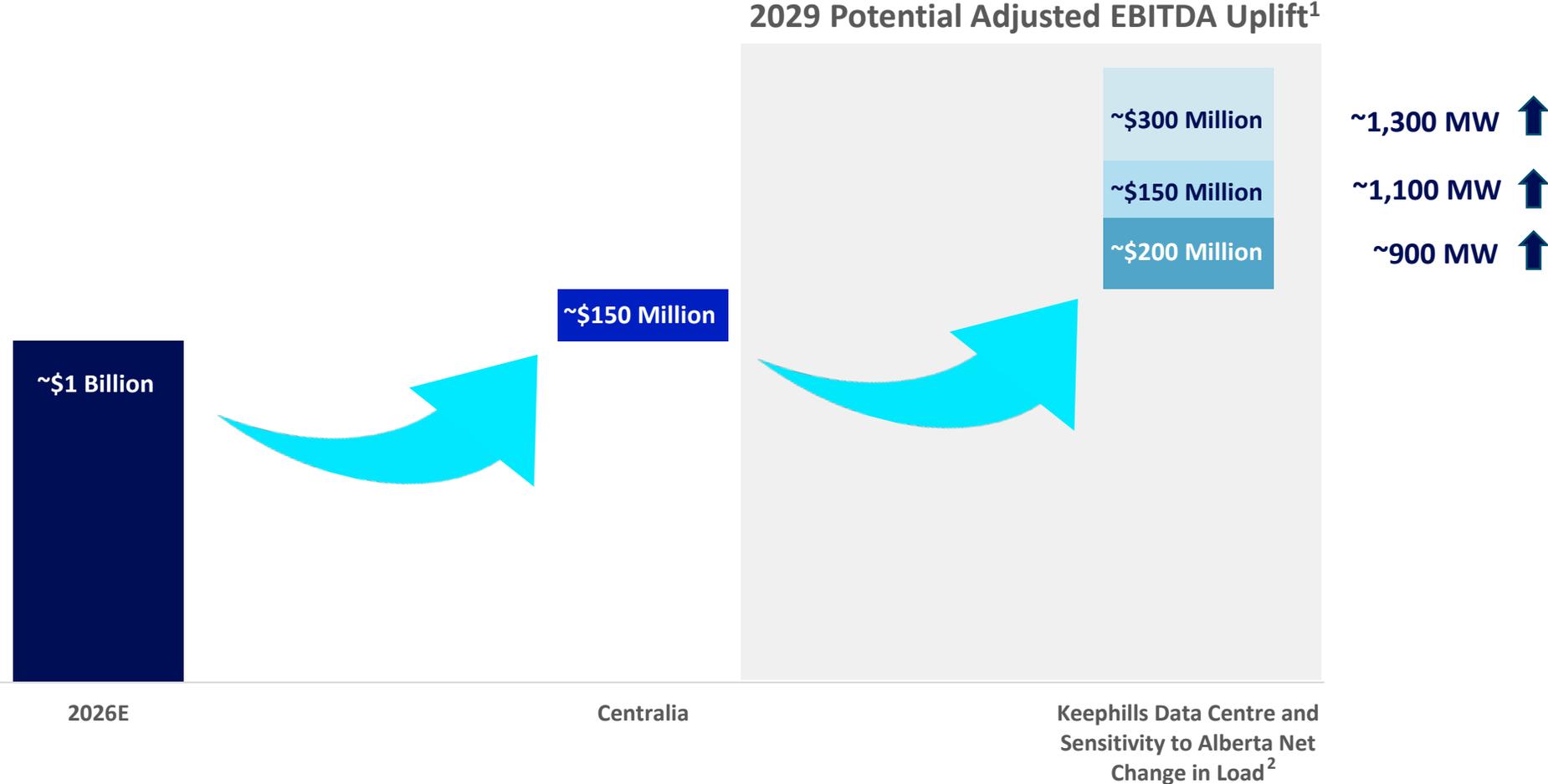


\$366 million in shares repurchased from 2020 through 2025

Average repurchase price of \$10.57 per share

Repurchase shares based on valuation and alternate uses of capital

Potential Impact of Alberta Load Growth and Centralia to 2029 Adjusted EBITDA



Centralia and Phase I data centre would **increase contracted cashflows**

