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For Immediate Release  
May 5, 2015

## Maxim Power Corp. Announces 2015 First Quarter Financial and Operating Results

**CALGARY, Alberta (May 5, 2015)** – Maxim Power Corp. ("MAXIM" or the "Corporation") announced today the release of financial and operating results for the first quarter ended March 31, 2015. The unaudited condensed consolidated interim financial statements, accompanying notes and Management Discussion and Analysis will be available on SEDAR and on MAXIM's website on May 5, 2015. All figures reported herein are Canadian dollars unless otherwise stated.

### FINANCIAL HIGHLIGHTS

	Three Months Ended March 31	
	2015	2014
<i>(\$ in thousands except per share amounts)</i>		
<b>Revenue</b>	\$ 47,521	\$ 69,132
<b>Adjusted EBITDA <sup>(1)</sup></b>	6,596	16,573
<b>Adjusted net income (loss) <sup>(1)</sup></b>	(6,153)	3,815
<b>Per share – basic and diluted</b>	\$ (0.11)	\$ 0.07
<b>Net income (loss) attributable to shareholders</b>	(5,927)	3,487
<b>Per share – basic and diluted</b>	\$ (0.11)	\$ 0.06
<b>FFO <sup>(2)</sup></b>	4,985	15,001
<b>Per share - basic and diluted</b>	\$ (0.09)	\$ 0.28
<b>Electricity Deliveries (MWh)</b>	238,049	338,221
<b>Net Generation Capacity (MW) <sup>(3)</sup></b>	778	785
<b>Average Alberta power price - market (\$ per MWh)</b>	\$ 29.02	\$ 60.59
<b>Average Alberta power price - Milner realized (\$ per MWh)</b>	\$ 42.38	\$ 78.93
<b>Average US power price – Northeast US realized (US\$ per MWh)</b>	\$ 157.89	\$ 282.28

- <sup>(1)</sup> Select financial information was derived from the unaudited condensed consolidated interim financial statements and is prepared in accordance with GAAP, except adjusted EBITDA and adjusted net income (loss). Adjusted EBITDA is provided to assist management and investors in determining the Corporation's approximate operating cash flows before interest, income taxes, and depreciation and amortization and certain other income and expenses. Adjusted net income (loss) is used to compare MAXIM's results among reporting periods without consideration of unrealized gains and losses and to evaluate MAXIM's performance attributable to shareholders. Adjusted EBITDA and adjusted net income (loss) do not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other companies.
- <sup>(2)</sup> Funds from operating activities before changes in working capital ("FFO") is an Additional GAAP measure provided to assist management and investors in determining the Corporation's cash flows generated from operations before the cash impact of working capital fluctuations.
- <sup>(3)</sup> Generation capacity is manufacturer's nameplate capacity net of minority ownership interests of third parties and uncontacted capacity on contracted generating facilities.

## **OPERATING RESULTS**

During the first quarter of 2015, revenue, adjusted EBITDA and FFO have decreased when compared to the same period in 2014. The decrease is primarily due to lower Alberta and Northeast US power prices in the first quarter of 2015, as well as lower generation in all three geographic segments.

Adjusted net income (loss) and net income (loss) attributable to shareholders in the first quarter of 2015 have decreased when compared to the same period in 2014. The decrease is primarily due to the factors above and a coal inventory write-down, partially offset by a reversal of an impairment charge of a Northeast U.S. generating facility.

## **ALBERTA UTILITIES COMMISSION ("AUC") LOSS FACTOR DECISION**

On January 20, 2015, the AUC rendered its decision on Module A of Phase 2 of the Corporation's complaint related to the Alberta Electric Systems Operator's ("AESO") Line Loss Rule for contravening the Transmission Regulations and being unjust, unreasonable, unduly preferential, arbitrarily or unjustly discriminatory and inconsistent with or in contravention of the 2003 Electric Utilities Act (AUC Decision 2014-110). The decision states that the AESO has the requisite authority to grant such relief and that monetary relief will be granted to the Corporation for the period January 1, 2006 to the date a new rule takes effect. MAXIM anticipates that these proceedings will establish compensation to MAXIM as early as the fourth quarter of 2015. As at the date of this press release, an estimate of this amount cannot be made.

