Condensed Consolidated Interim Financial Statements of

MAXIM POWER CORP.

For the Three and Nine Months Ended September 30, 2026

(Unaudited)

MAXIM POWER CORP.

Unaudited Condensed Consolidated Interim Statements of Financial Position

(in thousands of Canadian dollars)

As at	Note	September 30, 2026	December 31, 2025
ASSETS			
Cash and cash equivalents		**38,778**	56,917
Trade and other receivables		**7,987**	7,958
Convertible note	10	**2,393**	-
Current tax asset		**-**	45
Risk management asset	10	**937**	1,389
Prepaid expenses and deposits		**904**	4,061
Total current assets		**50,999**	70,370
Property, plant and equipment, net	3	**310,941**	298,915
Investments	10	**2,250**	2,250
Risk management asset	10	**79**	-
Convertible note	10	-	2,521
Restricted cash	4	**11,234**	7,341
Prepaid expenses and deposits		**2,511**	2,027
Total non-current assets		**327,015**	313,054
TOTAL ASSETS		**378,014**	383,424
LIABILITIES			
Trade and other payables		**8,012**	12,278
Provisions for decommissioning		**993**	-
Current tax liability		**6**	-
Risk management liability	10	**697**	1,785
Total current liabilities		**9,708**	14,063
Provisions for decommissioning		**15,161**	14,024
Other long-term liabilities		**-**	285
Risk management liability	10	**47**	-
Deferred tax liabilities		**21,802**	21,908
Total non-current liabilities		**37,010**	36,217
TOTAL LIABILITIES		**46,718**	50,280
EQUITY			
Share capital		**172,350**	172,406
Contributed surplus		**14,478**	14,139
Retained earnings		**144,468**	146,599
TOTAL EQUITY		**331,296**	333,144
Commitments	8		
TOTAL LIABILITIES AND EQUITY		**378,014**	383,424

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

On behalf of the Board:

M. Bruce Chernoff
Chairman of the Board

Michael Mayder
Director

MAXIM POWER CORP.

Unaudited Condensed Consolidated Interim Statements of Operations and Comprehensive Income (Loss)

(in thousands of Canadian dollars, except for per share amounts)

		Three months ended September 30		Nine months ended September 30	
	Note	**2026**	2025	**2026**	2025
Revenue and power swaps					
Revenue		**20,355**	27,228	**51,319**	68,907
Realized gain on power swaps	10	**1,718**	136	**9,015**	2,374
Unrealized gain (loss) on power swaps	10	**(161)**	218	**(456)**	(569)
Total revenue and power swaps		**21,912**	27,582	**59,878**	70,712
Expenses					
Operating		**13,872**	12,360	**40,376**	41,777
Realized loss on natural gas swaps	10	**226**	1,941	**4,787**	1,809
Unrealized loss (gain) on natural gas swaps	10	**186**	(1,179)	**(1,124)**	(369)
General and administrative		**1,803**	1,998	**6,261**	5,716
Depreciation and amortization	3	**4,278**	3,852	**12,666**	11,689
Total expenses		**20,365**	18,972	**62,966**	60,622
Operating (loss) income		**1,547**	8,610	**(3,088)**	10,090
Other income, net	5	**360**	2,028	**1,622**	3,888
Finance income, net	6	**143**	942	**20**	1,233
Income (loss) before income taxes		**2,050**	11,580	**(1,446)**	15,211
Income tax expense					
Current income tax expense		**8**	805	**403**	805
Deferred income tax expense (recovery)		**525**	155	**(106)**	134
Total income tax expense		**533**	960	**297**	939
Net and comprehensive income (loss)		**1,517**	10,620	**(1,743)**	14,272
Earnings (loss) per share					
Basic	7	**0.02**	0.17	**(0.03)**	0.22
Diluted	7	**0.02**	0.17	**(0.03)**	0.22

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

MAXIM POWER CORP.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity

(in thousands of Canadian dollars, except common share data)

	Number of common shares (thousands)	Share capital	Contributed surplus	Retained earnings	Total
Equity at December 31, 2025	63,590	172,406	14,139	146,599	333,144
Net loss	-	-	-	(1,743)	(1,743)
Repurchase of common shares for cancellation	(233)	(631)	-	(388)	(1,019)
Share-based compensation	-	-	877	-	877
Stock options exercised	25	117	(22)	-	95
Stock options settled in common shares	56	458	(516)	-	(58)
Equity at September 30, 2026	**63,438**	**172,350**	**14,478**	**144,468**	**331,296**
Equity at December 31, 2024	63,693	172,476	13,286	130,258	316,020
Net income	-	-	-	14,272	14,272
Repurchase of common shares for cancellation	(108)	(293)	-	(194)	(487)
Share-based compensation	-	-	827	-	827
Stock options exercised	55	257	(38)	-	219
Equity at September 30, 2025	63,640	172,440	14,075	144,336	330,851

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

MAXIM POWER CORP.

Unaudited Condensed Consolidated Interim Statements of Cash Flows

(in thousands of Canadian dollars)

	Note	Nine months ended September 30 **2026**	2025
Cash flows from operating activities:			
Net income (loss)		**(1,743)**	14,272
Adjustments for items not involving cash or operations:			
Depreciation and amortization	3	**12,666**	11,689
Share-based compensation		**877**	827
Unrealized loss on power swaps	10	**456**	569
Unrealized gain on natural gas swaps	10	**(1,124)**	(369)
Stock option settlement in common shares		**(58)**	-
Gain on disposal of development projects, net of closing costs		**-**	(1,480)
Change in fair value of investment		**-**	(1,488)
Decommissioning costs		**(19)**	-
Income tax expense		**297**	939
Income tax paid		**(352)**	(110)
Finance income, net	6	**(20)**	(1,233)
Funds generated from operating activities before change in non-cash working capital		**10,980**	23,616
Change in non-cash working capital	9	**(2,233)**	(4,537)
Net cash generated from operating activities		**8,747**	19,079
Cash flows from financing activities:			
Repurchase of common shares for cancellation		**(1,019)**	(487)
Interest and bank charges	6	**(174)**	(186)
Proceeds from exercise of stock options		**95**	219
Issue costs on loans and borrowings	4	**(141)**	-
Net cash used in financing activities		**(1,239)**	(454)
Cash flows from investing activities:			
Property, plant and equipment additions	3	**(22,987)**	(9,423)
Proceeds on sale of development project, net of closing costs		**-**	9,931
Interest income	6	**1,011**	1,060
Change in non-cash working capital	9	**(3,589)**	2,764
Net cash generated from (used in) investing activities		**(25,565)**	4,332
Foreign exchange gain (loss) on cash and cash equivalents	6	**(82)**	7
Increase (decrease) in cash and cash equivalents		**(18,139)**	22,964
Cash and cash equivalents, beginning of period		**56,917**	30,068
Cash and cash equivalents, end of period		**38,778**	53,032

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. Reporting entity

Maxim Power Corp. is incorporated in the province of Alberta, Canada. Maxim Power Corp., together with its subsidiaries ("MAXIM" or the "Corporation") is an independent power producer, which acquires or develops, owns and operates power and power related projects in Alberta. The Corporation's common shares ("Common Shares") trade on the Toronto Stock Exchange under the symbol "MXG". MAXIM's registered office is Suite 1800, 715 – 5 Avenue S.W., Calgary, Alberta, Canada, T2P 2X6.

2. Basis of preparation and statement of compliance

(a) Statement of compliance

These unaudited condensed consolidated interim financial statements are prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting. The unaudited condensed consolidated interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the Corporation's December 31, 2025 annual audited consolidated financial statements available at www.sedarplus.ca.

MAXIM's Board of Directors approved these unaudited condensed consolidated interim financial statements on November 5, 2026.

(b) Material accounting policies and use of judgments and estimates

The material accounting policies used in the preparation of these unaudited condensed consolidated interim financial statements have been applied consistently for all periods presented and are unchanged from the policies disclosed in the notes to the consolidated financial statements for the year ended December 31, 2025.

The use of judgments and estimates in the preparation of these unaudited condensed consolidated interim financial statements have been applied consistently for all periods presented and are unchanged from the judgments and estimates disclosed in the notes to the consolidated financial statements for the year ended December 31, 2025.

3. Property, plant and equipment, net

	Generating Facilities and Equipment	Right-of-use Asset	Assets under Construction	Total
Cost				
Balance, December 31, 2024	409,310	202	13,614	423,126
Additions	2,363	-	11,436	13,799
Assets in-service	15,555	-	(15,555)	-
Revisions to decommissioning provisions	2,903	-	-	2,903
Derecognition of fully depreciated asset	(7,615)	-	-	(7,615)
Disposal of development project	(194)	-	(8,192)	(8,386)
Balance, December 31, 2025	422,322	202	1,303	423,827
Additions (a)	1,516	-	21,471	22,987
Assets in-service	515	-	(515)	-
Revisions to decommissioning provisions	1,705	-	-	1,705
Balance, September 30, 2026	426,058	202	22,259	448,519
Accumulated depreciation				
Balance, December 31, 2024	116,976	115	-	117,091
Depreciation	15,575	30	-	15,605
Disposal of development project	(169)	-	-	(169)
Derecognition of fully depreciated asset	(7,615)	-	-	(7,615)
Balance, December 31, 2025	124,767	145	-	124,912
Depreciation	12,643	23	-	12,666
Balance, September 30, 2026	137,410	168	-	137,578
Property, plant and equipment, net				
December 31, 2025	297,555	57	1,303	298,915
September 30, 2026	288,648	34	22,259	310,941

(a) During the first nine months of 2026, MAXIM spent $22,987, of which $19,578 related to advancing the Prairie Lights Power project (“Prairie Lights”) and $3,409 relates to sustaining capital spending at Milner 2 (“M2”).