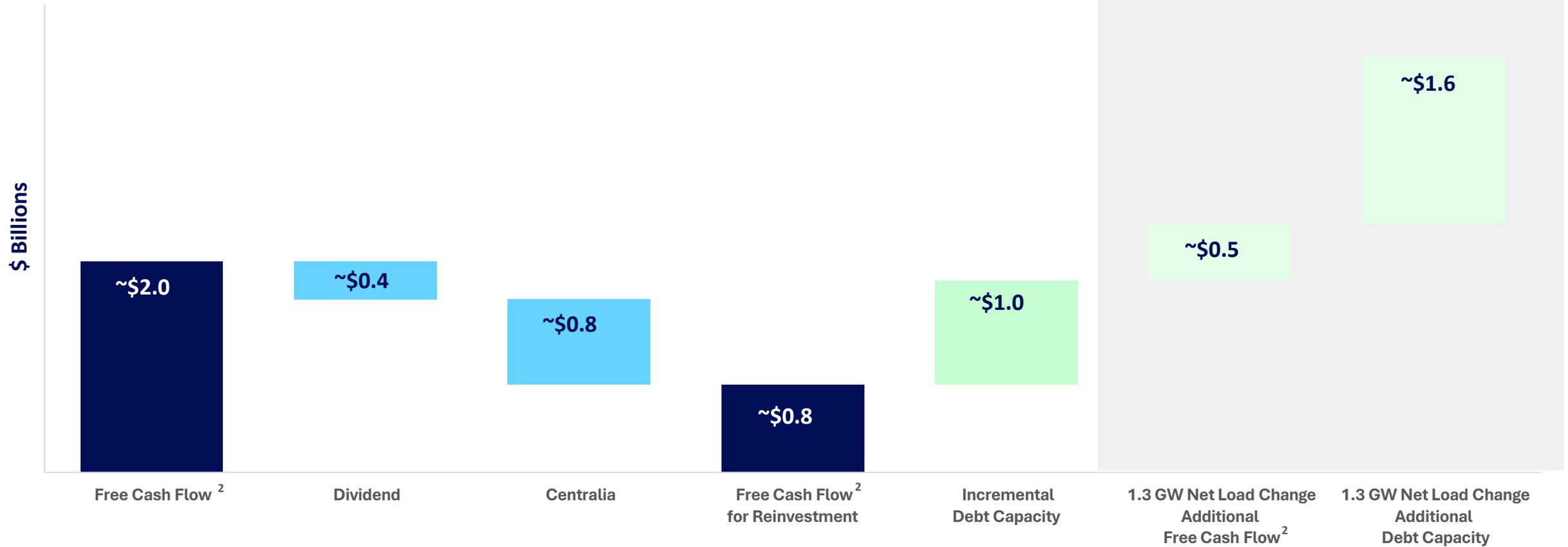
Potential for merchant adjusted EBITDA uplift with load increase in Alberta

Refer to "Slide Notes" for corresponding notations.

Sources and Uses 2026-2029

900 MW Net Load Change Alberta

1,300 MW Net Load Change Alberta¹



Free cash flow and debt capacity in the later part of the decade provides opportunities for further investment

