

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") is dated November 6, 2025 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, 2025 and the audited consolidated financial statements and MD&A for the year ended December 31, 2024. 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.

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## 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 natural gas-fired power plant with 300 MW of maximum electric generating capacity in Canada. The M2 power plant is a 300 MW state-of-the-art combined cycle gas-fired power plant that 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

During the third quarter of 2025, MAXIM recorded net income and adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”<sup>(1)</sup>) of \$10.6 million and \$11.4 million, respectively, as compared to net income of \$10.7 million and Adjusted EBITDA<sup>(1)</sup> of \$12.7 million, respectively, in the same period of 2024. Decreases to Adjusted EBITDA<sup>(1)</sup> in the third quarter of 2025 were primarily due to lower net realized gains on commodity swaps, partially offset by higher revenues as a result of greater realized power prices as compared to 2024. Net income is comparable to the same period in 2024.

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

MAXIM’s current normal course issuer bid (“NCIB”) program is for the September 16, 2025 to September 15, 2026 period. Under the current NCIB, the Corporation may purchase for cancellation up to 3,182,528 Common Shares of the Corporation. Collectively under this program and as of the date of this MD&A, the Corporation has repurchased and cancelled 15,412 Common Shares at a weighted average price of \$4.61 per share.

The current NCIB follows the expiration of MAXIM’s previous NCIB which was effective from September 16, 2024 and expired on September 15, 2025. Under MAXIM’s previous NCIB, MAXIM completed the purchase of 129,628 Common Shares at a weighted average price of \$4.48 per share.

As previously reported, MAXIM submitted an additional insurance claim for a delay in start up related to the Non-Injury Fire under its course of construction insurance policy, which includes a provision for delay in start up coverage relating to the Combined Cycle Gas Turbine (“CCGT”) expansion of M2. The insurer denied coverage under this policy, which the Corporation is disputing by way of arbitration. The amount of the dispute was previously \$25.0 million and has increased to \$32.0 million. The outcome of any arbitration, including the time thereof and any reward therefrom is uncertain and has not been recognized by the Corporation in the financial statements.

## Quarterly Financial and Operational Highlights

(\$000's, unless otherwise noted)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Revenue	27,228	25,659	68,907	77,434
Net income	10,620	10,744	14,272	22,287
Basic earnings per share (\$ per share)	0.17	0.21	0.22	0.44
Diluted earnings per share (\$ per share)	0.17	0.18	0.22	0.39
Adjusted EBITDA <sup>(1)</sup>	11,387	12,675	22,806	32,884
Free cash flow <sup>(1)</sup>	6,609	15,062	15,067	29,779
Total generation (MWh)	454,253	465,584	1,283,772	1,307,781
Total fuel consumption (GJ)	3,640,634	3,756,808	10,530,988	10,707,325
Heat rate (GJ/MWh)	8.01	8.07	8.20	8.19
Facility availability rate (%)	86.2%	99.1%	91.6%	89.5%
Facility utilization rate (%)	80.5%	75.3%	69.2%	68.3%
Average Alberta market power price (\$ per MWh)	51.29	55.36	43.90	66.56
Average realized power price (\$ per MWh)	59.94	55.11	53.68	59.21
Non-current liabilities	31,531	102,679	31,531	102,679
Total assets	375,278	445,663	375,278	445,663

(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 2025, revenues increased as compared to 2024 primarily due to higher realized power prices, partially offset by lower generation volumes. Adjusted EBITDA<sup>(1)</sup> decreased as compared to 2024 primarily due to lower net realized gains on commodity swaps partially offset by the same factors impacting revenues. Net income was comparable to the same period in 2024.

During the first nine months of 2025, revenues decreased as compared to 2024 primarily due to lower realized power prices and lower generation volumes. Adjusted EBITDA<sup>(1)</sup> decreased as compared to 2024 primarily due to the same factors impacting revenues and lower net realized gains on commodity swaps. Net income decreased as a result of the same factors impacting Adjusted EBITDA<sup>(1)</sup> and unrealized losses on commodity swaps.