4. Loans and borrowings

Senior Credit Facility

On June 8, 2026, the Corporation entered into an amended and restated credit agreement which allowed for minor administrative changes and extended the maturity date of the Senior Credit Facility from June 30, 2026 to June 30, 2028. The amendment did not change any significant key terms, limits, availability or financial covenants. A total of $141 in transaction costs were incurred in relation to the extension of the Senior Credit Facility. The Senior Credit Facility provides senior debt financing to support financing requirements of the existing operations, letters of credit and hedging. The Senior Credit Facility is secured by the assets of the Corporation.

4. Loans and borrowings (continued)

Restricted Cash

As at September 30, 2026, restricted cash was $11,234 (December 31, 2025 - $7,341). During the first nine months of 2026, MAXIM issued $3,893 of net cash collateralized letters of credit, of which, $4,893 is necessary for advancing the development of Prairie Lights and $1,000 was returned to MAXIM in relation to other reduced collateral requirements.

Revolver Facility #1

The $25,000 Revolver Facility #1 is available for general corporate purposes. The Corporation has posted cash collateralized letters of credit of $11,234 under this facility and deposited cash of the same amount into a restricted bank account maintained by the bank. As at September 30, 2026, the availability under this facility is $13,766. Letters of credit reduce the availability under this facility, regardless of whether the letters of credit are cash collateralized or not. The Corporation can elect to drawback cash collateral of $11,234 related to the letters of credit, in exchange for paying a higher margin fee. The Revolver Facility #1 bears interest at the Canadian overnight repo rate average or Canadian prime rate, plus applicable margins.

Financial Debt Covenants

MAXIM is required to maintain a net debt to Adjusted EBITDA ratio of not greater than 3.00:1.00. As at September 30, 2026, MAXIM's net debt to Adjusted EBITDA ratio is (2.46):1.00 and is therefore in compliance.

MAXIM is required to maintain an interest coverage ratio of not less than 5.00:1.00 on a rolling four quarter basis. As at September 30, 2026, MAXIM's interest coverage ratio is 73.68:1.00 and is therefore in compliance.

The asset coverage percentage covenant requires that at the end of each financial quarter, the tangible assets of MAXIM, Milner Power II LP, Milner Power LP, and Prairie Lights Power LP, are not less than 95% of consolidated tangible assets. As at September 30, 2026, MAXIM's asset coverage percentage is 100% and is therefore in compliance.

In addition, MAXIM is subject to customary non-financial covenants. As at September 30, 2026, MAXIM is in compliance with all applicable debt covenants.

5. Other income, net

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Change in fair value of investment	-	1,488	-	1,488
Gain on disposal of development projects, net of closing costs	-	-	-	1,480
Lease income (a)	900	536	2,700	897
Provision for expected credit losses (a)	(540)	-	(1,080)	-
Other income	-	4	2	23
Total other income, net	360	2,028	1,622	3,888

(a) On April 29, 2025, the Corporation entered into a ground lease at the Milner site with Mine 14 Operations Inc. to allow for construction and operation of a coal processing facility. The Corporation earns ground lease income of $300 per month. During the first nine months of 2026, the Corporation earned $2,700 and collected $900 of lease income (September 30, 2025 – $897).

5. Other income, net (continued)

For the three and nine months ended September 30, 2026, the Corporation recognized an allowance for expected credit losses related to the ground lease receivable, as lease payments for the period from April 1, 2026 to September 30, 2026 are past due. For the three and nine months ended September 30, 2026, Management has assessed the credit risk associated with the ground lease receivable and recognized an expected credit loss allowance of $540 and $1,080, respectively. The estimate incorporates the weighted probability of collecting the receivable. The methodology has not changed for the calculation of the allowance for expected credit losses during the period.

(b) On July 14, 2026, Mine 14 Operations Inc. issued a notice of termination under the ground lease. Under the terms of the ground lease, Mine 14 Operations Inc. is required to provide fourteen months of notice and as such the ground lease will terminate on September 14, 2027. Mine 14 Operations Inc. continues to be obligated to pay rent of $300 per month up to September 2027.

(c) The Corporation has a concentration of credit risk with counterparties within the same corporate group related to the lease receivable (Note 5(a)) and the convertible note (Note 10(c)).

6. Finance income, net

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Interest expense and bank charges	(38)	(126)	(174)	(186)
Amortization of deferred financing costs	(17)	(74)	(163)	(220)
Change in fair value of convertible note (note 10c)	(174)	622	(667)	577
Accretion of provisions	(156)	(87)	(444)	(265)
Foreign exchange gain (loss)	44	53	(82)	7
Finance income (expense)	(341)	388	(1,530)	(87)
Interest income (a)	484	554	1,550	1,320
Total finance income, net	143	942	20	1,233

(a) For the three and nine months ended September 30, 2026, interest income includes cash interest income of $289 and $1,011, respectively (September 30, 2025 - $398 and $1,060, respectively). The remaining interest income relates to non-cash interest income earned on the convertible note.

7. Earnings (loss) per share

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Weighted average number of common shares - basic	63,473,980	63,698,794	63,526,938	63,681,043
Effect of stock options	10,969	248,682	-	348,822
Weighted average number of common shares - diluted	63,484,949	63,947,476	63,526,938	64,029,865

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Net income (loss)	1,517	10,620	(1,743)	14,272

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Earnings (loss) per share (dollars per share):				
Basic (a)	0.02	0.17	(0.03)	0.22
Diluted (a)	0.02	0.17	(0.03)	0.22

(a) The effects of the exercisable stock options on diluted earnings per share were nil for the nine months ended September 30, 2026, as they were antidilutive.

8. Commitments

The Corporation has entered into capital asset commitments, a natural gas transportation service agreement to have natural gas delivered to Milner 2 and contracts to purchase emission credits. The total remaining commitment from these contracts as at September 30, 2026 is $37,159 as follows:

2026	21,078
2027	6,715
2028	4,605
2029	2,580
2030	1,931
Thereafter	250
	37,159

9. Change in non-cash working capital

	Nine months ended September 30	
	2026	2025
Operating activities		
Trade and other receivables	(29)	(6,517)
Deferred lease income	-	536
Prepaid expenses and deposits	2,651	4,838
Trade and other payables	(4,855)	(3,394)
	(2,233)	(4,537)

	Nine months ended September 30	
	2026	2025
Investing activities		
Trade and other payables	304	3,804
Restricted cash	(3,893)	(1,040)
	(3,589)	2,764

10. Financial risk management and fair value

Financial risk management

The Corporation's risk management process, oversight and techniques are the same as those described in the Corporation's 2025 annual consolidated financial statements.

Fair value

The fair value measurement of a financial instrument or derivative contract is included in one of three levels as follows:

- Level I: unadjusted quoted prices in active markets for identical assets or liabilities
- Level II: inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly or indirectly
- Level III: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

10. Financial risk management and fair value (continued)

The Corporation is required to recognize and disclose the fair value of financial assets and liabilities. The Corporation's financial assets and financial liabilities that are not convertible notes, risk management swaps, investments, options or loans and borrowings are all classified as Level I under the fair value hierarchy as they are based on unadjusted quoted prices in active markets for identical instruments.

(a) Commodity risk management swaps

The fair values of the power and natural gas commodity swaps are classified as Level II under the fair value hierarchy as the fair values are based on observable market data. The Corporation determined the fair value of the swaps by applying the market approach using market settled forward prices as reported by the Natural Gas Exchange for forward contracts of comparable term at the reporting date.

Realized and unrealized loss (gain) on commodity swaps

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Realized loss (gain) on commodity swaps				
Power swaps	(1,718)	(136)	(9,015)	(2,374)
Natural gas swaps	226	1,941	4,787	1,809
Total realized loss (gain) on commodity swaps	(1,492)	1,805	(4,228)	(565)
Unrealized loss (gain) on commodity swaps				
Power swaps	161	(218)	456	569
Natural gas swaps	186	(1,179)	(1,124)	(369)
Total unrealized loss (gain) on commodity swaps	347	(1,397)	(668)	200
Total realized and unrealized loss (gain) on commodity swaps	(1,145)	408	(4,896)	(365)

(b) Carrying amount of risk management asset and liabilities

Current and non-current risk management asset

Current risk management asset	September 30, 2026	December 31, 2025
Power commodity swaps	937	1,389
Total carrying amount of current risk management asset	937	1,389

Non-current risk management asset	September 30, 2026	December 31, 2025
Power commodity swaps	33	-
Natural gas commodity swaps	46	-
Total carrying amount of non-current risk management asset	79	-
Total current and non-current risk management asset	1,016	1,389

The carrying amount of current and non-current risk management asset represents the unrealized asset from the power and natural gas commodity swaps.

