

Investor Update – October 2, 2020

Forward-Looking Statements

Certain statements contained in this presentation constitute forward-looking statements or information (collectively "forward-looking statements") in respect of MAXIM Power Corp. ("MAXIM") within the meaning of applicable securities legislation, including, but not limited to, management's assessment of future plans, operations, future expectation and strategies including the construction and development of its natural gas-fired facility ("M2") described herein, including with respect to its capacity, project costs, characteristics and advantages over other power generating sources and development, MAXIM's estimates of future Alberta power prices, MAXIM's estimates of future natural gas prices and MAXIM's financing requirements for M2 (including anticipated sources, management's forecasts for earnings before interest, tax, depreciation and amortization ("EBITDA") and other future financial projections for M2). Forward-looking statements are typically identified by words such as "anticipate", "continue", "estimate", "expect", "forecast", "may", "will", "project", "could", "plan", "intend", "should", "believe", "outlook", "potential", "target" and similar words suggesting future events or future performance or may be identified by reference to a future date. Accordingly, undue reliance should not be placed on forward-looking statements because MAXIM can give no assurance that such expectations will prove to be correct. With respect to forward-looking statements contained in this presentation, MAXIM has made assumptions regarding, among other things: the receipt of all required regulatory approvals required to conduct MAXIM's business; power and natural gas prices in the future; the ability of M2 to generate a reliable and consistent power source, the costs of M2; future business development opportunities associated with MAXIM's business; future capitalization of MAXIM; the status of MAXIM's debt arrangements; future economic and political environments; the timely receipt of any required regulatory approvals; the ability of MAXIM to obtain qualified staff, equipment and services in a timely and cost efficient manner; and that MAXIM will have sufficient cash flow, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed. Although MAXIM believes that the expectations reflected in the forward-looking statements contained in this presentation, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned that the foregoing list is not exhaustive of all assumptions which have been considered. Readers are cautioned not to place undue reliance on forward-looking statements included in this presentation, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause MAXIM's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things, failure to have access to adequate financing; failure to receive all regulatory approvals on the timelines contemplated (or at all); the ability of management to execute its business plan; general economic and business conditions; the possibility that government policies or laws may change or governmental approvals may be delayed or withheld; the uncertainty of estimates and projections relating to costs and expenses, including construction, repair and maintenance costs; fluctuations in the sales prices for electricity in Alberta, natural gas, foreign currency exchange rates and interest rates; health, safety and environmental risks; risks associated with unexpected potential future lawsuits and regulatory actions; uncertainties as to the availability and cost of financing (including the loans described herein); and financial risks affecting the value of MAXIM's investments. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

Forward-Looking Statements

This document also contains Future Oriented Financial Information ("FOFI") within the meaning of applicable securities laws, in particular the information set forth herein in respect of expected indicative consolidated EBITDA for MAXIM upon commissioning of M2, based on certain sensitivities. The FOFI has been prepared by MAXIM's management to provide an outlook of MAXIM's potential projected financial results. The FOFI has been prepared based on a number of assumptions including the assumptions disclosed above, and the assumptions as set forth on slide 13, as well as assumptions with respect to completion of MAXIM's expansion initiatives for M2, the costs and expenditures to be incurred by MAXIM, and operating costs, taxation rates, general and administrative expenses, availability of necessary equipment, infrastructure and capital, receipt of regulatory approvals and electricity and natural gas prices. Management does not have firm commitments for all of the costs, expenditures, prices or other financial assumptions used to prepare the FOFI or assurance that such operating results will be achieved and, accordingly, the complete financial effects of all of those costs, expenditures, prices and operating results are not objectively determinable. The actual results of operations of MAXIM and the resulting financial results will likely vary from the amounts set forth in the analysis presented in this document and such variation may be material. MAXIM and its management believe that the FOFI has been prepared on a reasonable basis, reflecting the best estimates and judgments, and represent, to the best of management's knowledge and opinion, MAXIM's expected expenditures and results of operations. However, because this information is highly subjective and subject to numerous risks including the risks discussed above, it should not be relied on as necessarily indicative of future results.

