



Suite 1210, 715 – 5 Avenue S.W.  
Calgary, Alberta, Canada T2P 2X6

Press Line: (403) 750-9311  
TSX Symbol: MXG

For Immediate Release  
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## Maxim Power Corp. Announces 2019 First Quarter Financial and Operating Results

**CALGARY, Alberta (May 9, 2019)** – Maxim Power Corp. ("MAXIM" or the "Corporation") announced today the release of financial and operating results for the first quarter ended March 31, 2019. The unaudited condensed consolidated interim financial statements, accompanying notes and Management's Discussion and Analysis ("MD&A") will be available on SEDAR and on MAXIM's website on May 9, 2019. All figures reported herein are Canadian dollars unless otherwise stated.

### FINANCIAL HIGHLIGHTS

|   | Three Months Ended<br>March 31, |            |
|---|---------------------------------|------------|
|   | 2019                            | 2018       |
| <i>(\$ in thousands except per share amounts)</i> |                                 |            |
| <b>Revenue</b>                                    | \$ 8,199                        | \$ -       |
| <b>Net loss</b>                                   | (1,794)                         | (3,539)    |
| <b>Net loss per share – basic and diluted</b>     | \$ (0.03)                       | \$ (0.06)  |
| <b>Total assets</b>                               | \$ 171,928                      | \$ 168,237 |

### OPERATING RESULTS

MAXIM's operations are comprised of the HR Milner generating facility ("Milner") and MAXIM's corporate activities. Milner was offline from April 20, 2017 to June 13, 2018 due to unfavourable power market conditions. MAXIM resumed generation of electricity at Milner on June 13, 2018 following improvements in settled and forward power and gas prices. Accordingly, results for the first quarter ended March 31, 2019 reflect the increased activities as compared the first quarter of 2018.

Net loss decreased in the first quarter of 2019 when compared to 2018. The change in this financial measure was primarily due to the resumption of operations at Milner, lower general and administrative personnel costs and lower depreciation on existing Milner assets as a result of a change in useful life in the fourth quarter of 2018.

### MILNER 2 ("M2") DEVELOPMENT PROJECT

During the quarter MAXIM engaged in a detailed engineering review of the simple cycle stage of its M2 natural gas-fired generation project and as a result is undertaking modifications to the design of the facility which MAXIM believes will enhance the performance, reliability and asset life of the plant. Further, MAXIM anticipates that it will de-risk the project by entering into an agreement for engineering, procurement, and construction ("EPC") services. The EPC contractor will be responsible for delivering a fully operational power plant on an agreed date at an agreed price, subject to conditions that are customary for these forms of agreement. Primarily as a result of various design modifications and the cost of the anticipated EPC agreement, the total M2 project cost will increase to \$138.0 million, of which \$13.5 million will be paid during 2020 and 2021. MAXIM believes strongly that this asset will be a top performing facility in its class in the Alberta market.

A significant portion of the project's cost increase resulted from design modifications focused on the combustion system and site-specific components required to integrate the equipment MAXIM acquired in 2018 with the existing infrastructure on the Milner site. The combustion system will be modified by the original equipment manufacturer ("OEM") to enable the unit to sustain operations at its highest capacity and efficiency levels across a broader range of fuel quality and ambient temperatures. Coupled with this modification the OEM is guaranteeing the unit's nameplate capacity of 204 MW. The modifications improve the competitiveness of the unit and enhance cash flows through wider operating range capability.

During the quarter MAXIM completed foundation engineering and began work on the foundation for the power plant. MAXIM anticipates it will finalize the target date to commence generating electricity as part of its negotiations with the EPC contractor. MAXIM has the option in the future to increase the capacity of the facility, in conjunction with increasing the overall efficiency of the facility, by further investing capital to upgrade M2 into a combined cycle plant.

MAXIM is confident that it has access to adequate financing to complete the simple cycle stage of M2.

## **OTHER DEVELOPMENT PROJECTS**

MAXIM has permits to construct and operate electric power projects totalling 592 MW of generating capacity in Alberta in addition to the 204 MW project under development. Of this amount, 402 MW of generation capacity is at the Milner site and the remaining 190 MW of generation capacity is for the peaking station at Deerland. MAXIM also has a wind power development project, Buffalo Atlee, which has the development potential of up to 200 MW of wind generation capacity. As at the date of this press release, no definitive commitments have been made on these projects.

## **MILNER OPERATIONS**

MAXIM continued to operate Milner during the first quarter of 2019. Milner generated 121,716 MW and was able to realize power prices of \$67.29/MWh. MAXIM continues to work to resolve certain gas supply issues, which periodically limit Milner's generation capacity. In addition, MAXIM has consumed substantially all coal inventory. MAXIM continues to monitor settled and forward power and natural gas prices and as at the date of this press release anticipates generating electricity at the existing Milner facility until late 2019.