10. Financial risk management and fair value (continued)

Current and non-current risk management liability

Current risk management liability	September 30, 2026	December 31, 2025
Natural gas commodity swaps	697	1,775
Power commodity swaps	-	10
Total carrying amount of current risk management liability	697	1,785

Non-current risk management liability	September 30, 2026	December 31, 2025
Power commodity swaps	47	-
Total carrying amount of non-current risk management liability	47	-
Total current and non-current risk management liability	744	1,785

The carrying amount of current and non-current risk management liability represents the unrealized liability from the power and natural gas commodity swaps.

(c) Convertible Note

The convertible note is a $4,516 Australian dollar equity security in the form of a 15% interest bearing note convertible into Valory Resources Inc. (“Valory”) common shares. The convertible note matures on April 29, 2027, and is convertible at MAXIM’s election into common shares of Valory upon a convertible event, being a sale, equity raise or maturity and converts at a 30% discount to the corresponding share valuation at the event. The convertible note may be redeemed by Valory at any time.

The convertible note is classified as a financial asset measured at fair value through profit or loss at the end of each reporting period, through the use of an internal model which incorporates significant unobservable inputs. Due to the unobservable nature of the inputs used in determining the fair value, the convertible note is considered a level III financial instrument. Management’s best estimate of the fair value of the convertible note is based on a probability weighted approach considering the discounted cash flows associated with the collection of the principal amount through the maturity of the convertible note and the conversion into Valory common shares.

The internal model includes assumptions about the credit risk of the counterparty in the determination of the discount rate and contract duration. The following table summarizes the change in fair value of the convertible note as at September 30, 2026.

Balance, December 31, 2025	2,521
Interest income	539
Change in fair value of Convertible Note	(667)
Balance, September 30, 2026	2,393

10. Financial risk management and fair value (continued)

(d) Investments

MAXIM holds common shares in a non-public investment. This non-public investment is classified as a financial asset measured at fair value through profit or loss at the end of each reporting period. Fair value is determined using a market approach which incorporates unobservable inputs. Due to the unobservable nature of the inputs used in determining fair value, the non-public investment is considered a level III financial instrument. Fair value is based on the common share price from the most recent arm's length issuance of common shares of the non-public investment multiplied by the number of shares held by MAXIM. The following table summarizes the carrying amount of the investment as at September 30, 2026.

	September 30, 2026	December 31, 2025
Investment	2,250	2,250

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") is dated November 5, 2026 and should be read in conjunction with the unaudited condensed consolidated interim financial statements of Maxim Power Corp. ("MAXIM" or the "Corporation") for the three and nine months ended September 30, 2026 and the audited consolidated financial statements and MD&A for the year ended December 31, 2025. MAXIM prepares its unaudited condensed consolidated interim financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting, under IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IFRS"). MAXIM occasionally refers to non-GAAP and other financial measures in the MD&A which are not standardized measures and may not be comparable to other reporting issuers. See the Non-GAAP and other financial measures section for more information. The MD&A contains Forward-Looking Information ("FLI"). This information is based on certain estimates and assumptions and involve risks and uncertainties. Actual results may differ materially. See the FLI section of this MD&A for additional information.

Capitalized and abbreviated terms that are used but not otherwise defined herein are defined in the Glossary of Terms. Throughout this MD&A, dollar amounts within tables are in thousands of Canadian dollars unless otherwise noted.

TABLE OF CONTENTS

BUSINESS OF MAXIM 2

OVERALL PERFORMANCE 2

OUTLOOK 3

DEVELOPMENT AND BUSINESS INITIATIVES 4

FORWARD-LOOKING INFORMATION 6

SELECTED QUARTERLY FINANCIAL INFORMATION 7

QUARTERLY FINANCIAL RESULTS OF OPERATIONS 8

LIQUIDITY AND CAPITAL RESOURCES 12

ENVIRONMENTAL AND CLIMATE CHANGE LEGISLATION 15

NON-GAAP AND OTHER FINANCIAL MEASURES 16

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES 19

NEW ACCOUNTING PRONOUNCEMENTS 19

TRANSACTIONS WITH RELATED PARTIES 19

CONTROLS AND PROCEDURES 19

OTHER INFORMATION 20

GLOSSARY OF TERMS 21

BUSINESS OF MAXIM

MAXIM is an independent power producer engaged in the acquisition, development, ownership and operation of power generation facilities and the resultant sale of generating capacity and electricity. As at the date of this MD&A, MAXIM has one power generating facility, Milner 2 ("M2"), a combined cycle natural gas-fired power plant with 300 MW of maximum electric generating capacity in Canada. The M2 power plant was commissioned in the fourth quarter of 2023 and is situated at the HR Milner ("Milner") generating station site near Grande Cache, Alberta.

OVERALL PERFORMANCE

Highlights

Financial Performance and Operations

During the third quarter of 2026, MAXIM recorded net income and adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"[(1)]) of $1.5 million and $6.4 million, respectively, as compared to net income and Adjusted EBITDA[(1)] of $10.6 million and $11.4 million, respectively, in the same period of 2025. Net income and Adjusted EBITDA[(1)] decreased in 2026 primarily due to lower average realized power prices and higher natural gas prices, partially offset by higher generation volumes and net realized gains on commodity swaps as compared to 2025.

(1) Adjusted EBITDA is a non-GAAP measure. See Non-GAAP and Other Financial Measures.

The average Alberta market power price during the third quarter of 2026 was $35.52 per MWh as compared to $51.29 per MWh in the same period of 2025, representing a 31% decrease. As a result of lower average Alberta market power pricing in the third quarter of 2026, M2 spent time offline, or at lower output levels, to avoid uneconomic dispatch hours. M2 demonstrated significant operational flexibility throughout the quarter, the result of which helped to minimize the negative financial impact from prolonged uneconomic periods.

MAXIM's current normal course issuer bid ("NCIB") program is for the September 16, 2026 to September 15, 2027 period. Under the current NCIB, the Corporation may purchase for cancellation up to 3,173,127 Common Shares of the Corporation. Collectively under this program and as of the date of this MD&A, the Corporation has repurchased and cancelled 23,890 Common Shares at a weighted average price of $4.19 per share.

The current NCIB follows the expiration of MAXIM's previous NCIB which was effective from September 16, 2025 and expired on September 15, 2026. Under MAXIM's previous NCIB, MAXIM completed the purchase of 324,902 Common Shares at a weighted average price of $4.41 per share

Quarterly Financial and Operational Highlights

($000's, unless otherwise noted)	Three months ended September 30 2026	2025	Nine months ended September 30 2026	2025
Revenue	20,355	27,228	51,319	68,907
Net income (loss)	1,517	10,620	(1,743)	14,272
Basic earnings (loss) per share ($ per share)	0.02	0.17	(0.03)	0.22
Diluted earnings (loss) per share ($ per share)	0.02	0.17	(0.03)	0.22
Adjusted EBITDA[(1)]	6,440	11,387	9,787	22,806
Free cash flow [(1)]	5,715	6,609	(11,170)	15,067
Total generation (MWh)	470,964	454,253	1,135,155	1,283,772
Total fuel consumption (GJ)	3,773,838	3,640,634	9,308,803	10,530,988
Heat rate (GJ/MWh)	8.01	8.01	8.20	8.20
Facility availability rate (%)	96.2%	86.2%	94.1%	91.6%
Facility utilization rate (%)	76.2%	80.5%	60.0%	69.2%
Average Alberta market power price ($ per MWh)	35.52	51.29	32.39	43.90
Average realized power price ($ per MWh)	43.22	59.94	45.21	53.68
Non-current liabilities	37,010	31,531	37,010	31,531
Total assets	378,014	375,278	378,014	375,278

(1) Adjusted EBITDA and Free Cash Flow ("FCF") are non-GAAP measures. See Non-GAAP and Other Financial Measures.

Financial Results

During the third quarter of 2026, revenue, net income, and Adjusted EBITDA[(1)] decreased as compared to 2025 primarily due to lower average realized power prices and higher natural gas prices, partially offset by higher generation volumes and net realized gains on commodity swaps as comparted to 2025. Net income further decreased due to higher unrealized losses on commodity swaps in 2026.

During the first nine months of 2026, revenue, net income, and Adjusted EBITDA[(1)] decreased as compared to 2025 primarily due to lower generation volumes, lower average realized power prices and higher natural gas prices, partially offset by net realized gains on commodity swaps as compared to 2025.

(1) Adjusted EBITDA is a non-GAAP measure. See Non-GAAP and Other Financial Measures.

