

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:

September 30, 2022 and October 5, 2022.

3. News Release:

News releases were issued on October 2, 2022 and October 5, 2022 by, or on behalf of, the Corporation and disseminated through the facilities of a recognized news wire service.

4. Summary of Material Change:

On October 2, 2022, MAXIM announced that it had responded to a fire at its 204 MW Milner 2 ("M2") facility located near Grande Cache, Alberta. As a result of this incident, MAXIM anticipated that the timing of the hot commissioning activities and the commercial operations date, of the Combined Cycle Gas Turbine ("CCGT") expansion of M2, would be impacted and advised that damages could cause a significant delay to the commissioning and operations of the CCGT expansion of M2.

On October 5, 2022 MAXIM announced that following preliminary assessments, that the damage to M2 was contained to the air inlet filter house of the M2 power plant. MAXIM confirmed there were no injuries sustained in relation to the fire. MAXIM advised that the incident has not resulted in any damage to the M2 gas turbine, generator, heat recovery steam generator, balance of plant and their associated ancillary systems. Damage from the fire incident currently prevents performance of the hot commissioning activities related to the combined cycle gas turbine expansion of M2 and prevents M2 from operating as a simple cycle facility. Subject to the ongoing condition assessment, the work to restore the unit to service will commence as soon as possible. At this point MAXIM does not expect to be generating electricity from the Milner site for the remainder of 2022. The Corporation is in the process of initiating an insurance claim for damages and future lost earnings.

5. Full Description of Material Change:

5.1 – Full Description of Material Change:

October 2, 2022, MAXIM announced that it had responded to a fire at its M2 facility located near Grande Cache, Alberta. During the afternoon of September 30, 2022, a fire occurred at the M2 facility. Emergency crews were dispatched and quickly extinguished the fire. MAXIM holds safety as its highest priority for its people, community and emergency responders and reported that all personnel involved in the incident are safe. The appropriate authorities have been informed and an investigation as to the cause of the fire and extent of the damage is currently underway. MAXIM is also in the process of evaluating an insurance claim for damages and future lost earnings. As previously reported, the M2 facility has been offline since early September for cold commissioning

activities related to the CCGT expansion of M2. As a result of this incident, MAXIM anticipates that the timing of the hot commissioning activities and the commercial operations date, of the CCGT expansion of M2, will be impacted. Damages could cause a significant delay to the commissioning and operations of the CCGT expansion of M2. MAXIM does not currently have any forward financial or physical Alberta power positions in place and its forward financial natural gas long position does not extend beyond the current month.

On October 5, 2022 MAXIM announced that following preliminary assessments, that the damage to M2 was contained to the air inlet filter house of the M2 power plant. MAXIM confirmed there were no injuries sustained in relation to the fire. MAXIM advised that the incident has not resulted in any damage to the M2 gas turbine, generator, heat recovery steam generator, balance of plant and their associated ancillary systems. Damage from the fire incident currently prevents performance of the hot commissioning activities related to the combined cycle gas turbine expansion of M2 and prevents M2 from operating as a simple cycle facility. Subject to the ongoing condition assessment, the work to restore the unit to service will commence as soon as possible. At this point MAXIM does not expect to be generating electricity from the Milner site for the remainder of 2022. The Corporation is in the process of initiating an insurance claim for damages and future lost earnings.

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:

Kyle Mitton, CFO and Vice President, Corporate Development, (403) 263-3021

9. Date of Report:

October 6, 2022.

Note Regarding Forward-Looking Statements

This document contains forward-looking statements and forward-looking information (collectively "forward looking information") within the meaning of applicable securities laws relating to MAXIM's plans and other aspects of MAXIM's anticipated future operations, management focus, objectives, strategies, financial, operating and production results. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend", "may", "would", "could" or "will" or similar words suggesting future outcomes, events or performance. The forward-looking statements contained in this document speak only as of the date thereof and are expressly qualified by this cautionary statement. Specifically, this document contains forward-looking information concerning, among other things, the timing of hot commissioning activities, the commercial operation date of the CCGT expansion of M2, the initiation

of an insurance claim, the preliminary assessment of damages to the M2 facility, including the CCGT expansion, the time to commence repairs to the facility and the anticipated time in which MAXIM expects it will not generate electricity (and related revenue). Forward-looking information is based on certain assumptions and analysis made by MAXIM in light of our experience and MAXIM's perception of historical trends, current conditions, expected future developments and other factors MAXIM believes appropriate under the circumstances. These include, among other things, assumptions regarding the timing of hot commissioning activities, the commercial operation date of the CCGT expansion of M2, the results of any insurance claim, that the initial assessment of damages to the M2 facility are consistent with actual damages, that MAXIM's electricity generating activities will re-commence early in the new year. MAXIM's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that MAXIM will derive there from. Risk factors include MAXIM's inability to repair the damage caused by the fire incident in a timely manner, or at all, that MAXIM will not continue to have access to its credit facilities or that it will be in default thereunder, that MAXIM may not be able to resume electricity generating (and associated revenue generating) activities in the timelines described herein, that MAXIM will not have access to the necessary labour, equipment and materials to conduct all necessary repairs and that MAXIM may not be covered by insurance for the subject damages. Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect MAXIM's business, operations or financial results are included in the reports on file with applicable securities regulatory authorities, including but not limited to MAXIM's Annual Information Form for the year ended December 31, 2021, which may be accessed on MAXIM's SEDAR profile at www.sedar.com. These forward-looking statements are made as of the date of this document and MAXIM disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.