Maxim Power Corp. Announces 2026 Second Quarter Financial and Operating Results

CALGARY, Alberta (August 6, 2026) – Maxim Power Corp. ("MAXIM" or the "Corporation") (TSX: MXG) announced today the release of financial and operating results for the second quarter ended June 30, 2026. 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 August 6, 2026. All figures reported herein are Canadian dollars unless otherwise stated.

FINANCIAL HIGHLIGHTS

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in thousands except per share amounts)	**2026**	**2025**	**2026**	**2025**
Revenue	**15,346**	**21,416**	**30,964**	**41,679**
Net income (loss)	**(3,066)**	**386**	**(3,260)**	**3,652**
Earnings (loss) per share – basic	**(0.05)**	**0.01**	**(0.05)**	**0.06**
Earnings (loss) per share – diluted	**(0.05)**	**0.01**	**(0.05)**	**0.06**
Adjusted EBITDA (1)	**757**	**6,183**	**3,347**	**11,419**
Total generation – (MWh)	**357,427**	**416,488**	**664,191**	**829,519**
Total fuel consumption – (GJ)	**2,942,362**	**3,400,931**	**5,534,965**	**6,890,354**
Average Alberta market power price ($ per MWh)	**29.47**	**40.48**	**30.80**	**40.14**
Average realized power price ($ per MWh)	**42.93**	**51.44**	**46.62**	**50.24**
Loans and borrowings	**-**	**-**	**-**	**-**
Total net debt (net cash) (1)	**(34,772)**	**(40,382)**	**(34,772)**	**(40,382)**
Total assets	**375,883**	**360,005**	**375,883**	**360,005**
Free cash flow (1)	**(79)**	**5,163**	**(16,885)**	**8,458**

(1) Select financial information was derived from the consolidated financial statements and is prepared in accordance with GAAP, except certain non-GAAP measures including: free cash flow ("FCF"), adjusted Earnings before Interest, Income Taxes, Depreciation and Amortization ("Adjusted EBITDA") and net debt, (see ***Non-GAAP Financial Measures*** below).

OPERATING RESULTS

During the second quarter of 2026, MAXIM recorded net loss and Adjusted EBITDA(1) of $3.1 million and $0.8 million, respectively, as compared to net income and Adjusted EBITDA(1) of $0.4 million and $6.2 million, respectively, in the same period of 2025. Net income and Adjusted EBITDA(1) decreased in 2026 primarily due to lower generation volumes and lower average realized power prices in the second quarter of 2026. Partially offsetting the unfavourable variance to net income were higher unrealized gains on commodity swaps in the second quarter of 2026.

As a result of lower average Alberta market power pricing in the second quarter of 2026, M2 spent more time offline, or at lower output levels, to avoid uneconomic dispatch hours. M2, through its efficient combined cycle gas turbine configuration, demonstrated significant operational efficiency and flexibility throughout the quarter, the result of which helped minimize negative financial impact from prolonged uneconomic periods.

GROUND LEASE

On April 29, 2025, MAXIM, through its wholly-owned subsidiary Milner Power Inc. ("Milner"), entered into a ground lease at the Milner site with Mine 14 Operations Inc ("Mine 14 Ops") to allow for construction and operation of a coal processing facility. On July 14, 2026, Mine 14 Ops issued a notice of termination under the ground lease providing for fourteen months notice of its termination of the ground lease in accordance with the terms of the ground lease. As such the ground lease will terminate on September 14, 2027. Mine 14 Ops continues to be obligated to pay rent of $0.3 million per month up to September 2027. As a result of the termination, there is no longer a potential benefit to MAXIM from the variable throughput payment which would have been payable under the ground lease if a coal processing facility was constructed and operational on the leased lands.

NON-GAAP FINANCIAL MEASURES

Management evaluates MAXIM's performance using a variety of measures. Adjusted EBITDA and FCF, as discussed below are non-GAAP measures and should not be considered as an alternative to or to be more meaningful than net income of the Corporation, as determined in accordance with GAAP, when assessing MAXIM's financial performance or liquidity. These measures do not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other companies.