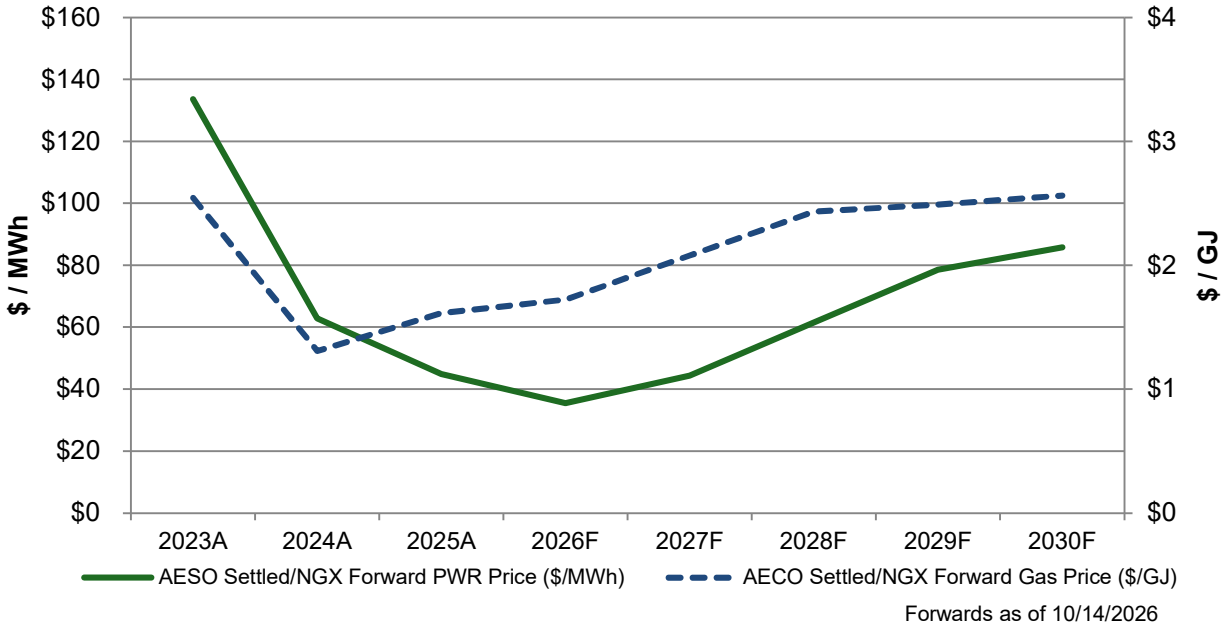
OUTLOOK

Alberta Power Price

The following commentary represents FLI and users are cautioned that actual results may vary. Refer to the discussion of FLI on page 5 for further details.

In 2023, management observed elevated electricity prices as a result of higher carbon pricing, higher natural gas pricing, and tight supply/demand fundamentals. Power prices declined in 2024 as a result of a significant increase in new generating capacity additions during the period compounded by low natural gas prices. In 2025 power prices were lower than 2024 due to further generating capacity additions coming online early in the year, along with low natural gas prices. In 2026 power prices are anticipated to be lower than 2025 however forward power prices are expected to begin rising in 2027+ due to higher forecast natural gas prices and a re-balancing of supply/demand fundamentals, which is largely driven by general load growth and anticipated new data centre load. As a result of softening market fundamentals, in 2025 and 2026, two large 400 MW gas-fired generating facilities have temporarily mothballed operations. The M2 asset continues to be one of the more efficient and flexible dispatchable power generating facilities in Alberta, allowing it to maintain economic operations throughout challenging market conditions.

Current (2026) Alberta natural gas forward prices have dropped into a range consistent with 2025 prices. The persistent low natural gas pricing is a result of continued local Alberta supply/demand fundamentals and limited pipeline capacity to get Alberta natural gas to external markets. The result of this has caused local Alberta natural gas prices to be significantly discounted relative to broader North American natural gas prices. Longer-term (2027+) Alberta natural gas forward prices are consistent with the range of historical prices and in line with management's expectations.



DEVELOPMENT AND BUSINESS INITIATIVES

The Corporation maintains optionality for all of its development and business initiatives in order to maximize shareholder value, including outright sale, joint venture, build and operate or development process to maintain certain initiatives as future opportunities.

Future Business Initiatives

All future growth initiatives are at various stages of development and subject to, among other things, financing, development and permitting of necessary electrical transmission and fuel supply infrastructure, equipment procurement and various other commercial contracts. As at the date of this MD&A, no definitive final investment commitments or decisions on these future business initiatives have been made.

MAXIM maintains the flexibility to manage the timing of its business initiatives. MAXIM accounts for its development projects as assets under construction included in property, plant and equipment once technical and economic feasibility is established. If a project has not yet met, or no longer meets these criteria, any capitalized costs for the project are expensed in the period.

MAXIM owns the 400 MW Prairie Lights natural gas-fired power generation development project ("Prairie Lights") located near Grande Prairie, Alberta, which is in the early stages of development. On February 9, 2026, MAXIM entered into a gas turbine and generator reservation agreement (the "Reservation Agreement") with GE Vernova. The Reservation Agreement allows MAXIM to hold a manufacturing slot for a 7HA.02 gas turbine and generator package (the "Gas Turbine") with a target delivery by 2030. To hold this manufacturing slot, MAXIM is required to provide a non-refundable deposit which is payable in 2026. Under the Reservation Agreement, the parties agree to negotiate in good faith to reach a definitive sales agreement for the purchase of the Gas Turbine. The purchase price for the Gas Turbine will be agreed to in the definitive agreement, and the deposit will be credited towards the final purchase price.

MAXIM has secured this unit manufacturing slot for Prairie Lights. An amendment to the Prairie Lights regulatory permits will be required based on the Gas Turbine selected and its corresponding delivery schedule. The 7HA.02 gas turbine is an updated model of the currently approved gas turbine within the Prairie Lights regulatory permits and, as such, the amendment is anticipated to be routine in nature. MAXIM submitted an amendment to the Prairie Lights regulatory permits at the end of the third quarter. As part of this amendment MAXIM has informed the regulators of the updated equipment selection, and that it wishes to develop the project in two stages. Similar to how the M2 project was developed, the first stage of Prairie Lights is now intended to be constructed as a simple cycle facility. The second stage of the project will complete Prairie Lights as a combined cycle facility. During Stage 1 as a simple cycle facility, Prairie Lights will have an estimated capacity of 349 MW. Following Stage 2 completion, the project will have an estimated capability of 529 MW. Stage 1 of Prairie Lights is anticipated to be ready for commercial operation during 2031.

The Government of Alberta ("GoA") is actively seeking to attract data centres to the province, with the condition that proponents must bring their own generation ("BYOG"). The BYOG concept is intended to match data centre electricity demand requirements with new or underutilized generating capacity of equal size. BYOG may not require the generation and data centre facilities to be at the same location, meaning that the data centre could potentially connect in one area of the grid, and a generator or equal size connects to the grid in another physical location. The Alberta Electric System Operator (“AESO”) is anticipated to roll out their Large Load 2 process ("LL2") sometime during the fourth quarter of 2026. LL2 is expected to facilitate the GoA's BYOG process, allowing generation and data centre projects to tether. As a highly advanced development project with a gas turbine under reservation, Prairie Lights is in a strong development position to qualify as BYOG for the LL2 process.

The Corporation is exploring commercial opportunities related to the anticipated LL2 process, which could include long-term contracting opportunities. As at the date of this MD&A MAXIM has made no commitment to enter into any long-term contracts for the sale of electricity or electrical capacity. The Corporation continues to advance all aspects of project development for Prairie Lights and anticipates total project spending during 2026 of up to $40 million, of which $19.6 million has been spent as of September 30, 2026.

MAXIM owns a wind development project (“Buffalo Atlee”) which has the potential for up to 200 MW of power generation capacity. MAXIM has installed a new meteorological tower on the site lands to further expand and improve the quality of the project’s wind resource data. The Corporation continues to monitor changes to provincial and federal government regulations as they relate to opportunities to develop and construct natural gas and wind power projects.

MAXIM continues to conduct its review of commercialization of the Milner landfill fly ash beneficiation project ("LFAB") which will process and repurpose land-filled fly ash previously produced by the legacy coal-fired power facility at the Milner site. Fly ash is a byproduct of burning coal and can be used as a low carbon intensity alternative for cement mix. Through advancement of project development, the LFAB has been approved for funding through Emissions Reduction Alberta ("ERA") Advanced Materials Challenge for up to $5.0 million. Funding can be used for directly attributable costs in relation to all project-related activities of the LFAB. The Corporation has entered into the funding contribution agreement with ERA and continues to refine project details to inform a final investment decision. The Corporation has completed satisfactory testing with a third-party provider to validate their processing equipment and is currently working to establish satisfactory commercial arrangements for the project. No investment decision to proceed with the LFAB has been made as at the date of this MD&A

FORWARD-LOOKING INFORMATION

FLI and forward looking statements included in this MD&A are provided to inform the Corporation's shareholders and potential investors about management's assessment of the Corporation's future plans and operations. This information may not be appropriate for other purposes.

Readers are cautioned that management's expectations, estimates, projections and assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

Forward-looking statements are often, but not always, identified by the use of words such as "anticipate" "approximate", "plan", "estimate", "intend", "believe", "expect", "will", "may", "project", "predict", "potential", "could", "might", "should", and other similar expressions. The Corporation believes the expectations reflected in forward-looking statements and FLI are reasonable, but no assurance can be given that these expectations will prove to be correct. These forward-looking statements speak only to the date of this MD&A and are expressly qualified by this cautionary statement. Specifically, this MD&A contains forward-looking statements concerning, among other things, anticipated spending and development of Prairie Lights, the outlook for commodity and power prices and changes in market rules. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements or FLI, whether as a result of new information, future events or otherwise except as required pursuant to applicable securities laws. Certain information in this MD&A is FLI and is subject to important risks and uncertainties. The results or events predicted in this information may differ from actual results or events.