The FOFI and forward-looking statements contained in this presentation speak only as of the date of this presentation. Except as expressly required by applicable securities laws, MAXIM does not undertake any obligation to publicly update or revise any FOFI or forward-looking statements, whether as a result of new information, future events or otherwise. The FOFI and forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

Within this document, references are made to Indicative Annualized EBITDA, which is not a recognized measure under generally accepted accounting principles, and therefore may not be comparable to performance measures presented by others. Indicative Annualized EBITDA is provided to readers in determining MAXIM's approximate annual operating cash flows before interest, income taxes, depreciation and amortization and certain other income and expenses (after commissioning M2). Indicative Annualized EBITDA does not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other companies. Furthermore, Indicative Annualized EBITDA, as used herein, is based on management prepared forecast and assumptions, on the basis described herein with respect to FOFI above. Management believes that in addition to net income (loss) and cash flow from operating activities, Indicative Annualized EBITDA is a useful supplemental measure as it assist in the determination of MAXIM's potential future operating performance. Readers are cautioned, however, that this measure should not be construed as an alternative to net income (loss) or cash flow from (used in) operating activities as determined in accordance with GAAP as an indication of performance or value.

Certain information contained in this presentation has been prepared by third-party sources, which information has not been independently audited or verified by MAXIM. No representation or warranty, express or implied, is made by MAXIM as to the accuracy or completeness of such information contained in this presentation, and nothing contained in this presentation is, or shall be relied upon as, a promise or representation by MAXIM with respect thereto.

Highlights

Independent Power Producer

- Alberta based wholesale seller of electricity and generating capacity

Strategy

- Establish sustainable ventures in organized power markets
 - ❑ Acquire or develop assets
 - ❑ Optimize and enhance existing assets
- Re-deploy capital when appropriate to realize shareholder value

Shareholder/Management Alignment

- Insider shareholdings are 66.7% of outstanding shares

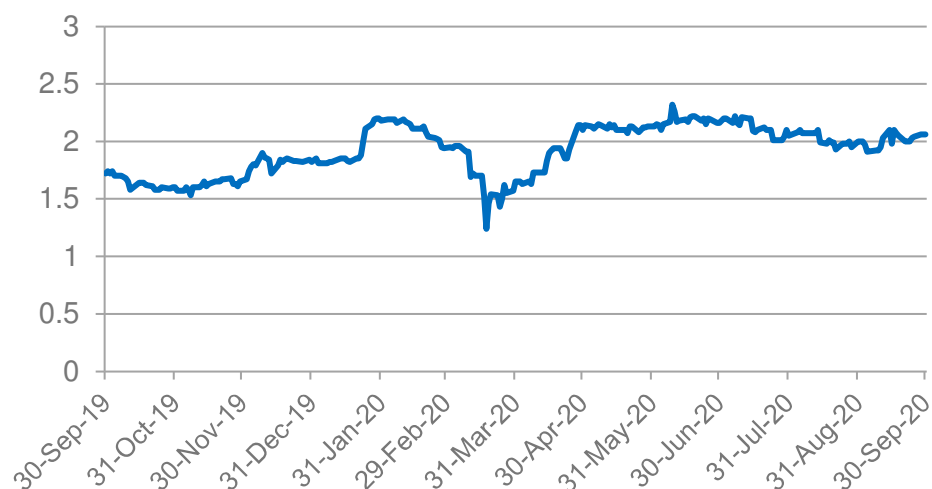


Market Profile

September 30, 2020

TSX Listing	MXG
52 Week Range	\$1.03 - \$2.40
Share Price	\$2.06
Shares Outstanding	49.8 million
Market Capitalization	\$102.6 million
Insider Shareholdings	66.7%

MXG Closing Price



Leadership Team

M. Bruce Chernoff Chairman & CEO

Over 30 years of senior corporate experience in oil & gas and power sectors.