Adjusted EBITDA

Adjusted EBITDA is provided to assist management and investors in determining the Corporation's approximate operating cash flows attributable to shareholders before finance expense, income taxes, depreciation and amortization, and certain other non-recurring or non-cash income and expenses. Financing expense, income taxes, depreciation and amortization are excluded from the Adjusted EBITDA calculation, as they do not represent cash expenditures that are directly affected by operations. Management believes that presentation of this non-GAAP measure provides useful information to investors and shareholders as it assists in the evaluation of performance trends. Management uses Adjusted EBITDA to compare financial results among reporting periods and to evaluate MAXIM's operating performance and ability to generate funds from operating activities.

	Three months ended June 30		Six months ended June 30	
($000's)	2026	2025	2026	2025
GAAP Measures from Condensed Consolidated Statement of Operations				
Net income (loss)	(3,066)	386	(3,260)	3,652
Income tax recovery	(183)	(1,066)	(236)	(21)
Finance expense (income), net	409	(185)	123	(291)
Depreciation and amortization	4,278	4,187	8,388	7,837
	1,438	3,322	5,015	11,177
Adjustments:				
Other income, net	(361)	(1,845)	(1,262)	(1,860)
Unrealized loss (gain) on commodity swaps	(641)	4,455	(1,015)	1,597
Share-based compensation	321	251	609	505
Adjusted EBITDA	757	6,183	3,347	11,419

Adjusted EBITDA is calculated as described above from its most directly comparable GAAP measure, net income, and adjusts for specific items that are not reflective of the Corporation's underlying operations and excludes other non-cash items.

In calculating Adjusted EBITDA for the three and six months ended June 30, 2026 and June 30, 2025 management excluded certain non-cash and non-recurring transactions. In both 2026 and 2025, Adjusted EBITDA excluded unrealized gains or losses on commodity swaps, share-based compensation and all items of other income.

Free Cash Flow

	Three months ended June 30		Six months ended June 30	
($000's)	2026	2025	2026	2025
Funds generated from operating activities before change in non-cash working capital	668	6,551	4,159	11,739
Property, plant and equipment additions	(965)	(1,735)	(21,630)	(3,884)
Interest expense and bank charges	(95)	(11)	(136)	(60)
Interest income	313	358	722	663
Free cash flow	(79)	5,163	(16,885)	8,458

FCF is calculated as described above from its most directly comparable GAAP measure from the Statement of Cash Flows, the funds generated from operating activities before change in non-cash working capital and adjusts for specific items that are reflective of the Corporation's underlying FCF. FCF is an important metric as it represents the amount of cash that is available to potentially invest in growth initiatives, pay dividends and repurchase shares. In calculating FCF for the three and six months ended June 30, 2026 and June 30, 2025, management uses the funds generated from operating activities before change in non-cash working capital for the period and deducts property, plant and equipment additions, repayment of loans and borrowings, interest expense and bank charges and adds interest income.

Net Debt

MAXIM defines net debt as loans and borrowings less unrestricted cash.

About MAXIM

Based in Calgary, Alberta, MAXIM is one of Canada's largest truly independent power producers. MAXIM is now focused entirely on power projects in Alberta. Its core asset – the 300 MW H.R. Milner Plant, M2, in Grande Cache, AB – is a state-of-the-art combined cycle gas-fired power plant that commissioned in Q4, 2023. MAXIM continues to explore additional development options in Alberta including its currently permitted gas-fired generation project and the permitting of its wind power generation project. MAXIM trades on the TSX under the symbol "MXG". For more information about MAXIM, visit our website at www.maximpowercorp.com. For further information please contact:

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Forward-looking statements

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. Specifically, this press release contains forward-looking statements concerning, among other things, the amount and receipt of lease payments.

Risk factors include that MAXIM will retain sufficient liquidity to maintain operations and continue to invest in its development portfolio. Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect MAXIM's business, operations or financial results are included in the reports on file with applicable securities regulatory authorities, including but not limited to MAXIM's Annual Information Form for the year ended December 31, 2025, which may be accessed on MAXIM's SEDAR+ profile at www.sedarplus.ca. 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.