Factors which could cause actual results or events to differ materially from current expectations include the ability of the Corporation to implement its strategic initiatives, operational risks related to the Corporation's generation facilities, the availability of capital and contractors to execute its development initiatives, the availability and price of energy commodities, government and regulatory decisions including carbon pricing, power plant availability and capacity under simple cycle or combined cycle, counterparty credit risk of non-performance, tariffs, trade disputes, supply chain constraints, competitive factors in the power industry, foreign exchange and tax rates, the impact of pandemics, prevailing economic conditions in the regions that the Corporation operates, operational efficiency and planned or unplanned plant outages and the other risks described herein and under the heading "Risk Factors" in the Corporation's most recently filed annual information form filed on SEDAR+ at www.sedarplus.ca.

These factors should not be construed as exhaustive. The forward-looking statements contained in this document are expressly qualified by this cautionary statement. MAXIM does not undertake any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities law. With respect to forward-looking statements contained within this MD&A, MAXIM has made the following assumptions as at the date of this MD&A:

- MAXIM's operating cashflow is largely dependent on electric power and natural gas prices. Management forecasts that cash flows for operating and general and administrative expenses will be funded by positive cashflows from revenues and existing cash on hand. MAXIM estimates total capital expenditures to be incurred in 2026 of approximately $46.0 million. These expenditures primarily relate to Prairie Lights spending and sustaining capital spending related to M2. Management forecasts that cash flows for capital expenditures will be funded with existing cash on hand, operating cashflows and debt financing.
- The Corporation will continue to have access to its credit facility and not be in default.
- The Corporation will retain sufficient liquidity to maintain operations and continue to invest in its development portfolio.

- MAXIM's continued compliance with all necessary provincial and federal regulations for environmental and climate change legislation and all necessary requirements of operating permits. Further changes to environmental legislation and operational issues may affect the ability of MAXIM to comply with regulations and may result in unplanned costs and plant outages.
- Other matters and factors described under the Outlook section on page 3

SELECTED QUARTERLY FINANCIAL INFORMATION

Financial Highlights

Quarter ended: (unaudited) ($000's unless otherwise noted)	30-Sep 2026	30-Jun 2026	31-Mar 2026	31-Dec 2025
Revenue	20,355	15,346	15,618	17,966
Net income (loss)	1,517	(3,066)	(194)	2,422
Basic earnings (loss) per share ($ per share)	0.02	(0.05)	0.00	0.04
Diluted earnings (loss) per share ($ per share)	0.02	(0.05)	0.00	0.04
Adjusted EBITDA[(1)]	6,440	757	2,590	6,007
Average realized power price ($ per MWh)	43.22	42.93	50.91	57.44
Total fuel consumption (GJ)	3,773,838	2,942,362	2,592,603	2,731,215
Total generation (MWh)	470,964	357,427	306,764	312,769

Quarter ended: (unaudited) ($000's unless otherwise noted)	30-Sep 2025	30-Jun 2025	31-Mar 2025	31-Dec 2024
Revenue	27,228	21,426	20,253	24,048
Net income (loss)	10,620	386	3,266	(341)
Basic earnings (loss) per share ($ per share)	0.17	0.01	0.05	(0.01)
Diluted earnings (loss) per share ($ per share)	0.17	0.01	0.05	(0.01)
Adjusted EBITDA[(1)]	11,387	6,183	5,236	5,647
Average realized power price ($ per MWh)	59.94	51.44	49.04	56.52
Total fuel consumption (GJ)	3,640,634	3,400,931	3,489,423	3,514,660
Total generation (MWh)	454,253	416,488	413,031	425,486

Quarter over quarter revenue, Adjusted EBITDA[(1)] and net income are affected by planned and unplanned outages, market demand, weather conditions and the seasonal nature of Alberta power and natural gas prices. Alberta power prices tend to be higher during winter and summer peak load months and are further affected by supply constraints such as outages at other Alberta generation facilities. Reported revenue, Adjusted EBITDA[(1)] and net income fluctuated in 2024, 2025 and 2026 due to variations in generation volumes of M2 and realized power prices.

In addition to the factors noted above, net income is affected by certain non-cash and non-recurring transactions as follows:

- The third quarter of 2026 included lease income of $0.9 million, $0.2 million decrease in fair value of convertible note, $1.1 million of commodity swap gains, $0.5 million allowance for credit losses, and income tax expense of $0.5 million.
- The second quarter of 2026 included lease income of $0.9 million, $0.6 million decrease in fair value of convertible note, $0.9 million of commodity swap gains and a $0.5 million allowance for credit losses, and income tax recovery of $0.2 million.
- The first quarter of 2026 included lease income of $0.9 million, $0.1 million increase in fair value of convertible note and $2.9 million of commodity swap gains.

- The fourth quarter of 2025 included $6.5 million of settlement proceeds relating to the claims against third-parties in relation to the non-injury fire at M2, lease income of $0.5 million, $0.1 million increase in fair value of convertible note, $0.8 million increase in fair value of investment, $0.5 million of net commodity swap gains and $0.6 million of income tax expense.
- The third quarter of 2025 included $1.5 million of increase in fair value of investment, $0.6 million increase in fair value of convertible note, lease income of $0.5 million, $0.4 million of net commodity swap losses and income tax expense of $1.0 million.
- The second quarter of 2025 included $4.8 million of net commodity swap losses, a gain on sale of Summit Coal Limited Partnership and Summit Coal Inc. ("Summit") of $1.5 million, lease income of $0.4 million and income tax recovery of $1.1 million.
- The first quarter of 2025 included $5.6 million of net commodity swap gains and $1.0 million of income tax expense.
- The fourth quarter of 2024 included $3.0 million of net commodity swap losses and $0.3 million of income tax expense.

(1) Adjusted EBITDA is a non-GAAP measure. See Non-GAAP and Other Financial Measures.

QUARTERLY FINANCIAL RESULTS OF OPERATIONS

Revenue

	Three months ended September 30		Nine months ended September 30	
($000's)	2026	2025	2026	2025
Revenue	20,355	27,228	51,319	68,907

Revenue in the third quarter of 2026 decreased by $6.8 million, or 25%, to $20.4 million from $27.2 million in 2025, primarily due to lower average realized power prices, partially offset by higher generation in the third quarter of 2026.

Revenue in the first nine months of 2026 decreased by $17.6 million, or 26%, to $51.3 million from $68.9 million in 2025, primarily due to lower average realized power prices and lower generation volumes.

Operating Expense

Operating expenses are grouped into three major categories, fuel, Greenhouse Gas Emission Compliance Costs ("Carbon Costs") and Operations and Maintenance ("O&M").

Three months ended September 30 ($000's)	2026				2025			
	Fuel	Carbon Costs	O&M	Total	Fuel	Carbon Costs	O&M	Total
Total	6,870	1,244	5,758	13,872	4,101	1,642	6,617	12,360
Percent	50%	9%	41%	100%	33%	13%	54%	100%
$ Per MWh[(1)]	14.59	2.64	12.23	29.46	9.03	3.61	14.57	27.21
$ Per GJ[(1)]	1.82	0.33	1.53	3.68	1.13	0.45	1.82	3.40

Nine months ended September 30 ($000's)	2026				2025			
	Fuel	Carbon Costs	O&M	Total	Fuel	Carbon Costs	O&M	Total
Total	19,139	3,588	17,649	40,376	19,288	5,100	17,389	41,777
Percent	47%	9%	44%	100%	46%	12%	42%	100%
$ Per MWh[(1)]	16.86	3.16	15.55	35.57	15.02	3.97	13.55	32.54
$ Per GJ[(1)]	2.06	0.39	1.90	4.35	1.83	0.48	1.65	3.96

Fuel expenses in the third quarter of 2026 increased by $2.8 million, or 68%, to $6.9 million from $4.1 million in 2025, primarily due to higher generation volumes and natural gas prices in 2026.

Fuel expenses in the first nine months of 2026 decreased by $0.2 million, or 1%, to $19.1 million from $19.3 million in 2025, primarily due to lower generation volumes, partially offset by higher natural gas costs in 2026.

Carbon Costs in the third quarter of 2026 decreased by $0.4 million, or 25%, to $1.2 million from $1.6 million in 2025, primarily due to favourable external carbon market conditions which resulted in a reduction of the Carbon Cost obligations, and partially offset by higher generation volumes in 2026.

Carbon Costs in the first nine months of 2026 decreased by $1.5 million, or 29%, to $3.6 million from $5.1 million in 2025, primarily due to lower generation volumes and favourable external carbon market conditions which resulted in a reduction of the Carbon Cost obligations in 2026.

O&M expenses in the third quarter of 2026 decreased by $0.8 million, or 12%, to $5.8 million from $6.6 million in 2025, primarily due to lower maintenance costs, and insurance premiums.