Opportunities for Capital Redeployment



Phase II Alberta
Data Centre



Additional Legacy Site
Opportunities



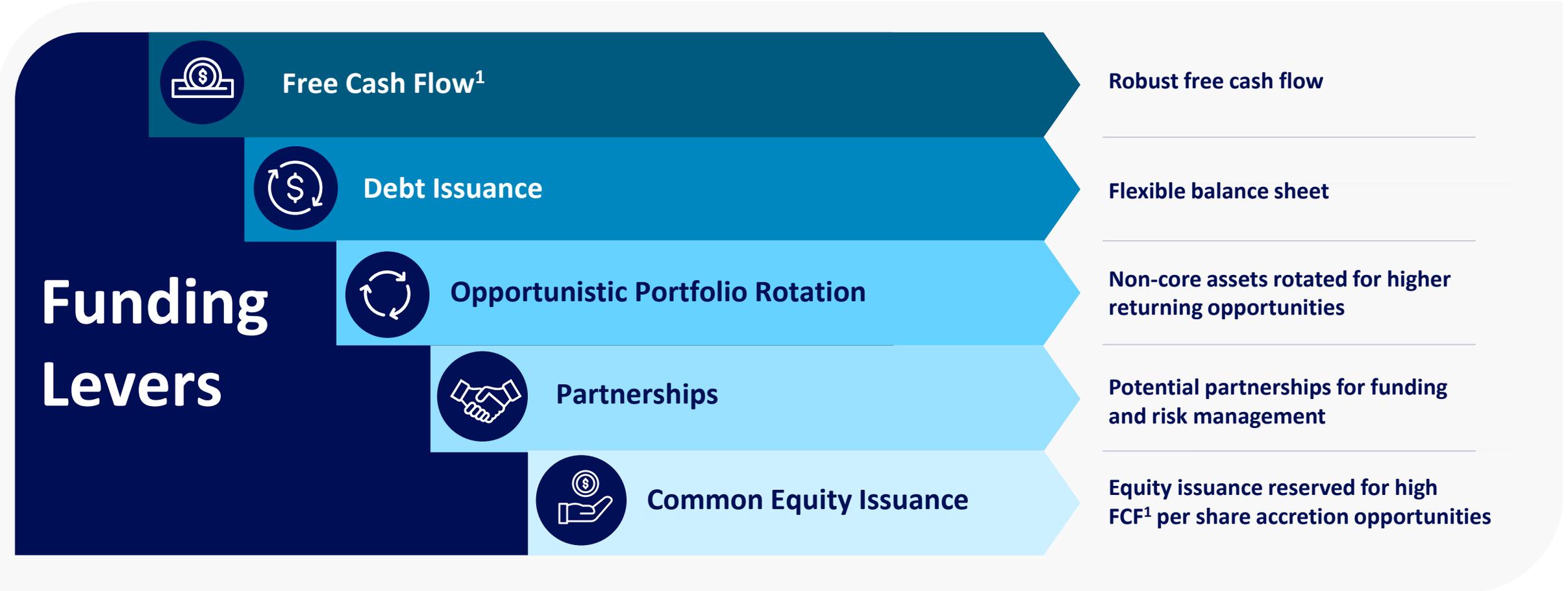
Greenfield Growth



Strategic M&A

Investment will be targeted to **attractive risk-adjusted return** opportunities
or returned to shareholders

Diverse Sources of Capital



Closing Remarks

Spray, Alberta

Strategic Priorities

Operate with excellence to maximize value of our base business



Safe reliable operations



Optimize Alberta fleet



Enhance financial flexibility

Grow with discipline to maximize value for shareholders



Advance legacy site projects



Pursue accretive M&A



Develop greenfield projects



Keephills, Alberta

Our Value Proposition



Safe and reliable operator



Diversified portfolio



High potential legacy energy campuses



Positioned for growth



Financial strength and flexibility

transalta™ Questions and Answers



John Kousinioris

**President and
Chief Executive Officer**



Joel Hunter

**EVP, Finance and
Chief Financial
Officer**



Nancy Brennan

**EVP, Legal, External
Affairs and Corporate
Secretary**



Chris Fralick

EVP, Generation

Appendix



Castle River, Alberta

Operations Underpinned by a Leading Energy Marketing Team

Capabilities Across Major North American Markets

	Electricity	Natural Gas	Emissions	
Markets	NWPP, CAISO, SPP, SWPP, IESO, ISO-NE, NYISO, PJM, MISO, ERCOT	Canada and U.S.	Canada and U.S.	
Products	Execution for TransAlta and third-party assets	✓	✓	
	Origination and structured products	✓	✓	
	Real-time trading	✓	✓	-
	Term trading	✓	✓	✓
	Congestion trading	✓	-	-
	Transmission / transportation	✓	✓	-
	Options	✓	✓	✓