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

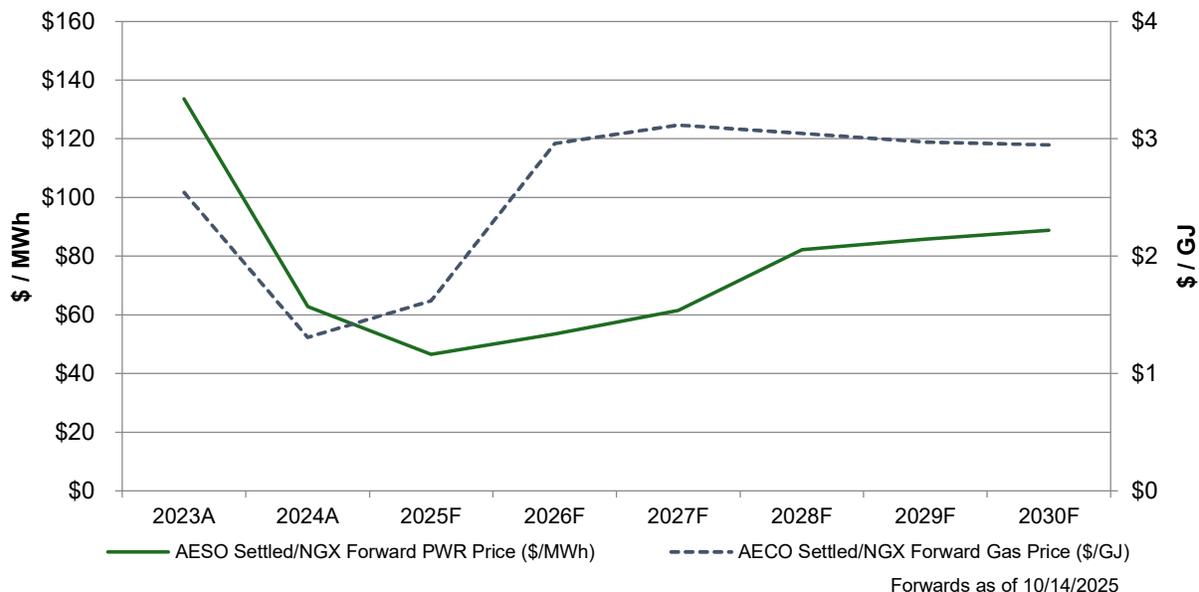
### OUTLOOK

#### *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. 2025 power prices are forecasted to be lower than 2024 due to further generating capacity additions coming online earlier in the year, along with low natural gas prices. Forward power prices are expected to begin rising in 2026+ due to higher forecast natural gas prices and a rebalancing of supply/demand fundamentals.

Near-term (2025) Alberta natural gas forward prices have fallen significantly, primarily as a result of 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 (2026+) 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 commitments 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 Power natural gas-fired power generation development project located near Grande Prairie, Alberta, which is in the early stages of development. MAXIM also 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 the 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 the ERA and continues to refine project details to inform a final investment decision. As at the date of this MD&A, the Corporation has not made a final investment decision to proceed with the LFAB.

## 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, capital expenditures, outlook for commodity 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, 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, 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](http://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 2025 of approximately \$13.0 million. These expenditures primarily relate to sustaining capital spending related to M2, including expenditures for a planned maintenance outage in the fall of 2025.
- 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 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 <sup>(1)</sup>	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 ended: (unaudited) (\$000's unless otherwise noted)	30-Sep 2024	30-Jun 2024	31-Mar 2024	31-Dec 2023
Revenue	25,659	17,007	34,768	38,990
Net income	10,744	1,056	10,487	19,477
Basic earnings per share (\$ per share)	0.21	0.02	0.21	0.39
Diluted earnings per share (\$ per share)	0.18	0.02	0.18	0.32
Adjusted EBITDA <sup>(1)</sup>	12,675	4,287	15,922	31,512
Average realized power price (\$ per MWh)	55.11	46.51	72.96	81.61
Total fuel consumption (GJ)	3,756,808	3,034,857	3,915,660	3,855,880
Total generation (MWh)	465,584	365,666	476,531	485,222

Quarter over quarter revenue, Adjusted EBITDA<sup>(1)</sup> 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<sup>(1)</sup> and net income fluctuated in 2023, 2024 and 2025 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 2025 included \$1.5 million of change in fair value of investment, \$0.6 million change in fair value of convertible note, lease income of \$0.5 million and \$0.4 million of net commodity swap losses.
- 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.