O&M expenses in the first nine months of 2026 increased by $0.2 million, or 1%, to $17.6 million from $17.4 million in 2025, primarily due to higher maintenance costs, partially offset by lower insurance premiums.

(1) Supplementary financial measures. See Non-GAAP and Other Financial Measures

General and Administrative Expense

	Three months ended September 30		Nine months ended September 30	
($000's)	2026	2025	2026	2025
Total general and administrative expense	1,803	1,998	6,261	5,716

General and administration expense in the third quarter of 2026 decreased by $0.2 million, or 10%, to $1.8 million from $2.0 million in 2025, primarily due to lower employee compensation costs.

General and administration expense in the first nine months of 2026 increased by $0.6 million, or 11%, to $6.3 million from $5.7 million in 2025, primarily due to higher legal and employee compensation costs.

Depreciation and Amortization Expense

	Three months ended September 30		Nine months ended September 30	
($000's)	2026	2025	2026	2025
Total depreciation and amortization	4,278	3,852	12,666	11,689

Depreciation and amortization expense in the third quarter of 2026 increased by $0.4 million, or 10%, to $4.3 million from $3.9 million in 2025, primarily due to an increase in assets in service.

Depreciation and amortization expense in the first nine months of 2026 increased by $1.0 million, or 9%, to $12.7 million from $11.7 million in 2025, primarily due to the same factors impacting the third quarter.

Other Income, Net

	Three months ended September 30		Nine months ended September 30	
($000's)	2026	2025	2026	2025
Other income, net	360	2,028	1,622	3,888

Other income in the third quarter of 2026 decreased by $1.6 million, or 80%, to $0.4 million from $2.0 million in 2025, primarily due to the change in fair value of investment and the allowance for expected credit losses, partially offset by higher ground lease income.

Other income in the first nine months of 2026 decreased by $2.3 million, or 59%, to $1.6 million from $3.9 million in 2025, primarily due to the same factors impacting the third quarter and the gain on sale of Summit in 2025.

As noted above, in the third quarter and first nine months of 2026, the Corporation recognized $0.5 million and $1.1 million, respectively, of allowance for expected credit losses related to the ground lease receivable, as lease payments from April 1, 2026, to September 30, 2026, are past due. The estimate incorporates the weighted probability of collecting the receivable. The methodology has not changed for the calculation of the allowance for expected credit losses during the period.

On July 14, 2026, Mine 14 Operations Inc. 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 30, 2027. Mine 14 Operations Inc. 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.

The Corporation has a concentration of credit risk with counterparties within the same corporate group related to the lease receivable and the convertible note, referenced in Note 5(c) and Note 10(c), respectively, of the September 30, 2026 Condensed Consolidated Interim Financial Statements.

Loss (gain) on Commodity Swaps

	Three months ended September 30		Nine months ended September 30	
($000's)	2026	2025	2026	2025
Realized gain on power swaps	(1,718)	(136)	(9,015)	(2,374)
Realized loss on natural gas swaps	226	1,941	4,787	1,809
Total realized loss (gain) on commodity swaps	(1,492)	1,805	(4,228)	(565)

	Three months ended September 30		Nine months ended September 30	
($000's)	2026	2025	2026	2025
Unrealized loss (gain) on power swaps	161	(218)	456	569
Unrealized loss (gain) on natural gas swaps	186	(1,179)	(1,124)	(369)
Total unrealized loss (gain) on commodity swaps	347	(1,397)	(668)	200
Total realized and unrealized loss (gain) on commodity swaps	(1,145)	408	(4,896)	(365)

In the third quarter and first nine months of 2026, MAXIM had realized net gains of $1.5 million and $4.2 million, respectively, on Alberta power and natural gas price risk management swaps, as compared to the same period of 2025 which had realized losses of $1.8 million and gains of $0.6 million, respectively. These net gains and losses are due to settled Alberta power and natural gas prices deviating from the fixed swap price.

In the third quarter and first nine months of 2026, MAXIM had unrealized net losses of $0.3 million and gains of $0.7 million, respectively, on Alberta power and natural gas price risk management swaps, as compared to the same period of 2025 which had unrealized gains of $1.4 million and losses of $0.2 million, respectively. These gains and losses are due to settled Alberta power and natural gas prices deviating from the fixed swap price.

Finance income, Net

	Three months ended September 30		Nine months ended September 30	
($000's)	2026	2025	2026	2025
Interest expense and bank charges	(38)	(126)	(174)	(186)
Amortization of deferred financing costs	(17)	(74)	(163)	(220)
Change in fair value of convertible note	(174)	622	(667)	577
Accretion of provisions	(156)	(87)	(444)	(265)
Foreign exchange loss (gain)	44	53	(82)	7
Finance income (expense)	(341)	388	(1,530)	(87)
Interest income	484	554	1,550	1,320
Total finance income, net	143	942	20	1,233

Net finance income in the third quarter of 2026 decreased by $0.8 million, or 89%, to $0.1 million from $0.9 million in 2025, primarily due to changes in the fair value of the convertible note.

Net finance income in the first nine months of 2026 decreased by $1.2 million to nil from $1.2 million in 2025, primarily due to the same factors impacting the third quarter, partially offset by higher interest income.

Income Tax Expense

	Three months ended September 30		Nine months ended September 30	
($000's)	2026	2025	2026	2025
Current income tax expense	8	805	403	805
Deferred tax expense (recovery)	525	155	(106)	134
Total income tax expense	533	960	297	939

In the third quarter of 2026, income tax expense decreased by $0.5 million, or 50%, to $0.5 million from $1.0 million in 2025, primarily due to lower income before taxes in 2026.

In the first nine months of 2026, income tax expense decreased by $0.6 million, or 67%, to $0.3 million from $0.9 million in 2025, primarily due to the same factor impacting the third quarter, partially offset by permanent differences from the sale of Summit in 2025.

Financial Position

The following highlights the changes in the Corporation's Consolidated Statement of Financial Position at September 30, 2026, as compared to December 31, 2025.

As at ($000's)	September 30, 2026	December 31, 2025	Increase (Decrease)	Primary factors explaining change
Assets				
Cash and cash equivalents	38,778	56,917	(18,139)	Decreased as a result of investing and financing activities, partially offset by operating activities
Trade and other receivables	7,987	7,958	29	Comparable to December 31, 2025
Property, plant and equipment, net	310,941	298,915	12,026	Increased as a result of asset additions, primarily related to Prairie Lights, partially offset by depreciation
Other assets[(1)]	20,308	19,634	674	Increased as a result of higher restricted cash, partially offset by lower prepaids
Liabilities & Equity				
Trade and other payables	8,012	12,278	(4,266)	Decreased due to the timing of settlement of accounts payable
Other liabilities[(1)]	38,706	38,002	704	Increased primarily due to provisions for decommissioning, partially offset by lower risk management liabilities
Equity	331,296	333,144	(1,848)	Decreased primarily due to net loss for the period

(1) Other assets and other liabilities are non-GAAP measures. See Non-GAAP and Other Financial Measures.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Management is anticipating that cash flows for capital spending, operating and general and administrative expenses will be funded by MAXIM's existing cash on hand, operating revenues from the operation of M2 and financing from the Senior Credit Facility. As at September 30, 2026, MAXIM has net liquidity available[(1)] of $52.5 million, which includes $38.8 million of unrestricted cash and $13.8 million of available borrowing capacity.

(1) Net liquidity available is a non-GAAP measure. See Non-GAAP Measures.

Senior Credit Facility

On June 8, 2026, the Corporation entered into an amended and restated credit agreement which allowed for minor administrative changes and extended the maturity date of the Senior Credit Facility from June 30, 2026 to June 30, 2028. The amendment did not change any significant key terms, limits, availability or financial covenants. The amounts available under the facility are as follows:

- Revolver Facility #1 is a $25.0 million revolver that is available for general corporate use. The Corporation has posted cash collateralized letters of credit of $11.2 million under this facility and deposited cash of the same amount into a restricted bank account maintained by the bank. As at September 30, 2026, the availability under this facility is $13.8 million. Letters of credit reduce the availability under this facility, regardless of whether the letters of credit are cash collateralized or not. The Corporation can elect to drawback cash collateral of $11.2 million related to the letters of credit, in exchange for paying a higher margin fee. Removing the restriction on the $11.2 million of cash used as collateral for the letters of credit would further increase net liquidity available(1) to $63.7 million.
  (1) Net liquidity available is a non-GAAP measure. See Non-GAAP Measures.

The Senior Credit Facility is secured by the assets of the Corporation, bears interest at Canadian prime rate or Canadian overnight repo rate, plus applicable margins. MAXIM is required to maintain a net debt(1) to Adjusted EBITDA(1) ratio of not greater than 3.00:1.00 and an interest coverage ratio of not less than 5.00:1.00 on a rolling four quarter basis. MAXIM is also required to comply with the minimum tangible assets of 95% of the consolidated tangible assets held within select entities named under the agreement. The Corporation is compliant with these covenants as at September 30, 2026.
(1) Adjusted EBITDA and net debt are a non-GAAP measures. See Non-GAAP and Other Financial Measures.