## **FEDERAL ENERGY REGULATORY COMMISSION ("FERC") INQUIRY**

As previously reported, the Corporation has been responding to the FERC inquiry since the latter part of 2013. On February 2, 2015, FERC issued an Order to Show Cause ("Show Cause Order") concerning certain offers to supply electricity occurring during July and August of 2010. The Show Cause Order did not constitute findings of FERC. Subsequent to March 31, 2015, MAXIM and its external legal counsel formally responded to the Show Cause Order. On May 1, 2015, FERC issued an Order Assessing Civil Penalties ("Penalties Order") concerning the Show Cause Order. The Penalties Order has assessed penalties of U.S. \$5 million against MAXIM and U.S. \$50 thousand against an employee. MAXIM has filed an election with FERC that requires FERC to initiate a judicial proceeding in which a federal district court will review the facts and the law *de novo* (*Process for Assessing Civil Penalties*, 117 FERC ¶ 61,317, at P 5 (2006)). MAXIM intends to vigorously defend itself in district court and is confident it can demonstrate that the conduct set forth in the Show Cause Order did not violate FERC's anti-manipulation rule or any other rule.

## **COMAX FRANCE S.A.S. ("COMAX") CAPITAL PROGRAM**

During the first quarter of 2015, COMAX concluded the program to renovate five projects that commenced in 2014. Total capital expenditures related to all five projects in the renovation program were \$13.6 million (9.7 million Euro). COMAX secured debt financing of \$11.6 million (8.3 million Euro) for the five renovation projects. The terms of the loans were favourable with leverage ranging from 80% to 91% of the project investment and fixed interest rates ranging from 3.0% to 4.5%.

## **AMENDED AND RESTATED BANK OF MONTREAL ("BMO") CREDIT FACILITY**

On May 5, 2015, MAXIM entered into an amended and restated credit agreement with BMO that provides a \$40.0 million revolving credit facility in two tranches. Under the first tranche, MAXIM can borrow up to \$25.0 million subject to the book value of the Corporation's Canadian accounts receivable balance and property, plant and equipment. Under the second tranche, MAXIM can borrow up to \$15.0 million, under the same terms of the first tranche, and subject to twelve

month trailing EBITDA being equal to or greater than \$15.0 million and MAXIM being in compliance with all financial covenants for a minimum of two consecutive quarters. This facility matures on August 31, 2016. MAXIM will continue to use, as necessary, the revolving credit facility to support existing operations and growth initiatives.

## **GROWTH INITIATIVES**

### **Milner Expansion 3 ("M3")**

On February 12, 2015, the AUC approved MAXIM's application to construct and operate M3. M3 is an expansion project for the HR Milner Generating facility ("M1"), comprised of an 86 MW natural gas-fired cogeneration power plant to be located adjacent to M1. M3 will increase generating capacity at the Milner site while reducing the total greenhouse gases and air emissions.

Exhaust energy from M3's gas turbines will be converted to steam and utilized to generate electricity in the existing M1 steam turbine, displacing coal-sourced steam. M3, before giving effect to the development of Milner Expansion 2 ("M2"), will increase the nameplate capacity at the Milner site from 150 MW to 236 MWs. Total emissions of carbon dioxide, nitrogen oxides, sulfur oxides and particulates at the M1 site will decrease compared to running the existing M1 station.

### **M2**

MAXIM has received the AUC's approval to convert the fuel source for M2 from coal to natural gas and to increase the generating capacity of the proposed expansion from 500 MW to 520 MW. The M2 facility is to be located adjacent to the existing 150 MW M1. The existing infrastructure at the M1 site allows MAXIM to leverage benefits including electrical connection, fuel delivery, water licenses, and a skilled operations team.