- The third quarter of 2024 included \$7.9 million of net commodity swap gains and \$2.7 million of income tax expense.
- The second quarter of 2024 included \$0.2 million of net commodity swap gains.
- The first quarter of 2024 included \$3.2 million of net commodity swap gains and \$3.2 million of income tax expense.
- The fourth quarter of 2023 included other income of \$20.7 million in relation to insurance proceeds arising from the air inlet filter house fire, net of air inlet filter house expenses, \$2.0 million of asset impairment charge, \$6.4 million of income tax expense and \$5.0 million of net commodity swap losses.

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

## QUARTERLY FINANCIAL RESULTS OF OPERATIONS

### Revenue

(\$000's)	Three months ended		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Revenue <sup>(1)</sup>	27,228	25,659	68,907	77,434

(1) Includes \$2.3 million in the first nine months of 2025 of Unforeseeable Transmission Must-Run ("TMR") services provided to the Alberta Electricity System Operator ("AESO") in January 2025. Unforeseeable TMR revenues, of this kind, are infrequent and earned only when the AESO requires power generation from power producers to compensate for insufficient local transmission infrastructure relative to local power demand.

Revenue in the third quarter of 2025 increased by \$1.5 million, or 6%, to \$27.2 million from \$25.7 million in 2024 primarily due to higher realized prices of \$59.94 per MWh in the third quarter of 2025 as compared to \$55.11 per MWh in 2024. Partially offsetting higher realized prices were lower generation volumes as a result of less generation during low priced periods where M2 generated 454,253 MWh in the third quarter of 2025 as compared to 465,584 in 2024.

Revenue in the first nine months of 2025 decreased by \$8.5 million, or 11%, to \$68.9 million from \$77.4 million in 2024 primarily due to lower realized prices of \$53.68 per MWh in the first nine months of 2025 as compared to \$59.21 per MWh in 2024. In addition, revenues decreased due to lower generation volumes as a result of less generation during low priced periods where M2 generated 1,283,772 MWh in the first nine months of 2025 as compared to 1,307,781 in 2024.

### 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)	2025				2024			
	Fuel	Carbon Costs	O&M	Total	Fuel	Carbon Costs	O&M	Total
Total	4,101	1,642	6,617	12,360	3,784	1,908	8,219	13,911
Percent	33%	13%	54%	100%	27%	14%	59%	100%
\$ Per MWh <sup>(1)</sup>	9.03	3.61	14.57	27.21	8.13	4.10	17.65	29.88
\$ Per GJ <sup>(1)</sup>	1.13	0.45	1.82	3.40	1.01	0.51	2.19	3.71

Nine months ended September 30 (\$000's)	2025				2024			
	Fuel	Carbon Costs	O&M	Total	Fuel	Carbon Costs	O&M	Total
Total	19,288	5,100	17,389	41,777	17,571	4,822	22,252	44,645
Percent	46%	12%	42%	100%	39%	11%	50%	100%
\$ Per MWh <sup>(1)</sup>	15.02	3.97	13.55	32.54	13.44	3.69	17.02	34.15
\$ Per GJ <sup>(1)</sup>	1.83	0.48	1.65	3.96	1.64	0.45	2.08	4.17

Fuel expenses in the third quarter of 2025 increased by \$0.3 million, or 8%, to \$4.1 million from \$3.8 million in 2024, primarily due to higher natural gas prices, partially offset by lower generation volumes in third quarter of 2025.

Fuel expenses in the first nine months of 2025 increased by \$1.7 million, or 10%, to \$19.3 million from \$17.6 million in 2024, primarily due to the same factors impacting the third quarter.

Carbon Costs in the third quarter of 2025 decreased \$0.3 million, or 16%, to \$1.6 million from \$1.9 million in 2024 due to favourable external carbon pricing market conditions and lower generation volumes.

Carbon Costs in the first nine months of 2025 increased \$0.3 million, or 6%, to \$5.1 million from \$4.8 million in 2024 due to favourable external carbon pricing market conditions which resulted in a true up of Carbon Costs in the second quarter of 2024, partially offset by lower generation volumes in the first nine months of 2025.

O&M in the third quarter of 2025 decreased \$1.6 million, or 20%, to \$6.6 million from \$8.2 million in 2024 due to lower repairs and maintenance and insurance premiums in 2025.

O&M in the first nine months of 2025 decreased \$4.9 million, or 22%, to \$17.4 million from \$22.3 million in 2024 due to the same factors impacting the third quarter.

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

### General and Administrative Expense

(\$000's)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Total general and administrative expense	1,998	1,710	5,716	4,857

General and administration expense in the third quarter of 2025 increased by \$0.3 million, or 18%, to \$2.0 million from \$1.7 million in 2024, primarily due to increased legal costs.

