

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company:

Maxim Power Corp. ("MAXIM" or the "Corporation")
1800, 715 - 5 Ave S.W.
Calgary, Alberta T2P 2X6

2. Date of Material Change:

June 30, 2021.

3. News Release:

A news release was issued on June 30, 2021 by, or on behalf of, the Corporation and disseminated through the facilities of a recognized news wire service.

4. Summary of Material Change:

On June 30, 2021, MAXIM announced that that it is proceeding with the Corporation's project to expand M2 into a combined cycle gas turbine ("CCGT") facility through the installation of heat recovery technology. The CCGT expansion project is anticipated to increase total generation capacity from 204 MW to approximately 300 MW and improve operational efficiency resulting in lower operating and maintenance costs per MWh. The current estimated cost of the CCGT expansion project is \$125 million before financing costs. MAXIM anticipates the expansion will commence commercial operations during December 2022. The CCGT expansion project is expected to be financed with debt, existing cash, and cash flow from operations during the construction period.

5. Full Description of Material Change:

5.1 – Full Description of Material Change:

On June 30, 2021, MAXIM announced that that it is proceeding with the Corporation's project to expand M2 into a CCGT facility through the installation of heat recovery technology. The CCGT expansion project is anticipated to increase total generation capacity from 204 MW to approximately 300 MW and improve operational efficiency resulting in lower operating and maintenance costs per MWh. The current estimated cost of the CCGT expansion project is \$125 million before financing costs. MAXIM anticipates the expansion will commence commercial operations during December 2022. The CCGT expansion project is expected to be financed with debt, existing cash, and cash flow from operations during the construction period.

MAXIM, through a wholly owned subsidiary, has entered into an Engineering, Procurement, and Construction ("EPC") contract for the CCGT expansion project. The EPC contractor is a joint venture between PCL Industrial Management Inc. and Overland Contracting Canada Inc., a Black & Veatch company, who are the same parties that constructed the existing M2 simple cycle plant.

The EPC contractor has agreed to complete and deliver the expanded plant as a fixed-price, turnkey project. The EPC contract value is approximately \$86 million and the remaining cost of \$39 million are owner's costs for activities that MAXIM is responsible for.

In connection with the CCGT expansion project, MAXIM has amended its senior secured credit facility. The amended senior secured credit facility has been arranged by ATB and Fiera Private Debt and the aggregate borrowing base thereunder has been increased to \$105 million to provide for construction financing, of which \$28.5 million is currently drawn, \$62.4 million is available for construction and the remainder available for general corporate use and letters of credit. The construction facilities of up to \$62.4 million consist of two non-revolving construction loans and a \$5 million revolving credit facility. The construction loans have amortization requirements ranging from five to ten years commencing when construction of the CCGT expansion is complete. All loans under the senior secured credit facility mature on June 30, 2026.

A copy of the amended senior credit agreement and the EPC contract are available for review under MAXIM's SEDAR profile at www.sedar.com.

5.2 – Disclosure for Restructuring Transactions:

Not applicable.

6. Reliance on Subsection 7.1(2) of National Instrument 51-102:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The name and business telephone number of an executive officer of the Corporation who is knowledgeable about the material change and this material change report is:

Robert Emmott, President and COO
Tel: (403) 263-3021

9. Date of Report:

July 8, 2021.

Note Regarding Forward-Looking Statements

This document contains forward-looking information. This information relates to future events and the Corporation's future performance. All information and statements contained herein that are not clearly historical in nature constitute forward- looking information, and the words "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "propose", "predict", "potential", "continue", "aim", "budget" or the negative of these terms or other comparable terminology are generally intended to identify forward-looking information. Such information represents the Corporation's internal projections, estimates, expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. This information involves known or unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward- looking information.

MAXIM believes that the expectations reflected in this forward-looking information are reasonable; however, undue reliance should not be placed on this forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. This material change report contains forward-looking information concerning, among other things, the expected commissioning period for the CCGT expansion, the expected completion date of the CCGT expansion, the

current cost estimates for the CCGT expansion, expected operational disruptions at M2, the value of the EPC contract (prior to any change orders) and MAXIM's financing plans with respect to the CCGT expansion. The reader is cautioned that such information, although considered reasonable by the Corporation, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided in this document as a result of numerous known and unknown risks and uncertainties and other factors. A number of risks and other factors could cause actual results to differ materially from those expressed in the forward-looking information contained in this document including, but not limited to, continued compliance by MAXIM of its credit agreements, liquidity, interest rates, the availability and cost of financing, labor and services, the impact of increasing competition, changes in laws, regulations and government policies with respect to carbon taxation and the Corporation's ability to access capital.

With respect to forward-looking information contained in this document, the Corporation has made assumptions regarding, among other things: the scope and design of the CCGT expansion, that no change orders will be to cause the costs associated with the CCGT expansion to vary, the timely receipt of any required regulatory approvals and the ability of the Corporation to obtain qualified staff, equipment and services in a timely and cost efficient manner; that no construction delays will occur with respect to the CCGT expansion; that the rules, laws, regulations and policies described herein with respect to carbon taxation will remain in effect in the manner provided herein; and the ability of the Corporation to obtain financing on acceptable terms when and if needed. Management of MAXIM has included the above summary of assumptions and risks related to forward-looking information included in this document in order to provide investors with a more complete perspective on the Corporation's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking information contained in this document are expressly qualified by this cautionary statement. The forward-looking information contained herein is made as of the date of this document and the Corporation disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable Canadian securities laws.