Cash flow summary:

At September 30, 2026, the Corporation had unrestricted cash of $38.8 million included in the working capital(1) surplus of $41.3 million (see working capital on page 13). Unrestricted cash balances are on deposit with two Canadian financial institutions.
(1) Working capital is a non-GAAP measure. See Non-GAAP Measures.

The following table represents the changes in cash flows and net liquidity available(1) of the Corporation:

Nine months ended September 30 ($000's)	2026	2025
Cash on hand, unrestricted, January 1	56,917	30,068
Cash flow generated from operating activities	8,747	19,079
Cash flow generated used in financing activities	(1,239)	(454)
Available for investments	64,425	48,693
Cash flow generated from (used in) investing activities	(25,565)	4,332
Effect of foreign exchange rates on cash	(82)	7
Unrestricted cash	38,778	53,032
Senior Credit Facility availability	13,766	17,659
Net liquidity available, September 30 (1)	52,544	70,691

(1) Net liquidity available is a non-GAAP measure. See Non-GAAP Measures.

Cash flow generated from operating activities in the first nine months of 2026 decreased to $8.7 million from $19.1 million in 2025, which is a decrease of $10.4 million. The decrease is primarily due to lower earnings from the operations of M2, partially offset by changes in non-cash working capital. See working capital section below for further discussion.

During the first nine months of 2026, MAXIM's cash flow used in financing activities increased $0.7 million to $1.2 million in 2026 from $0.5 million in 2025, primarily due to the repurchase of shares through the NCIB program in 2026.

MAXIM's investing activities in the first nine months of 2026 represented a cash outflow of $25.6 million, as compared to a net inflow of $4.3 million in 2025. During the first nine months of 2026, MAXIM incurred $23.0 million of spending primarily on the advancement of Prairie Lights and sustaining capital at M2 and changes in non-cash working capital of $3.6 million, partially offset by interest income of $1.0 million.

MAXIM's investing activities in the first nine months of 2025 represented a cash inflow of $4.3 million. During 2025, MAXIM received $9.9 million of net proceeds from the sale of Summit, changes in non-cash working capital of $2.7 million and interest income of $1.1 million, partially offset by $9.4 million of spending on sustaining capital projects at M2.

The following table represents the net capital[(1)] of the Corporation:

As at ($000's)	September 30, 2026	December 31, 2025
Loans and borrowings	-	-
Less: Unrestricted cash	(38,778)	(56,917)
Net debt (net cash) [(1)]	(38,778)	(56,917)
Shareholders' equity	331,296	333,144
Capital	292,518	276,227
Net debt to capital[(1)]	(13.3%)	(20.6%)

The Corporation uses the percent of net debt to capital to monitor leverage. The Corporation does not currently have any loans and borrowings and as such, net debt and net debt to capital are both negative. The increase of net debt to capital from December 31, 2025 to September 30, 2026 is primarily due to lower cash as a result of spending on Prairie Lights and sustaining capital spending at M2.

(1) Net debt (net cash), net debt to capital and net capital are non-GAAP measures. See Non-GAAP Measures.

Working Capital[(1)]

The following table represents the working capital surplus of the Corporation:

As at ($000's)	September 30, 2026	December 31, 2025	Change
Total current assets	50,999	70,370	(19,371)
Total current liabilities	9,708	14,063	(4,355)
Working capital surplus[(1)]	41,291	56,307	(15,016)

The Corporation has a working capital surplus of $41.3 million at September 30, 2026, which represents a $15.0 million decrease from the working capital surplus of $56.3 million at December 31, 2025. The net decrease is comprised of a $19.4 million decrease in current assets and a $4.4 million decrease in current liabilities.

The decrease in current assets was due to a decrease in cash and cash equivalents of $18.1 million, prepaid expenses and deposits of $3.2 million and risk management asset of $0.5 million, partially offset by the convertible note of $2.4 million.

The decrease in current liabilities was due to a decrease in trade and accounts payable of $4.3 million and risk management liabilities of $1.1 million, partially offset by provisions for decommissioning of $1.0 million.

(1) Working capital is a non-GAAP measure. See Non-GAAP Measures.

Contractual Obligations and Contingencies

In the normal course of operations, MAXIM assumes various contractual obligations and commitments. MAXIM considers these obligations and commitments in its assessment of adequacy of liquidity.

As at September 30, 2026 ($000's)	Total	2026	2027-2028	2029-2030	Thereafter
Long-term contracts	37,159	21,078	11,320	4,511	250
Total	37,159	21,078	11,320	4,511	250

Long-term contracts are comprised of capital asset commitments, natural gas transportation agreements and contracts to purchase emission credits.

ENVIRONMENTAL AND CLIMATE CHANGE LEGISLATION

MAXIM continues to monitor regulatory initiatives that may impact its existing business. As a result, MAXIM continues to assess these regulations and explore low emission power generation projects, including its Buffalo Atlee wind development project and other wind power opportunities.

Risks

MAXIM is exposed to risks of potential legislation that has yet to be enacted. Management has assessed that the most significant risks in potential future legislation are greenhouse gas stringency and legislation that could seek to phase out natural gas-fired generation entirely, similar to the regulatory actions taken in the past surrounding coal-fired generation.

Canada

On December 18, 2024, the final Clean Electricity Regulations ("CER") were released. Beginning in 2035, the CER will set limits on carbon dioxide emissions from fossil fuel-fired electricity generation units and, by 2050, are intended to support a net-zero electricity system. The final standards are not expected to have a significant effect on M2's operations, but they could affect natural gas-fired generation development projects that have not yet been built.

On May 1, 2025, the GoA announced that it would refer the constitutionality of the federal government's net-zero electricity regulations to the Court of Appeal of Alberta. The hearing has been scheduled for November 2026.

On November 27, 2025, as part of the signing of the Alberta-Canada Memorandum of Understanding ("MOU"), the federal and Alberta governments jointly announced that the CER would be suspended and, upon completion of a new carbon pricing agreement between the two governments, as described in the Technology Innovation and Emission Reduction Regulation ("TIER") section below, placed in abeyance. On May 15, 2026, the Government of Canada and the GoA announced an implementation agreement establishing the framework for implementing the November 2025 MOU including continued reliance on Alberta's industrial carbon pricing framework as a primary mechanism for reducing emissions. No material developments affecting M2's operations occurred during the third quarter of 2026.

Alberta

On April 19, 2023, the GoA released their Emissions Reduction and Energy Development plan which "includes an aspiration to achieve a carbon neutral economy by 2050, and to do so without compromising affordable, reliable and secure energy for Albertans, Canadians and the world." Generally, as it applies to the electricity sector, the plan is supportive of new technology and a continued price on carbon via the TIER. Most notable is that while the provincial carbon neutral goal of 2050 aligns with the federal goal of 2050, there is not a short-term goal nor a specific electricity sector target for Alberta. MAXIM management continues to monitor the provincial approach to net carbon neutrality and electricity-sector emissions policy. No material changes to the provincial framework affecting the Corporation's operations were announced during the third quarter of 2026.

In the second half of 2023, the GoA announced its intention to consider potential electricity market reforms to help ensure reliable, affordable and low carbon electricity for Albertans. Multiple government agencies, including the AESO, Market Surveillance Administrator ("MSA") and the Alberta Utilities Commission were tasked with providing specific recommendations in their area of expertise to inform the path forward for the GoA. On March 11, 2024, following recommendations from the MSA and the AESO, the GoA announced temporary market rules changes that took effect July 1, 2024. These temporary rules are related to the exercise of market power and will be in place until a new Restructured Energy Market ("REM") can be designed and implemented by early 2028. Management is monitoring the impacts of the temporary market rules and has observed that they resulted in lower market prices during the month of July 2024, during which the new secondary offer cap rule was triggered due to high clearing prices corresponding with a prolonged heat wave. The offer cap reset in August 2024 and the secondary offer cap has not been triggered since. On August 27, 2025, the AESO unveiled the final design for the REM. The AESO is now drafting rules with a goal to finalize the rules in 2026 and to implement the REM by early 2028. Management is actively monitoring the development of the rules to better understand the impact this may have on the Corporation.

TIER

Since January 1, 2023, M2 has been exposed to Carbon Costs on emissions via the TIER. For 2026, emissions greater than the electricity benchmark of 0.3404 tonnes of carbon dioxide equivalent ("tCO_2e") per MWh are priced at $\$95/tCO_2e$.

On September 16, 2025, the GoA announced additional changes to the TIER program. The changes include the ability to directly invest in certain carbon reduction measures at eligible facilities as an alternative to utilizing credits, in addition to current options, and allowing smaller facilities to opt out for 2025. The GoA also reaffirmed its decision to freeze the TIER fund price at $\$95/tCO_2e$.

The May 15, 2026, implementation agreement confirmed the continued use of Alberta's TIER framework as the primary industrial carbon pricing system for regulated facilities and maintained the headline compliance price at $\$95/tCO_2e$ for 2026, increasing to $\$100/tCO_2e$ for 2027 through 2029, $\$115/tCO_2e$ in 2030, then ramping up to $\$130/tCO_2e$ by 2035. In addition, the effective price of credits in the Alberta TIER market would adjust over time to target $\$130/tCO_2e$ in 2040 and include a price floor beginning in 2030. Management continues to monitor developments arising from the implementation agreement and any future amendments to Alberta's carbon pricing framework.