General and administration expense in the first nine months of 2025 increased by \$0.8 million, or 16%, to \$5.7 million from \$4.9 million in 2024, primarily due to the same factor impacting the third quarter and increased employee compensation costs.

### Depreciation and Amortization Expense

(\$000's)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Total depreciation and amortization	3,852	3,639	11,689	10,903

Depreciation and amortization expense in the third quarter of 2025 increased by \$0.3 million, or 8%, to \$3.9 million from \$3.6 million in 2024, primarily due to the advancement of depreciation of certain components of Milner PP&E.

Depreciation and amortization expense in the first nine months of 2025 increased by \$0.8 million, or 7%, to \$11.7 million from \$10.9 million in 2024, primarily due to the same factor impacting the third quarter.

## Other Income, Net

(\$000's)	Three months ended		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Other income, net	2,650	58	4,465	3,037

Other income in the third quarter of 2025 was \$2.7 million as compared to \$0.1 million in 2024. The increase is primarily due to changes in the fair value of investment, changes in fair value of the convertible note and earnings from lease income.

Other income in the first nine months of 2025 was \$4.5 million as compared to \$3.0 million in 2024. The increase is primarily due to changes in the fair value of investment, gain on the sale of Summit, changes in fair value of the convertible note and earnings from lease income, partially offset by realizing a \$2.8 million contingent gain in the second quarter of 2024 relating to the sale of a wind development project sold in 2018.

## Loss (Gain) on Commodity Swaps

(\$000's)	Three months ended		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Realized gain on power swaps	(136)	(7,289)	(2,374)	(13,862)
Realized loss on natural gas swaps	1,941	4,933	1,809	9,712
Total realized loss (gain) on commodity swaps	1,805	(2,356)	(565)	(4,150)

(\$000's)	Three months ended		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Unrealized loss (gain) on power swaps	(218)	(1,164)	569	(620)
Unrealized gain on natural gas swaps	(1,179)	(4,420)	(369)	(6,576)
Total unrealized loss (gain) on commodity swaps	(1,397)	(5,584)	200	(7,196)

Total realized and unrealized loss (gain) on commodity swaps	408	(7,940)	(365)	(11,346)
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In the third quarter and first nine months of 2025, MAXIM realized losses of \$1.8 million and gains of \$0.6 million, respectively, on Alberta power and natural gas price risk management swaps, as compared to the same period of 2024 which realized gains of \$2.4 million and \$4.2 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 2025, MAXIM had unrealized net gains of \$1.4 million and losses of \$0.2 million, respectively, on Alberta power and natural gas price risk management swaps, as compared to the same period of 2024 which had unrealized gains of \$5.6 million and \$7.2 million respectively. These gains and losses are due to Alberta power and natural gas forward prices deviating from the fixed swap price.

## Finance (Income) Expense, Net

(\$000's)	Three months ended		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Interest expense and bank charges	126	1,921	186	5,888
Amortization of deferred financing costs	74	244	220	803
Accretion of provisions	87	82	265	258
Foreign exchange loss (gain)	(53)	4	(7)	(49)
Finance expense	234	2,251	664	6,900
Interest income	(554)	(1,338)	(1,320)	(3,745)
Total finance expense (income), net	(320)	913	(656)	3,155

Net finance income in the third quarter of 2025 increased by \$1.2 million to \$0.3 million from an expense of \$0.9 million in 2024, primarily due to lower interest expense on loans and borrowings as a result of repaying and converting all of MAXIM's outstanding loans and borrowings in the fourth quarter of 2024, partially offset by lower interest income.

Net finance income in the first nine months of 2025 increased by \$3.9 million to \$0.7 million from an expense of \$3.2 million in 2024, primarily due to the same factors impacting the third quarter.

## Income Tax Expense

(\$000's)	Three months ended		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Current tax expense	805	126	805	448
Deferred tax expense	155	2,614	134	5,522
Total income tax expense	960	2,740	939	5,970

In the third quarter of 2025, income tax expense decreased \$1.7 million to \$1.0 million from \$2.7 million in 2024 due to MAXIM having lower income before taxes in 2025.

In the first nine months of 2025, income tax expense decreased \$5.1 million to \$0.9 million from \$6.0 million in 2024 due to the same factor impacting the third quarter.

