

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 ("**Common 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.

Item 2 - Identity of the Acquiror

- 2.1 **State the name and address of the acquiror.**

M. Bruce Chernoff and Alpine Capital Corp. ("**Alpine**")
Suite 3230, 421 – 7th Avenue S.W.
Calgary, Alberta 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.**

On April 22, 2020, Alpine, a company that is majority owned by Mr. Chernoff, acquired an aggregate of 1,000,000 Common Shares pursuant to purchase and sale agreements (the "**PSAs**") with three (3) different sellers in accordance with Section 4.2(1) of National Instrument 62-104 - *Take-Over Bids and Issuer Bids* ("**NI 62-104**").

- 2.3 **State the names of any joint actors.**

Alpine is a company that is majority owned by Mr. Chernoff. Mr. Chernoff also indirectly owns Common 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 1,000,000 Common Shares, representing approximately 2.0% of the current issued and outstanding Common Shares (based on 50,073,525 Common Shares issued and outstanding).

Additionally, since the last early warning report filed by the undersigned on October 4, 2019, Mr. Chernoff (indirectly through Alpine) has made the following purchases of an aggregate of 813,331 Common Shares through private agreements with not more than five (5) sellers, on each date, in accordance with Section 4.2(1) of NI 62-104, which when combined with the acquisition of the 1,000,000 Common Shares completed on April 22, 2020, represents approximately 3.6% of the current issued and outstanding Common Shares of Maxim:

Date	Number of Common Shares	Purchase Price (per share)	Aggregate Purchase Price
October 16, 2019	360,331	\$1.60	\$576,530
January 21, 2020	155,000	\$1.85	\$286,750
April 7, 2020	298,000	\$1.55	\$461,900

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 Common 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 acquisition of Common Shares described in Section 2.2, Mr. Chernoff (through Kai Commercial Trust, Alpine and Caribou Capital Corp.) owned an aggregate of 14,639,381 Common Shares representing approximately 29.2% of the issued and outstanding Common Shares.

After giving effect to the acquisition of Common Shares described in Section 2.2, Mr. Chernoff (through Kai Commercial Trust, Alpine and Caribou Capital Corp.) owned an aggregate of 15,639,381 Common Shares representing approximately 31.2% of the issued and outstanding Common Shares.

Furthermore, Mr. Chernoff (indirectly through Alpine) has made a commitment to fund up to 50% of the maximum principal amount of a \$75 million convertible loan provided to Maxim dated September 10, 2019, as amended on October 3, 2019 (the "**Convertible Loan**"), representing a maximum aggregate commitment of \$37.5 million. Assuming the full \$37.5 million principal amount of the Convertible Loan attributable to Alpine is fully drawn and converted into Common Shares, Alpine would acquire 16,666,667 Common Shares at a conversion price of \$2.25 per share.

If the 16,666,667 Common Shares issuable on conversion of the full amount of the Convertible Loan attributable to Alpine are issued, Mr. Chernoff (through Kai Commercial Trust, Alpine and Caribou Capital Corp.) would have ownership and/or control over 32,306,048 Common Shares, representing approximately 38.7% of the then issued and outstanding Common Shares assuming the full conversion of the Convertible Loan, including the conversion of any principal amounts attributable to the other lender (the "**Other Lender**") thereunder (48.4% of the then issued and outstanding Common Shares assuming the full conversion of the Convertible Loan attributable to Alpine only and excluding the conversion of any principal amounts attributable to the Other Lender thereunder).

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 and Caribou Capital Corp.) has ownership and/or control over 15,639,381 Common Shares representing approximately 31.2% of the currently issued and outstanding Common Shares.

Furthermore, Mr. Chernoff (indirectly through Alpine) has made a commitment to fund up to 50% of the maximum principal amount of the Convertible Loan, representing a maximum aggregate commitment of \$37.5 million. Assuming the full \$37.5 million principal amount of the Convertible Loan attributable to Alpine is fully drawn and converted into Common Shares, Alpine would acquire 16,666,667 Common Shares at a conversion price of \$2.25 per share. If the 16,666,667 Common Shares issuable on conversion of the full amount of the Convertible Loan attributable to Alpine are issued, Mr. Chernoff (through Kai Commercial Trust, Alpine and Caribou Capital Corp.) would have ownership and/or control over 32,306,048 Common Shares, representing approximately 38.7% of the then issued and outstanding Common Shares assuming the full conversion of the Convertible Loan, including the conversion of any principal amounts attributable to the Other Lender thereunder (48.4% of the then issued and outstanding Common Shares assuming the full conversion of the Convertible Loan attributable to Alpine only and excluding the conversion of any principal amounts attributable to the Other Lender thereunder).

(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.**

In accordance with the terms of the PSAs, Alpine acquired an aggregate of 1,000,000 Common Shares for \$1.85 per Common Share or \$1,850,000 in the aggregate.

Additionally, since the last early warning report filed by the undersigned on October 4, 2019, Mr. Chernoff (indirectly through Alpine) has made the following purchases of an aggregate of 813,331 Common Shares through private agreements with not more than five (5) sellers, on each date, in accordance with Section 4.2(1) of NI 62-104, which when combined with the acquisition of the 1,000,000 Common Shares completed on April 22, 2020, represents approximately 3.6% of the current issued and outstanding Common Shares of Maxim:

Date	Number of Common Shares	Purchase Price (per share)	Aggregate Purchase Price
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The consideration for all of the above noted Common 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 Common Shares described herein was made in furtherance of Mr. Chernoff's investment objectives. Mr. Chernoff may, from time to time, as market opportunities exist or develop, increase (including by way of the conversion of the portion of the Convertible Loan attributable to Alpine) or decrease his ownership in Common 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; provided however Alpine may, at its discretion, exercise the conversion right under the Convertible Loan and acquire additional Common Shares as a result thereof in the future.

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.

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 1,000,000 Common Shares described herein was completed pursuant to the private agreement exemption set forth in section 4.2(1) of NI 62-104 in accordance with the PSAs between Alpine and the three (3) applicable sellers. The value of the consideration paid for the Common Shares was not greater than 115% of the "market price" of the Common Shares as determined in accordance with section 1.11 of NI 62-104.

In addition to the foregoing, the acquisition of an aggregate of an aggregate of 813,331 Common Shares acquired by Alpine prior to the date of this report were each completed pursuant to the private agreement exemption set forth in section 4.2(1) of NI 62-104 in accordance with the applicable agreements between Alpine and the applicable sellers thereto. The value of the consideration paid for such Common Shares was not greater than 115% of the "market price" of the Common Shares 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: April 22, 2020

Per: (signed) "*M. Bruce Chernoff*" (on his own
behalf and on behalf of Alpine Capital Corp.)