Sophisticated Infrastructure and Controls

Front Office
Trading, origination, scheduling and analysis

Mid Office
Risk, credit, trade confirms and trading compliance

Back Office
Finance, settlements and legal

Positioned to deliver value in all market conditions

TransAlta's Existing Technologies

Technology	Cost of Installation	Levelized Cost of Electricity	Asset Life	Return Profile	In Strategy	TransAlta's Position
Wind	Low	Low	Medium	Medium-long	✓	Require long-term contracts with credit-worthy counterparties
Solar	Low	Low	Short-medium	Medium-long	✓	Existing operations, new solar has challenging returns
Hydro	High	Medium	Very Long	Long-term	✓	Proven operator; however, it is challenging to find new sites and the development cycle is long
Battery	Low	Low	Short	Short-term	✓	Shorter asset life requires higher returns to match risk profile
Simple Cycle	Medium	High	Medium	Short-term	✓	Dispatchable generation that firms reliability and hybrid solutions
Combined Cycle	Medium-high	Medium	Long	Medium-term	✓	Supply-chain constraints increase costs and extend construction timelines
Cogeneration	Medium-high	Medium	Long	Medium-term	✓	Requires unique customer solution for steam and electricity offtake
Gas-fired steam	Medium	High	Long	Medium-term	✓	Provides speed-to-power and is dispatchable for customers and markets in which we operate

● Beneficial Attribute
 ● Challenging Attribute

Other Technologies That Are Monitored

Technology	Cost of Installation	Levelized Cost of Electricity	Asset Life	Return Profile	In Strategy	TransAlta's Position
Pumped Storage	High	Medium	Long	Long-term		Cost of installation is high, requiring long-term contracts to proceed to construction
Large Nuclear	Very High	High	Long	Long-term	Monitoring	Expensive to build and maintain; not within our current scope
SMR	Very High	Very High	Long	Long-term	Monitoring	Developing technology that is expected to become more cost-effective over time
Hydrogen	High	Very High	Medium	Long-term	Monitoring	Developing technology that may become more cost-effective over time

● Beneficial Attribute
 ● Challenging Attribute

Valuable Hydro and Storage Portfolio



Long life hydro assets are **dispatchable** and provide **critical reliability** for the province



Key supplier of ancillary services



Growth in data centre demand, population, electrification and energy imports are all supportive of long-term hydro valuation



Enhancing conventional hydro with battery storage **expands optionality**



Key supplier of **emissions credits** for Alberta portfolio management



Bighorn
120 MW



Brazeau
350 MW



Bow River
320 MW



WindCharger
10 MW

Valuable Dispatchable Gas Portfolio



Converted gas assets capacity is retained to operate in the **high-value part** of the offer curve and have upside potential from forward market opportunities



290 MW peaking gas assets **acquired through Heartland transaction** are **fast-responding and increasingly valuable** with intermittent generation



Our **flexible units** cover the entire dispatch curve



Supplier of ancillary services for the province



Key assets needed for **market reliability**



Valley View
100 MW



Sundance
401 MW



Keephills
861 MW



Joffre
190 MW¹



Battle River
550 MW



Sheerness
600 MW

2026 Outlook

(\$ millions)	Range
Adjusted EBITDA ¹	950 to 1,050
FCF ¹	350 to 450
FCF (\$/share) ¹	1.18 to 1.51
Energy Marketing Adjusted Revenues ¹	110 to 130
Sustaining Capital ²	140 to 160

Market	Range
Alberta spot (\$/MWh)	40 to 60
AECO gas price (\$/GJ)	2.65 to 3.15

Contracted fleet and strong hedge position provide stable cash flows

\$1 per MWh change in spot price ~\$2 million impact on adjusted EBITDA¹

2026 Priorities



Financial and Operational

Adjusted EBITDA¹ of \$950 - \$1,050 million

FCF¹ of \$350 - \$450 million

Dividend of \$0.28 per share

Improve leading and lagging **safety performance**

Optimize the Alberta merchant fleet

Fleet availability of **92.7%**



Strategic Priorities

Advance **Alberta data centre** project

Advance **Centralia Unit 2** conversion

Pursue **strategic M&A**

Enhance **financial strength** and **flexibility**

CEO and CFO transition

Progress sustainability targets

Executing strategic initiatives

Continued **strong performance** from **diversified portfolio**

Company **positioned for growth**

Slide Notes

Slide 8

- (1) Enterprise value and market capitalization based on the share price as of close on March 20, 2026
- (2) Free cash flow and adjusted revenue are non-IFRS measures, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information