## Financial Position

The following highlights the changes in the Corporation's Consolidated Statement of Financial Position at September 30, 2025, as compared to December 31, 2024.

As at (\$000's)	September 30, 2025	December 31, 2024	Increase (Decrease)	Primary factors explaining change
<b>Assets</b>				
Cash and cash equivalents	53,032	30,068	22,964	Increased as a result of operating and investing activities, partially offset by financing activities
Trade and other receivables	12,761	6,244	6,517	Increased as a result of higher revenues
Property, plant and equipment	295,183	306,035	(10,852)	Decreased as a result of the sale of Summit and depreciation, partially offset by asset additions
Other assets <sup>(1)</sup>	14,302	16,751	(2,449)	Decreased as a result of lower prepaid expenses and restricted cash, partially offset by the convertible note and investment
<b>Liabilities &amp; Equity</b>				
Trade and other payables	11,531	11,111	420	Increased due to the timing of settlement of accounts payable
Other liabilities <sup>(1)</sup>	32,896	31,967	929	Increased due to current tax liability and higher deferred lease income
Equity	330,851	316,020	14,831	Increased primarily due to net income 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 and operating revenues from the operation of M2. As at September 30, 2025, MAXIM has unrestricted cash of \$53.0 million, no outstanding debt and available borrowing capacity of up to \$17.7 million.

## Senior Credit Facility

The Senior Credit Facility matures on June 30, 2026 and amounts available under the facility are as follows:

- Revolver Facility #1 is a \$25.0 million revolver, is available for general corporate purposes and is undrawn, however availability of \$7.3 million was used to issue cash collateralized letters of credit which reduced availability to \$17.7 million. The Corporation can elect to draw back the \$7.3 million cash collateral related to the letters of credit, in exchange for a higher margin fee, however the availability of the facility is reduced by this amount regardless of whether the letters of credit are cash collateralized or not. Removing the restriction on the \$7.3 million of cash would further increase net liquidity available<sup>(1)</sup> to \$78.0 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<sup>(1)</sup> to Adjusted EBITDA<sup>(1)</sup> 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. The interest coverage ratio is annualized beginning in the first quarter of 2025 utilizing the rolling four quarter Adjusted EBITDA<sup>(1)</sup> and annualized interest expense starting January 1, 2025. Once four full fiscal financial quarters have occurred the annualized interest expense will be replaced with the rolling four quarter interest expense. 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, 2025.

(1) Adjusted EBITDA and net debt are a non-GAAP measures. See Non-GAAP and Other Financial Measures.

### Cash flow summary:

At September 30, 2025, the Corporation had unrestricted cash of \$53.0 million included in the working capital<sup>(1)</sup> surplus of \$53.9 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 of the Corporation:

Nine months ended September 30 (\$'000's)	2025	2024
Cash on hand, unrestricted, January 1	30,068	32,258
Cash flow generated from operations	19,079	76,034
Cash flow used in financing	(454)	(9,209)
Available for investments	48,693	99,083
Cash flow generated from (used in) investing	4,332	(119)
Effect of foreign exchange rates on cash	7	49
Unrestricted cash	53,032	99,013
Convertible loan availability	-	45,562
Senior Credit Facility availability	17,659	12,854
Net liquidity available, September 30 <sup>(1)</sup>	70,691	157,429

(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 2025 decreased to \$19.1 million from \$76.0 million in 2024, which is a decrease of \$56.9 million. The decrease is primarily due to changes in non-cash working capital as a result of collecting business interruption insurance proceeds in the first quarter of 2024 and lower earnings from the operations of M2. See working capital section below for further discussion.

During the first nine months of 2025, MAXIM's cash flow used in financing activities decreased \$8.7 million to \$0.5 million in 2025 from \$9.2 million in 2024, primarily due to lower interest and debt repayments in the first nine months of 2025 as a result of repaying and converting all of MAXIM's outstanding loans and borrowings in the fourth quarter of 2024.

MAXIM's investing activities in the first nine months of 2025 represented a cash inflow of \$4.3 million, increasing from an outflow of \$0.1 million in 2024. During 2025, MAXIM had \$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.

MAXIM's investing activities in the first nine months of 2024 represented a cash outflow of \$0.1 million. During 2024, MAXIM spent \$3.5 million primarily on sustaining capital projects at M2 and changes in non-cash working capital of \$3.2 million, partially offset by interest income of \$3.8 million and proceeds on sale of wind development project of \$2.8 million.