W. Brett Wilson Vice Chairman

Over 30 years of senior corporate experience in oil & gas, power and investment banking sectors.

Bob Emmott President and COO

Over 30 years experience in the power sector. Has been a part of the design, build, and commissioning of several large coal and gas-fired power plants.

Kim Karran Interim CFO

Over 25 years experience in the power sector. Held leadership roles in business development, corporate strategy and human resources.

Kyle Mitton VP Corporate Development

Over 15 years experience in the power sector. Senior positions include operations, corporate development and energy marketing.

Rob Watson VP Canadian Facilities

Over 20 years of experience in the power sector. Background in operations, market analysis, energy marketing and portfolio management.



History of MAXIM

- Track record of acquiring and developing generation projects during early stages of deregulated power markets and redeploying capital as markets mature
 - ❑ Over the past 15 years MAXIM built up and successfully sold investments in United States, France and Canada
 - ❑ Currently focussed on opportunities in Alberta, where the power market is transitioning from predominantly coal-fired generation to natural gas and renewables
- Targeting to:
 - ❑ Simplify business, employing modern and competitive technology
 - ❑ Expand natural gas generation with renewable compliment
 - ❑ Focus on economies of scale on an individual asset and portfolio basis

	2005	2010	2015	2020 M2-SCGT	Future M2-CCGT
Geographies	4	3	3	1	1
Facilities	25	44	39	1	1
Generating Capacity (MW)					
• Total	334	809	778	204	~300
• Average Per Facility	7.4	18.4	19.9	204	~300

MAXIM's Alberta Assets

Operating Asset – M2 SCGT

- 204 MW natural gas-fired generation facility
- Located on the HR Milner site
- Operation in simple cycle (SCGT) mode at heat rate of ~10.5 heat rate GJ/MWh
- Commissioned in Q2 2020

Loss Factor Claim

- Estimated value in excess of \$40 million
- Arises from industry-wide resettlement of loss factor charges for 2006-2016 as approved by the AUC
 - Final AUC decision December 28, 2017
 - AUC decision July 9, 2020 directed AESO to settle in three settlement periods
- 2014-2016 re-calculated by AESO in July 2020 with anticipated financial settlement in Q4 2020
 - \$6.5 million payment owing to MAXIM
- Second and third settlement periods scheduled to be paid out by Q1 2021

Expansion Project – M2 CCGT

- MAXIM is advancing its option to expand M2 using heat recovery technology that enables operation in combined cycle mode
 - Increase capacity to ~300 MW
 - Lower operating costs through lower heat rate of ~7.9 GJ/MWh
- Compares favorably to subcritical coal and coal-to-gas at heat rates of ~11.5-12.0 GJ/MWh

Future Development Products

Milner Site

- Permitted to develop an additional 346 MW of natural-gas fired generation

Deerland

- Permitted to develop 190 MW natural-gas fired peaking station

Buffalo Atlee

- Potential to develop 200 MW of wind powered generation



Operating Asset – M2 SCGT

Project Info	Milner 2 - SCGT
Nameplate Capacity (MW)	204
Technology	Simple Cycle
Heat Rate (GJ/MWh)	10.5
Commercial Operation	June 2020
Installed cost (including financing)	\$147 mm

Competitive Advantage

Total Installed Cost under EPC Contract

CAPEX/kW	\$721/kW for M2 SCGT vs. ~\$1,200/kW for new SCGT
EPC Agreement	Successfully built on-time and on-budget under a turnkey agreement with Black and Veatch / PCL joint venture

Operating Costs

Variable	More efficient than average coal and coal-to-gas fleet heat rates of ~11.5-12.0 GJ/MWh Receives Loss Factor (location based) credits
Fixed	Substantially lower fixed costs than coal and coal-to-gas fleet