Slide 10

- (1) As of December 31, 2025, Annual Report

Slide 11

- (1) As of December 31, 2025. Investment ratings of counterparties are per S&P and Moody's methodology; private counterparties that are not rated are counted as non-investment grade
- (2) As of March 23, 2026

Slide 12

- (1) Adjusted EBITDA is a non-IFRS measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information

Slide 13

- (1) Centralia Unit 2 conversion is subject to financial investment decision and regulatory approvals

The memorandum of understanding (MOU) is non-binding and not definitive

Slide 14

- (1) Adjusted EBITDA and FCF are non-IFRS measures, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information
- (2) 2020 Contractedness and Renewable Capacity have been adjusted to exclude TransAlta's non-controlling interest in TransAlta Renewables. Includes Far North assets that were fully acquired on February 2, 2026
- (3) Emission reductions include estimated Scope 1 and 2 greenhouse gas from operating assets acquired from Heartland Generation on Dec. 4, 2024
- (4) Total shareholder return is from Jan. 1, 2020, to December 31, 2025, and is adjusted for reinvestment of dividends

Slide 18

- (1) Sourced from U.S. Energy Information Administration (EIA) forecasts
- (2) Sourced from Federal Energy Regulatory Commission Form No. 714
- (3) Sourced from the Canada Electricity Regulator
- (4) Sourced from Royal Bank of Canada and the Canada Electricity Advisory Council
- (5) Sourced from Government of Western Australia South West Interconnected System demand assessment

Slide 22

- (1) Independent Electricity System Operator (IESO), Annual Planning Outlook

Slide 23

- (1) Western Electricity Coordinating Council (WECC), 2024 Western Assessment of Resource Adequacy (WARA) and 2026 Reliability Outlook

Slide 24

- (1) Government of Western Australia South West Interconnected System demand assessment

Slide 25

- (1) Alberta Electric System Operator (AESO) Large Load Integration materials

Slide 27

- (1) Adjusted EBITDA is a non-IFRS measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information
- (2) Further assumptions and risks underlying this information are described on slide 2, Forward-looking statements and non-IFRS Measures, of this presentation. Slides 44, 47 and 48 provide further information on TransAlta's assumptions for incremental load growth in Alberta

Slide 31

- (1) Future gas conversion refers to Centralia Unit 2, which has not reached financial investment decision. See slide two of this presentation for more information

Slide 36

- (1) Historic installed capacity and demand is sourced from the Alberta Electric System Operator (AESO). Future

capacity and demand is based on the AESO Long-Term Outlook and TransAlta's internal assumptions

- (2) Sourced from the Canada Energy Regulator

- (3) Sourced from the AESO

Slide 40

- (1) Average from Q1 2021 until Q4 2025. Excludes gains and losses from hedge positions

Slide 41

- (1) Hourly settlement of AESO pricing and TransAlta coal-to-gas and hydro units from September 4, 2025, through September 21, 2025. Sourced from AESO

Slide 42

- (1) Restructured Energy Market (REM) design summary sourced from AESO, summarized by TransAlta

Slide 43

- (1) Further assumptions and risks underlying this information are described on slide two, Forward-looking statements and non-IFRS Measures, of this presentation
- (2) Alberta settled price sourced from AESO
- (3) Reserve Margin with 1.1 GW Net Change in Load is an internal calculation based on a similar methodology as the AESO Long-Term Adequacy Report and assuming supply/demand changes summarized on slide 44
- (4) Reserve Margin Status Quo is an internal calculation based on a similar methodology as the AESO Long-Term Adequacy Report but omitting Phase 1 data centre growth
- (5) Forward Price as of February 9, 2026. TransAlta internal end-of-day marks for Alberta Flat Electricity Swap Prices