The following table represents the net capital<sup>(1)</sup> of the Corporation:

As at (\$000's)	September 30, 2025	December 31, 2024
Loans and borrowings	-	-
Less: Unrestricted cash	(53,032)	(30,068)
Net debt (net cash) <sup>(1)</sup>	(53,032)	(30,068)
Shareholders' equity	330,851	316,020
Capital	277,819	285,952
Net debt to capital <sup>(1)</sup>	-19.1%	-10.5%

The Corporation uses the percent of net debt (net cash) to capital to monitor leverage. The decrease in net debt (net cash) to capital from December 31, 2024 to September 30, 2025 is primarily due to net income.

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

### Working Capital<sup>(1)</sup>

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

As at (\$000's)	September 30, 2025	December 31, 2024	Change
Total current assets	66,754	41,473	25,281
Total current liabilities	12,896	11,507	1,389
Working capital surplus <sup>(1)</sup>	53,858	29,966	23,892

The Corporation has a working capital surplus of \$53.9 million at September 30, 2025, which represents a \$23.9 million increase from the working capital surplus of \$30.0 million at December 31, 2024. The net increase is comprised of a \$25.3 million increase in current assets and a \$1.4 million increase in current liabilities.

The increase in current assets was due to an increase in cash and cash equivalents of \$23.0 million and trade and other receivables of \$6.5 million, partially offset by prepaid expenses and deposits of \$3.7 million and risk management asset of \$0.5 million.

The increase in current liabilities was due to an increase in current tax liability of \$0.7 million, deferred income of \$0.5 million and accounts payable of \$0.4 million, partially offset by risk management liabilities of \$0.2 million.

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

### Capital Resources

This following commentary represents FLI and users are cautioned that actual results may vary. The Corporation is currently anticipating capital expenditures of approximately \$13.0 million for the full year of 2025. These expenditures primarily relate to sustaining capital spending of M2, including expenditures for a planned maintenance outage in the fall of 2025.

## 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 liquidity.

As at September 30, 2025	Total	2025	2026-2027	2028-2029	Thereafter
Long-term contracts	13,849	1,230	9,030	3,128	461
Total	13,849	1,230	9,030	3,128	461

Long-term contracts are comprised of 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 recent years surrounding coal-fired generation.

### Canada

The Government of Canada released the draft Clean Electricity Regulation (“CER”) on August 19, 2023 that would establish the performance standard framework applicable to existing and new natural gas generation facilities to achieve the federal government’s objectives. On December 18, 2024, the final CER regulations were released which beginning in 2035 will set limits on carbon dioxide from electricity generation units that use fossil fuels and by 2050, will ensure a net-zero electricity system. The final standards are not anticipated to have a significant effect on the operations of M2, but could potentially have an impact on natural gas-fired generation development projects not yet built. On May 1, 2025, the Government of Alberta (“GoA”) announced that it is referring the constitutionality of the federal governments net-zero electricity regulation to the Court of Appeal of Alberta. The timing of the decision is not yet known.

### Alberta

On April 19, 2023, the GoA released their Emissions Reduction and Energy Development (“ERED”) 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 Technology Innovation and Emission Reduction Regulation (“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. To date, the GoA has demonstrated implementation through initiatives such as ERA project funding and the carbon price freeze.

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 mid-2027. 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 implement the REM by mid-2027. Management is actively monitoring the development of the rules to better understand the impact this may have on the Corporation.

#### *TIER regulations*

Since January 1, 2023, M2 has been exposed to Carbon Costs on emissions via the TIER Regulations. For 2025, emissions greater than the electricity benchmark of 0.3478 tonnes of CO<sub>2</sub> equivalent (“tCO<sub>2</sub>e”) per MWh are priced at \$95/tCO<sub>2</sub>e. The benchmark was expected to tighten by 2% annually to match federal regulations, however on May 12, 2025, the GoA announced that the carbon price would be frozen at \$95/tCO<sub>2</sub>e indefinitely. There is concern that this could mean that the provincial program would no longer meet federal equivalency and that the carbon price will continue to increase by \$15/tCO<sub>2</sub>e annually until reaching \$170/tCO<sub>2</sub>e in 2030 under the federal output based pricing system. 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 2025 is up to 80% of its compliance requirements. The remainder of compliance costs must be paid for at the prevailing GoA carbon price, which for 2025 is \$95/tCO<sub>2</sub>e.