### **Forked River**

MAXIM continues to advance an expansion initiative at the Forked River site. Based on studies by the local utility, PJM has confirmed sufficient local infrastructure to support a potential increase of 100MW at the Forked River site. MAXIM has commenced the process of permitting of the project. The configuration, size and timing are being evaluated to ensure the highest value for the expansion project. An expansion of the facility will provide additional capacity to participate in future capacity auctions and realize cost savings because this expansion project will be on the existing Forked River site.

### **Summit Coal Limited Partnership ("SUMMIT")**

SUMMIT is MAXIM's development initiative located north of Grande Cache, Alberta that owns metallurgical coal leases for Mine 14 ("M14") and Mine 16S ("M16S"). Current estimates for M14 are 18.9 million tonnes of low-mid volatile metallurgical coal reserves with a mine life of 17 years based on the NI 43-101 Technical Report filed on SEDAR on March 21, 2013. M16S is located 30 kilometers northwest of M14 and represents 1,792 hectares or 29% of SUMMIT's total area of coal leases. A NI 43-101 Technical Report has not been prepared for M16S.

M14 is permitted for a run-of-mine production rate of up to 1,300,000 tonnes per year. MAXIM has also received approval from the Alberta Energy Regulator to construct and operate a Coal Beneficiation Plant. This Coal Beneficiation Plant, to be located on MAXIM's existing M1 industrial complex, will bifurcate M14's run-of-mine coal into an estimated annual production of 950,000 tonnes of high-quality, low-mid volatile and metallurgical coal for shipment to export markets. These approvals provide SUMMIT with all of the requisite government and regulatory approvals to construct and operate M14. In November 2014, MAXIM received delivery of five pieces of mine equipment including two continuous miners and three shuttle cars. The units are in storage awaiting development of SUMMIT. The Corporation expects that the long-run

average price forecast for metallurgical coal will allow for the economically viable development of SUMMIT.

### **Deerland Peaking Station ("D1")**

MAXIM has received regulatory approvals to construct and operate D1. The D1 site is located near Bruderheim in Alberta's Industrial Heartland, and it is in close proximity to the entry point of the proposed Gateway pipeline and adjacent to the existing Deerland high voltage substation.

### **Buffalo Atlee ("B1")**

MAXIM acquired the B1 Power Project, situated near Brooks, Alberta, through an amalgamation with EarthFirst Canada Inc. This project has the potential for development of over 200 MW of wind generation capacity. The addition of wind generation to MAXIM's existing portfolio of assets would diversify MAXIM's generation fuel types and provide the potential to offset the impact of expected new provincial greenhouse gas legislation.

## **CONFERENCE CALL FOR Q1 2015 RESULTS**

MAXIM will host a conference call for analysts and investors on Wednesday, May 6, 2015 at 11:00 am MDT. The call will be hosted by John Bobenic, MAXIM's President and Chief Executive Officer, and by Mike Mayder, Senior Vice President, Finance and Chief Financial Officer. To participate in this conference call please dial (877) 291-4570 or (647) 788-4919 in the Toronto area and refer to MAXIM's Q1 Results call. It is recommended that participants call at least ten minutes prior to start time.

A recording of the conference call will be available from May 6, 2015 to May 13, 2015. To access the replay, dial (800) 585-8367 or (416) 621-4642 followed by the conference ID 41434804. In addition, the recording will be available commencing May 6, 2015 in the Investor Relations section of MAXIM's website at [www.maximpowercorp.com](http://www.maximpowercorp.com).

### **About MAXIM**

Based in Calgary, Alberta, 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 39 power plants in Alberta, the United States and France, having 778 MW of electric 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:

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Statements in this release which describe MAXIM's intentions, expectations or predictions, or which relate to matters that are not historical facts are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of MAXIM to be materially different from any future results, performances or achievements expressed in or implied by such forward-looking statements. MAXIM may update or revise any forward-looking statements, whether as a result of new information, future events or changing market and business conditions and will update such forward-looking statements as required pursuant to applicable securities laws.