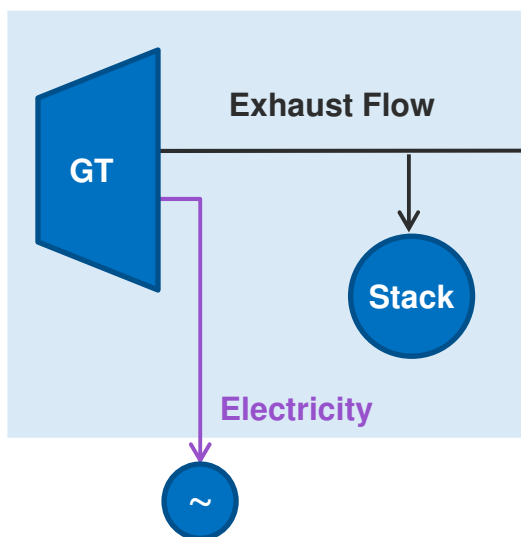
Operating Asset – M2 SCGT



M2 Development Phases

Phase I - Simple Cycle - Operating

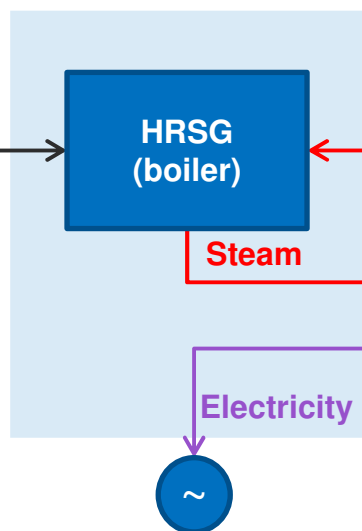
New Equipment



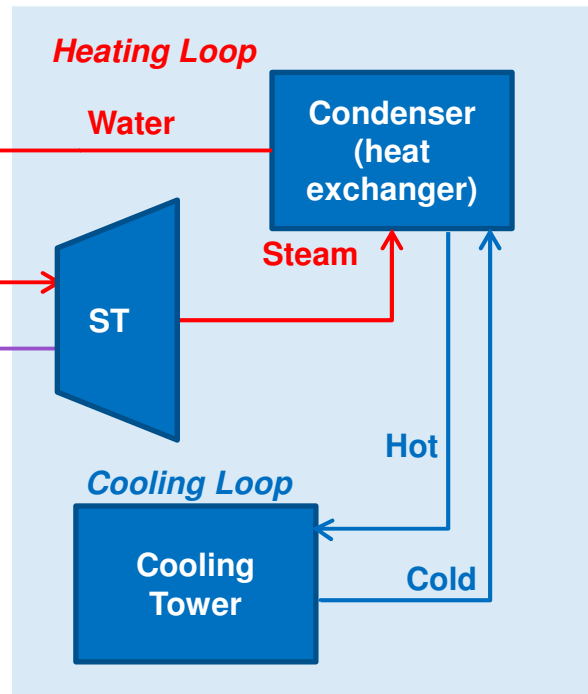
GT Gas turbine generator
Stack Bypass exhaust stack
HRSG Heat recovery steam generator
ST Steam turbine generator

