

FORM 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

State if the report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

Not applicable.

Item 1 - Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

*Maxim Power Corp. ("Maxim")
1210, 715 - 5 Avenue S.W.
Calgary, Alberta T2P 2X6*

This report relates to common shares in the capital of Maxim ("Maxim Shares").

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable. The Maxim Shares were acquired pursuant to private agreements.

Item 2 - Identity of the Acquiror

2.1 State the name and address of the acquiror.

*M. Bruce Chernoff
Suite 3230, 421 – 7th Avenue SW
Calgary, AB T2P 4K9*

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

May 22, 2018.

Mr. Chernoff, indirectly through Alpine Capital Corp., a company owned and controlled by Mr. Chernoff, acquired an aggregate of 2,278,465 Maxim Shares pursuant to purchase and sale agreements with three (3) parties (the "PSAs").

2.3 State the names of any joint actors.

Alpine is a company owned and controlled by Mr. Chernoff. Mr. Chernoff also indirectly owns Maxim Shares through Kai Commercial Trust, a trust of which Mr. Chernoff is a majority unitholder and Common Shares through Caribou Capital Corp., a company of which Mr. Chernoff has a majority beneficial interest.

Item 3 - Interest in Securities of the Reporting Issuer

- 3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file the report and the change in the acquiror's securityholding percentage in the class of securities.

Mr. Chernoff (indirectly through Alpine) acquired a total of 2,278,465 Maxim Shares, representing approximately 4.3% of the issued and outstanding Maxim Shares (based on 53,561,773 Maxim Shares issued and outstanding, after deducting 1,062,052 Maxim Shares Maxim has advised Mr. Chernoff it has acquired pursuant its normal course issuer bid).

- 3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.

Mr. Chernoff (indirectly through Alpine) acquired ownership and control of the Maxim Shares.

- 3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

- 3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

Before giving effect to the transaction, Mr. Chernoff (through Kai Commercial Trust, Alpine Capital Corp. and Caribou Capital Corp.) owned an aggregate of 11,547,585 Maxim Shares representing approximately 21.6% of the issued and outstanding Maxim Shares (based on the number of Maxim Shares set forth in Section 3.1). After giving effect to the transaction, Mr. Chernoff (through Kai Commercial Trust, Alpine Capital Corp. and Caribou Capital Corp.) owns an aggregate of 13,826,050 Maxim Shares representing approximately 25.8% of the issued and outstanding Maxim Shares (based on the number of Maxim Shares set forth in Section 3.1).

- 3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

- (a) the acquiror, either alone or together with any joint actors, has ownership and control,

Mr. Chernoff (through Kai Commercial Trust, Alpine Capital Corp. and Caribou Capital Corp.) has ownership and/or control over 13,826,050 Maxim Shares representing approximately 25.8% of the issued and outstanding Maxim Shares (based on the number of Maxim Shares set forth in Section 3.1).

- (b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

- (c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 - Consideration Paid

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

\$2.40 per Maxim Share or \$5,468,316 in the aggregate. The consideration for the Maxim Shares was paid in cash.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

See Item 4.1 above.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

Not applicable.

Item 5 - Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer.

The acquisition of the Maxim Shares was made in furtherance of Mr. Chernoff's investment objectives. Mr. Chernoff may, from time to time, as market opportunities exist or develop, increase or decrease their ownership in Maxim Shares as permitted by applicable securities laws.

Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

As of the date of this report, Mr. Chernoff does not have any plans or future intentions which relate to or would result in any of the matters described in clauses (a) through (k) above.

Item 6 - Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Alpine Capital Corp. entered into a PSAs with three (3) sellers of Maxim Shares respecting the purchase and sale of such Maxim Shares.

Item 7 - Change in material fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 - Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

The acquisition of the Maxim Shares was completed pursuant to the private agreement exemption set forth in section 4.2 of National Instrument 62-104 – Take-Over Bids and Issuer Bids ("NI 62-104") in accordance with the PSAs between Alpine Capital Corp. and the Sellers. The value of the consideration paid for the Maxim Shares was not greater than 115% of the "market price" of the Maxim Shares as of May 22, 2018 (as determined in accordance with section 1.11 of NI 62-104).

Item 9 - Certification

Certificate

I, as the acquiror, certify that the statements made in this report are true and complete in every respect.

Date: May 22, 2018

Per: (signed) "M. Bruce Chernoff"