## **AUC LOSS FACTOR DECISION**

As previously reported, MAXIM, through its wholly-owned subsidiary, Milner Power Inc., has an outstanding complaint relating to the Alberta Electric System Operator ("AESO") Line Loss Rule for the period of January 1, 2006 to December 31, 2016. MAXIM anticipates cash proceeds to be approximately \$40.1 million, based on calculations established using information currently available on the final public record, before accounting for the time value of money at the Alberta Utilities Commission ("AUC") approved rate for this matter of the Bank of Canada Bank Rate +1.5%. Based on the timeline from the AESO, MAXIM does not anticipate receiving cash proceeds prior to late-2019. Certain industry participants are seeking permission to appeal AUC decisions related to this matter.

## **NORMAL COURSE ISSUER BID ("NCIB")**

As previously reported, the Corporation believes that the current market price of its common shares does not accurately reflect their underlying value. As a result, in May 2018, the Corporation provided notice to the Toronto Stock Exchange of its intention to make a NCIB to purchase up to 3,100,000 common shares for cancellation. As at the date of this press release, the Corporation has repurchased and cancelled 2,197,676 common shares at a weighted average cost of \$2.29 per share and the total number of common shares outstanding is 52,426,149. This compares to 54,623,825 common shares outstanding as at May 8, 2018, when the NCIB commenced.

## **About MAXIM**

Based in Calgary, Alberta, Maxim Power Corp ("MAXIM") is an independent power producer which acquires or develops, owns and operates innovative and environmentally responsible power and power related projects. MAXIM currently owns and operates one power plant in Alberta, having 150 MW of electric generating capacity, and anticipates nameplate capacity of the simple cycle stage of M2 at 204 MW. In addition, MAXIM has approvals to construct and operate projects comprising an additional 592 MW of generating capacity. MAXIM trades on the TSX under the symbol "MXG". For more information about MAXIM, visit our website at [www.maximpowercorp.com](http://www.maximpowercorp.com).

For further information please contact:

Michael R. Mayder, President and CFO, (403) 750-9311.

This press release contains forward-looking statements and forward-looking information (collectively "forward looking information") within the meaning of applicable securities laws relating to MAXIM's plans and other aspects of MAXIM's anticipated future operations, management focus, objectives, strategies, financial, operating and production results. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend", "may", "would", "could" or "will" or similar words suggesting future outcomes, events or performance. The forward-looking statements contained in this press release speak only as of the date thereof and are expressly qualified by this cautionary statement. Specifically, this press release contains forward-looking statements relating to: anticipated profitable earnings from development of generation capacity at the Milner site, the anticipated time periods of continued generation of electricity from Milner, the initial generation capacity of the Corporation's new facility at its Milner site, current development cost estimates to complete the same and anticipated completion dates, the Corporation's current estimate of the proceeds payable to the Corporation from the outstanding compliant relating to the AESO Line Loss Rule and the timeline to potentially receive any proceeds therefrom and the Corporation's intentions to purchase common shares pursuant to the NCIB.

Forward-looking statements regarding MAXIM are based on certain key expectations and assumptions of MAXIM concerning, among other things, construction timelines and costs, regulatory decisions (including with respect to the AESO Line Loss), the ability of MAXIM to reliably generate electricity from its projects in the timelines and manners currently contemplated, current and future commodity and electricity prices, the price of MAXIM's common shares, regulatory developments, tax laws, future operating costs, the performance of existing and new facilities, the sufficiency and timing of budgeted capital expenditures in carrying out planned activities, the availability and cost of labor and services, the impact of increasing competition, conditions in general economic and financial markets, effects of regulation by governmental agencies, the ability to obtain financing on acceptable terms which are subject to change based on commodity prices, market conditions, and potential timing delays.

These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond MAXIM's control. Such risks and uncertainties include, without limitation: construction delays, cost overruns, adverse regulatory decisions, the impact of general economic conditions; volatility in market prices electricity and other commodities such as natural gas; industry conditions; currency fluctuations; environmental risks; incorrect assessments of the value of acquisitions; competition from other producers; the lack of availability of qualified personnel, changes in income tax laws, environmental laws or changes programs relating to the electricity industry in Alberta; hazards such as fire, explosion, and ability to access sufficient capital from internal and external sources.

Management has included the forward-looking statements above and a summary of assumptions and risks related to forward-looking statements provided in this press release in order to provide readers with a more complete perspective on MAXIM's future plans and operations and such information may not be appropriate for other purposes.

MAXIM's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that MAXIM will derive there from. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward looking statements are made as of the date of this press release and MAXIM disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.