

UPDATE

Deerland Peaking Station

On July 26, 2007, MAXIM Power Corp. announced its plan to construct and operate a natural gas-fired power generation facility, the Deerland Peaking Station, on a site immediately south of the existing Deerland high voltage substation 6 km northeast of Bruderheim, AB. The proposed facility will use natural gas-fired combustion turbines in "simple-cycle" mode which, when all four units are installed, will produce approximately 190 megawatts of electricity.

Since that time, our representatives presented the project information kit and personally discussed the proposed facility with all stakeholders within two kilometers of the proposed site. We also mailed kits to a wide range of interested stakeholders. We explained our project plans, answered questions and listened to residents' ideas about how we could make the project better.



On August 23, MAXIM hosted a well-attended **Open House and BBQ** at the St. Demetrius Cultural Centre. Participants viewed information panels and maps and discussed details with members of MAXIM's project team.

On October 16, MAXIM filed applications with the **Alberta Energy and Utilities Board (EUB)** and **Alberta Environment (AENV)** seeking approvals for the facility. A copy of the applications can be accessed on our website www.maximpowercorp.com/deerland.htm.

We believe the proposed site is an excellent location. It is beside existing electrical infrastructure which means that no new transmission lines are required to connect the project to provincial electrical grid. The site is also within the newly expanded Industrial Heartland within Lamont County, making the proposed activity consistent with the medium to heavy industrial land use designation adopted for the area.

The proposed facility will be technologically-advanced, using equipment and design specifications that are among the quietest, cleanest and most fuel-efficient in the world. MAXIM expects the station will have an estimated capital cost of \$140 million and will operate approximately 1200 to 2500 hours per year to meet growing on-peak demand. As outlined in our information kit, peaking stations generate electricity to meet peak electricity demands, which typically occur between 8 am and 8 pm on weekdays.

Timeline to date

- ✓ MAXIM evaluates various locations in Alberta's Industrial Heartland and secures an option to lease a site immediately south of the existing Deerland high-voltage substation
- ✓ MAXIM makes Preliminary Assessment application to the Alberta Electric System Operator to verify capacity of the existing high voltage system in the area
- ✓ MAXIM representatives meet with and personally discuss the project with 70 stakeholders identified within 2 km of the proposed site
- ✓ MAXIM mails information kits to all stakeholders identified between 2 km - 3 km and to a wide range of interested stakeholders in the region, including municipal and county governments and officials
- ✓ On August 23, MAXIM holds an Open House and BBQ at the St Demetrius Cultural Centre
- ✓ MAXIM files Deerland Peaking Station applications with the EUB and AENV on October 16.
- ✓ MAXIM continues to maintain consultation with stakeholders to ensure accurate information regarding the project is available

Our consultation process is designed to engage our stakeholders in discussion regarding our proposed development, to receive your feedback and where possible, incorporate your suggestions into our design.

During our consultation efforts, we were pleased to identify opportunities to further improve the design of the facility including enhancements to noise control systems as well as site layout and plant operation.

If our applications are approved, we expect to begin site preparation and construction in 2008, with the first two generating units coming on line in summer 2009. We anticipate that the project will create short-term employment opportunities during the construction phase, which will be communicated as we develop our project schedule.

MAXIM believes that public involvement goes beyond merely informing people of plans. We appreciate the opportunity to have met with you over the past months to discuss and review our plans and we look forward to becoming a good neighbour and member of the local business community.

MAXIM plans to continue our consultation activities as the project advances through the application phase. If you have any questions related to Deerland Peaking Station or MAXIM, please call our toll-free number – 1-866-414-0008

November 1, 2007