Phase II - Combined Cycle Upgrade Option

New Equipment



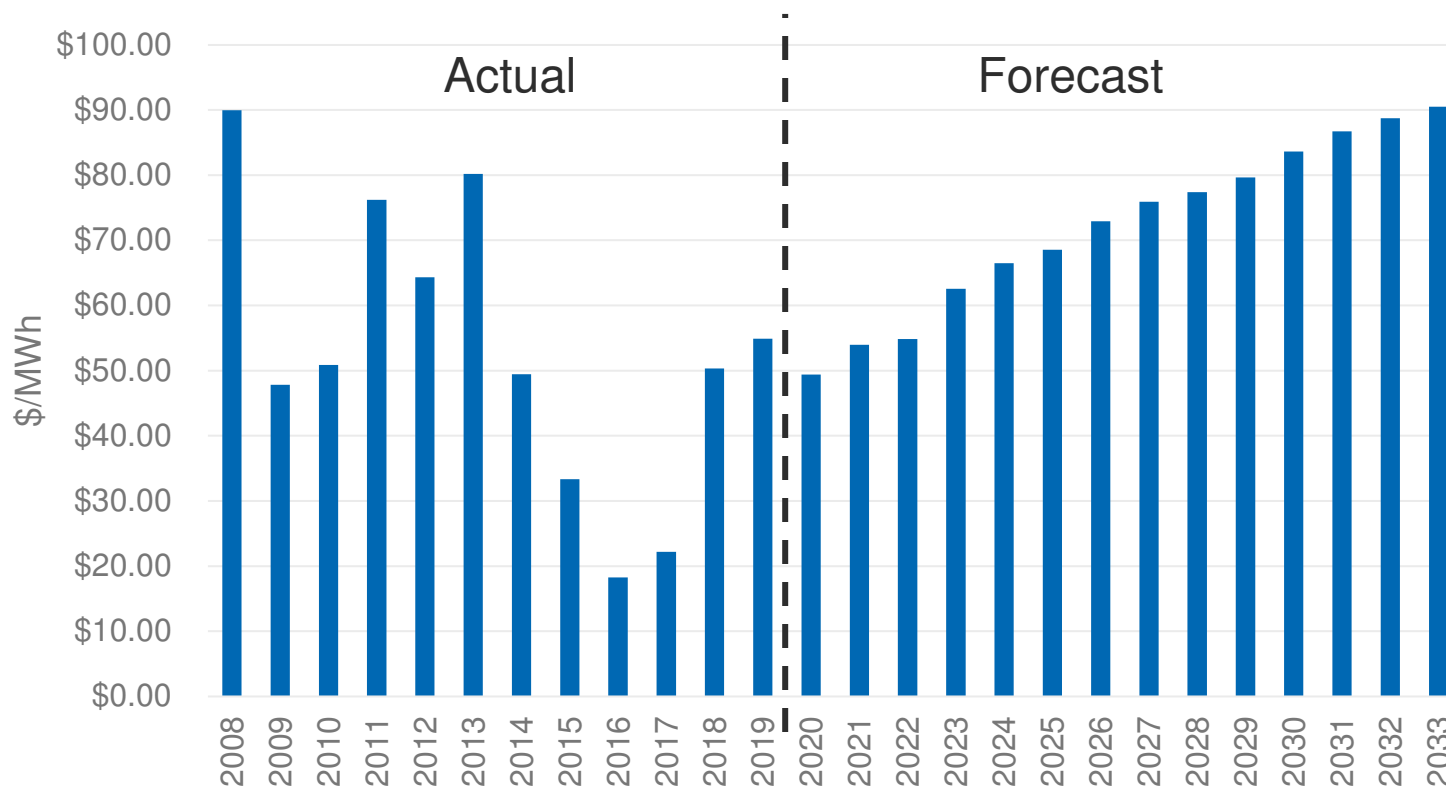
Existing Milner Installation



Phase II increases M2's capacity from 204 MW to ~300 MW and lowers operating costs



Alberta Power Market - Prices



- 2016/2017 low price periods resolved by turnback of Power Purchase Arrangements from the Balancing Pool to certain generators