Under TIER, the Corporation is able to purchase and utilize industry generated carbon credits and offsets from third parties at prevailing market prices. These carbon credits and offsets can be utilized for a portion of the Corporation's overall compliance, which for 2026 is up to 90% of its compliance requirements. The remainder of compliance costs must be paid to the GoA at the prevailing headline carbon price, which for 2026 is $\$95/tCO_2e$, as discussed above.

NON-GAAP AND OTHER FINANCIAL MEASURES

Management evaluates MAXIM's performance using a variety of measures. The non-GAAP measures and non-GAAP ratios discussed below should not be considered as an alternative to or to be more meaningful than revenue, net income of the Corporation or net cash generated from operating activities, 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

($000's)	Three months ended September 30 2026	2025	Nine months ended September 30 2026	2025
GAAP Measures from Condensed Consolidated Statements of Operations				
Net income (loss)	1,517	10,620	(1,743)	14,272
Income tax expense	533	960	297	939
Finance income, net	(143)	(320)	(20)	(656)
Depreciation and amortization	4,278	3,852	12,666	11,689
	6,185	15,112	11,200	26,244
Adjustments:				
Other income	(360)	(2,650)	(1,622)	(4,465)
Unrealized loss (gain) on commodity swaps	347	(1,397)	(668)	200
Share-based compensation	268	322	877	827
Adjusted EBITDA	6,440	11,387	9,787	22,806

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

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 and as a basis for loan covenant calculations. Financing expense (income), income taxes and 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.

In calculating Adjusted EBITDA for the three and nine months ended September 30, 2026 and September 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 and expense.

Free Cash Flow

($000's)	Three months ended September 30 2026	2025	Nine months ended September 30 2026	2025
Funds generated from operating activities before change in non-cash working capital	6,821	11,877	10,980	23,616
Property, plant and equipment additions	(1,357)	(5,539)	(22,987)	(9,423)
Interest expense and bank charges	(38)	(126)	(174)	(186)
Interest income	289	397	1,011	1,060
Free cash flow	5,715	6,609	(11,170)	15,067

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 generated to potentially invest in growth initiatives, repay loans and borrowings outside of standard amortization payments, pay dividends and repurchase shares. In calculating FCF for the three and nine months ended September 30, 2026 and September 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, issuance or repayment of loans and borrowings, interest expense and bank charges and adds interest income.

Working Capital Surplus

MAXIM defines working capital surplus or deficit as the current assets less current liabilities. Working capital surplus is used to assist management and investors in measuring liquidity. The calculation of working capital surplus is provided on page 14.

Net Liquidity Available

MAXIM defines net liquidity available as its cash and cash equivalents plus undrawn amounts on the Senior Credit Facility. Net liquidity is used to assist management and investors in measuring the Corporation's access to available capital. The calculation of net liquidity availability is included on page 13.

Net Debt, Net Capital and Net Debt to Capital

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

MAXIM defines net capital as net debt plus shareholders' equity.

MAXIM defines net debt to capital as net debt divided by net capital.

Net debt, net capital and net debt to capital are used to monitor liquidity.

Other Assets and Other Liabilities

MAXIM defines other assets as current tax assets, risk management asset, prepaid expenses and deposits, convertible note, investments and restricted cash.

MAXIM defines other liabilities as current tax liability, other long-term liabilities, risk management liability, provision for decommissioning, and deferred tax liabilities.

Other assets and other liabilities are used to summarize primary factors explaining change in the financial position in the Quarterly Financial Results of Operations section of the MD&A.

Supplementary Financial Measures

Set forth below is a summary of supplementary financial measures used herein. A supplementary financial measure: (a) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of the Company; (b) is not presented in the financial statements of the Corporation, (c) is not a non-GAAP financial measure; and (d) is not a non-GAAP ratio.

Fuel expense, carbon costs and O&M expense, as part of operating expenses ($ per MWh) is fuel expense, carbon costs or O&M expense divided by MWh generated during the period.

Fuel expense, carbon costs and O&M expense, as part of operating expenses ($ per GJ) is fuel expense, carbon costs or O&M divided by GJ of fuel consumed during the period.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The judgements and estimates used in the preparation of the condensed consolidated interim financial statements have been applied consistently for all periods presented and are unchanged from the judgements and estimates disclosed in the notes to the annual audited consolidated financial statements for the year ended December 31, 2025.

NEW ACCOUNTING PRONOUNCEMENTS

IFRS Standards Issued Not Yet Effective and Amendments

On April 9, 2024, the IASB issued IFRS 18 - Presentation and Disclosure in Financial Statements which introduces a defined structure to the statement of operations and comprehensive income, including new totals, subtotals, and categories for income and expenses. In addition, management defined performance measures will require disclosure within the notes to the financial statements, as well as requiring additional aggregation and disaggregation of information in the financial statements. IFRS 18 will replace IAS 1 - Presentation of Financial Statements and will be effective for annual reporting periods beginning on or after January 1, 2027, with early application permitted. IFRS 18 is required to be adopted retrospectively. Management has assessed the impact of adopting IFRS 18 and expects that the standard will primarily affect the presentation and disclosure of information in the financial statements, including the presentation of the statement of operations and comprehensive income (loss), statement of cash flows and related disclosures. The adoption of IFRS 18 is not expected to have a material impact on the Corporation.

The Corporation analyzes the impact of issued standards and there are no standards, other than noted above, that have been issued, but not yet effective, that the Corporation anticipates having a material effect on the consolidated financial statements once adopted.

TRANSACTIONS WITH RELATED PARTIES

The Corporation did not enter into any new related party transactions during the first nine months of 2026, with the exception of compensation paid to the Corporation’s Directors and members of the Executive Officers in the normal course of business. These transactions in the normal course of business are detailed in note 22 of the 2025 Annual Audited Consolidated Financial Statements.

CONTROLS AND PROCEDURES

The Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) are responsible for the design of internal controls over financial reporting ("ICFR") and disclosure controls of the Corporation. In accordance with National Instrument NI 52-109, the CEO and CFO have filed certifications that ICFR and disclosure controls have been adequately designed, and that there have been no changes in ICFR that materially affected, or are reasonably likely to materially affect ICFR, during the quarter ended September 30, 2026.

OTHER INFORMATION

Outstanding share data:

Issued common shares at September 30, 2026	63,438,087
Outstanding share options at September 30, 2026	3,168,520
Total diluted common shares at September 30, 2026	66,606,607
Shares purchased and cancelled under NCIB in October 2026	(42,367)
Share options granted in October 2026	3,000
Total diluted common shares at November 5, 2026	66,567,240

Additional information relating to MAXIM including the Annual Information Form is posted on SEDAR+ at www.sedarplus.ca under Maxim Power Corp. and at the Corporation's website www.maximpowercorp.com.

GLOSSARY OF TERMS

The following listing includes definitions of certain terms used throughout this MD&A:

AESO	Alberta Electric System Operator
Adjusted EBITDA	Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization
Buffalo Atlee	Buffalo Atlee is a development project for up to 200 MW of wind generation situated near Brooks, Alberta
BYOG	Bring your own generation
Capacity	The rated continuous load-carrying ability, expressed in megawatts, of generation equipment, (throughout the MD&A references to capacity are stated in nameplate capacity, unless otherwise noted)
Carbon Cost	Greenhouse Gas Emission Compliance Cost
CEO	Chief Executive Officer
CER	Clean Electricity Regulation
CFO	Chief Financial Officer
ERA	Emissions Reduction Alberta
FCF	Free Cash Flow
FLI	Forward-looking information
GAAP	IFRS, as set out in Part 1 of the CPA Canada Handbook of the CPAs of Canada
Gas Turbine	7HA.02 gas turbine and generator package
GJ	Gigajoule
GoA	Government of Alberta
ICFR	Internal controls over financial reporting
IFRS	International Financial Reporting Standards
LFAB	Landfill Fly Ash Beneficiation Project
LL2	Large Load 2 Process
Milner	HR Milner**,** a 150 MW (nameplate capacity) generating facility located near the town of Grande Cache,
M2	M2 is a combined cycle gas turbine facility located at the Milner site near Grande Cache, Alberta, with a maximum capability of 300 MW
MAXIM or the Corporation	Maxim Power Corp.
MD&A	Management's Discussion and Analysis
MOU	Memorandum of Understanding
MSA	Market Surveillance Administrator
MW	Megawatt, a measure of electrical generating capacity that is equivalent to one million watts
MWh	Megawatt-hour, a measure of electricity consumption equivalent to the use of 1,000,000 watts of power over a period of one hour
REM	Restructured Energy Market
Reservation Agreement	Generator reservation agreement with GE Vernova
NCIB	Normal Course Issuer Bid
O&M	Operations and Maintenance
Prairie Lights	400 MW Prairie Lights Power project natural gas-fired power generation development project
Summit	Summit Coal Limited Partnership and Summit Coal Inc.
tCO_2e	Tonnes of carbon dioxide equivalent
TIER	Technology Innovation and Emissions Reduction Regulation

Words importing the singular number, where the context requires, include the plural, and vice versa, and words importing any gender include all genders.