Slide 44

- (1) Historical data from AESO
- (2) Based on TransAlta's internal forecast. TransAlta's forecast assumes that the AESO will raise the current limit of 466 MW on the most severe single contingency, that electricity load will grow at 1.5% annually per the trend in the AESO 2025 Annual Market Statistics Report, that the intertie between British Columbia and Alberta will be restored per AESO Alberta-British Columbia Intertie Restoration (Project 7006) and that 1.2 GW of data centre load will come online per the AESO Phase I Large Load Allocation. Further assumptions and risks underlying this information are described on slide 2, Forward-looking statements and non-IFRS Measures, of this presentation

Slide 45

- (1) 2025 installed capacity and capacity factors sourced from AESO historical data. Maximum potential capacity factor is a TransAlta estimate based on combined fleet potential

Slide 47

- (1) Historical data from AESO. 2026 through 2029 is TransAlta's internal forecast and based on supply/demand assumptions detailed on slide 44. Further assumptions and risks underlying this information are described on slide two, Forward-looking statements and non-IFRS Measures, of this presentation
- (2) 1.5% load growth assumed per the historical trend in the AESO 2025 Annual Market Statistics Report

Slide 56

- (1) Inclusive of AESO phase I large load allocation

Slide 58

- (1) Heat recovery steam generator (HRSG)

Slide 59

- (1) Build multiple is a non-IFRS measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information. Further assumptions and risks underlying this information are described on slide two, Forward-looking statements and non-IFRS Measures, of this presentation

Slide 61

- (1) Capital cost is pre-financial investment decision. Further assumptions and risks underlying this information

are described on slide 2, Forward-looking statements and non-IFRS Measures, of this presentation

Slide 63

- (1) Facilities that were contracted to TransAlta Corporation were removed from the percent of contractedness

Slide 66

- (1) Credit ratings are intended to provide investors with an independent measure of credit quality and are not recommendations to purchase, sell or hold securities. Ratings may be revised or withdrawn at any time by the rating agency

Slide 67

- (1) Credit ratings are intended to provide investors with an independent measure of credit quality and are not recommendations to purchase, sell or hold securities. Ratings may be revised or withdrawn at any time by the rating agency
- (2) Long-term debt divided by adjusted EBITDA target is a non-IFRS measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information

Slide 68

- (1) Free Cash Flow is a non-IFRS measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information

Slide 70

- (1) Adjusted EBITDA is a non-IFRS measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information
- (2) Sensitivity to Alberta Net Change in Load is a TransAlta internal sensitivity of the potential impact to future annual Adjusted EBITDA based on varying expected 2029 load assumptions from slide 27 as well as slide 44 plus or minus 200 MW along with the price assumptions illustrated on slide 48. Further assumptions and risks underlying this information are described on slide two, Forward-looking statements and non-IFRS Measures, of this presentation

Slide 71

- (1) Sensitivity to Alberta Net Change in Load is a TransAlta internal forecast of the sensitivity of the potential impact to future annual Adjusted EBITDA and therefore FCF based on varying expected load assumptions from slide 44 plus or minus 200 MW along with the price assumptions illustrated on slide 48. Net load ramp profile from 2026-2029 and corresponding FCF impact are internal assumptions based on AESO Phase I Large Load Integration. Further assumptions and risks underlying this information are described on slide two, Forward-looking statements and non-IFRS Measures, of this presentation
- (2) Free Cash Flow is a non-IFRS measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information

Slide 73

- (1) Free Cash Flow or FCF is a non-IFRS measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information

Appendix

Slide 81

- (1) Small modular reactor (SMR)

Slide 84

- (1) Adjusted EBITDA, FCF, FCF per share and Energy Marketing Adjusted Revenues are non-IFRS measures, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information.

- (2) Sustaining Capital is a supplementary financial measure, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information.

Slide 81

- (1) Adjusted EBITDA and Free Cash Flow (FCF) are non-IFRS measures, see the forward-looking statements and non-IFRS measures information on slide two of this presentation for more information.