Source: EDC Q3-2020 Report

MAXIM EBITDA Sensitivities

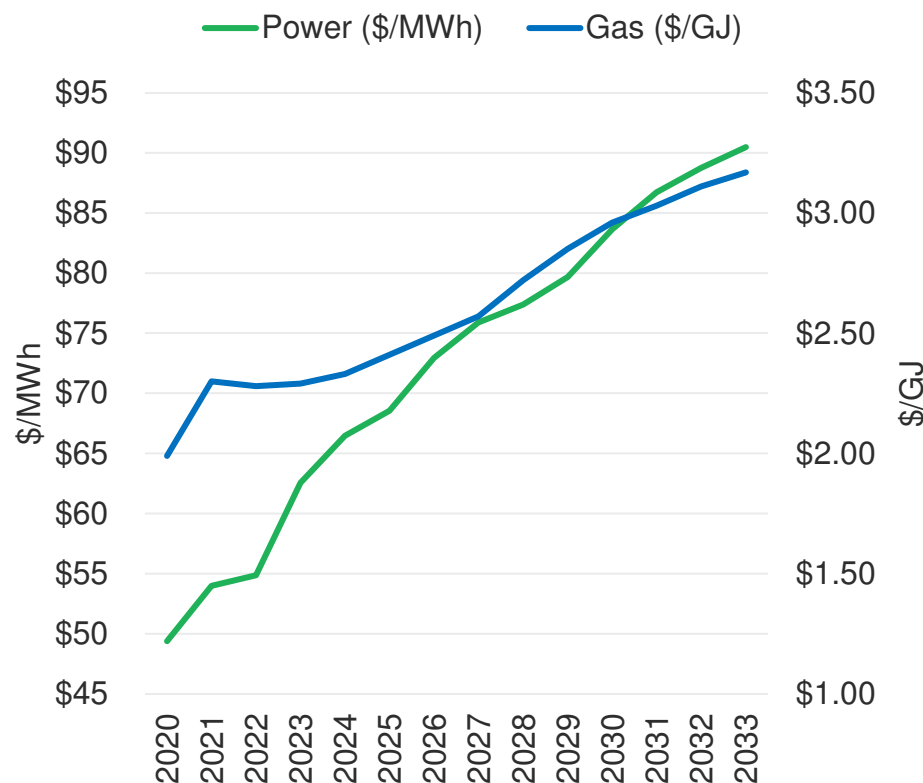
Consolidated Indicative Annualized EBITDA (\$ millions)

	Power (\$/MWh)					
	\$45	\$50	\$55	\$60	\$65	\$70
Gas (\$/GJ)						
\$1.50	\$19.0	\$26.9	\$34.8	\$42.7	\$50.6	\$58.5
\$1.75	\$14.9	\$22.8	\$30.7	\$38.6	\$46.5	\$54.4
\$2.00	\$10.7	\$18.6	\$26.5	\$34.4	\$42.3	\$50.2
\$2.25	\$6.6	\$14.5	\$22.4	\$30.3	\$38.2	\$46.1
\$2.50	\$2.4	\$10.3	\$18.2	\$26.1	\$34.0	\$41.9

Assumptions:

- M2 Capacity Factor of 90% on 204MW
- Carbon tax included in above at \$30/tonne;
 - \$10 increase/decrease in CO2 pricing reduces/increases EBITDA by ~\$3.3M
 - M2 is not subject to carbon tax until Jan. 1, 2023
- Consolidated EBITDA is EBITDA from M2 net of corporate costs

Power/Gas Price Forecast



Note: EDC assumes \$30/tonne CO2 in 2020, escalating by \$10/tonne for the next 2 years, then inflating at 2%

Source: EDC Q3-2020 Report



MAXIM's Credit Facilities

	ATB Facility	Convertible Facility*
Capacity	\$44.0 mm	\$75.0 mm
Drawn, Sept 2020	<u>\$40.0 mm</u>	<u>\$29.4 mm</u>
Undrawn	\$4.0 mm	\$45.6 mm
Ranking	Senior	Subordinated to ATB
Interest Rate	Floating	12%
Term	Facilities mature Nov. 19, 2022	Facility matures Sept. 25, 2021 (including extensions). Repayment is postponed to repayment of the ATB facilities
Facilities	<ul style="list-style-type: none"> \$30 mm Term loan amortizing over 10 years \$10 mm revolving facility \$4 mm working capital revolving facility 	\$75 mm Revolving
Conversion Price	Not applicable	\$2.25 per share, up to 33.3 million shares

* The lenders of the Convertible Facility are parties related to MAXIM