On September 16, 2025, the GoA announced additional changes to the TIER program. The changes include a direct investment compliance pathway, 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<sub>2</sub>e.

#### **NON-GAAP AND OTHER FINANCIAL MEASURES**

Management evaluates MAXIM's performance using a variety of measures. The non-GAAP measures 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		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
GAAP Measures from Condensed Consolidated Statements of Operations				
Net income	10,620	10,744	14,272	22,287
Income tax expense	960	2,740	939	5,970
Finance expense (income), net	(320)	913	(656)	3,155
Depreciation and amortization	3,852	3,639	11,689	10,903
	15,112	18,036	26,244	42,315
Adjustments:				
Other income	(2,650)	(58)	(4,465)	(3,037)
Unrealized loss (gain) on commodity swaps	(1,397)	(5,584)	200	(7,196)
Share-based compensation	322	281	827	802
Adjusted EBITDA	11,387	12,675	22,806	32,884

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, 2025 and September 30, 2024 management excluded certain non-cash and non-recurring transactions. In both 2025 and 2024, 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		Nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Funds generated from operating activities before change in non-cash working capital	11,877	17,858	23,616	37,526
Property, plant and equipment additions	(5,539)	(1,500)	(9,423)	(3,466)
Repayment of loans and borrowings	-	(713)	-	(2,138)
Interest expense and bank charges	(126)	(1,921)	(186)	(5,888)
Interest income	397	1,338	1,060	3,745
Free cash flow	6,609	15,062	15,067	29,779

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, 2025 and September 30, 2024, 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 13.

### **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 12.

### **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 and restricted cash.

MAXIM defines other liabilities as risk management liability, lease obligation, provision for decommissioning, deferred lease income 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

Except as noted below, 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 consolidated financial statements for the year ended December 31, 2024.

During the second quarter of 2025, the Corporation revised the useful life of certain components of property, plant and equipment as a result of the accelerated timing of major overhauls at Milner necessary for future operations which gave rise to additional depreciation of \$0.5 million.

## NEW ACCOUNTING PRONOUNCEMENTS

### IFRS Standards Issued Not Yet Effective and Amendments

On April 9, 2024, the International Accounting Standards Board issued IFRS 18 – Presentation and Disclosure in Financial Statements which introduces new requirements for comparability in the statement of profit or loss, performance measures and grouping 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. Management is currently assessing the impact of IFRS 18 on the Corporation’s consolidated financial statements.

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 2025, with the exception of transactions with the Corporation’s Directors and members of the Executive Committee in the normal course of business. These transactions in the normal course of business are detailed in note 22 of the 2024 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, 2025.

## OTHER INFORMATION

Outstanding share data:

Issued common shares at September 30, 2025	63,640,467
Outstanding share options at September 30, 2025	3,369,399
<b>Total diluted common shares at September 30, 2025</b>	<b>67,009,866</b>
Shares purchased and cancelled under NCIB in October 2025	(27,768)
<b>Total diluted common shares at November 6, 2025</b>	<b>66,982,098</b>

Additional information relating to MAXIM including the Annual Information Form is posted on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under Maxim Power Corp. and at the Corporation’s website [www.maximpowercorp.com](http://www.maximpowercorp.com).

## GLOSSARY OF TERMS

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

<b>AESO</b>	Alberta Electric System Operator
<b>Buffalo Atlee</b>	Buffalo Atlee is a development project for up to 200 MW of wind generation situated near Brooks, Alberta
<b>Capacity</b>	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)
<b>Carbon Cost</b>	Greenhouse Gas Emission Compliance Cost
<b>CCGT</b>	Combined Cycle Gas Turbine
<b>CEO</b>	Chief Executive Officer
<b>CER</b>	Clean Electricity Regulation
<b>CFO</b>	Chief Financial Officer
<b>tCO<sub>2e</sub></b>	Tonnes of Carbon Dioxide Equivalent
<b>Adjusted EBITDA</b>	Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization
<b>ERA</b>	Emissions Reduction Alberta
<b>ERED</b>	Emissions Reduction and Energy Development
<b>FCF</b>	Free Cash Flow
<b>FLI</b>	Forward-looking information
<b>GAAP</b>	IFRS, as set out in Part 1 of the CPA Canada Handbook of the CPAs of Canada
<b>GJ</b>	Gigajoule
<b>GoA</b>	Government of Alberta
<b>ICFR</b>	Internal Controls Over Financial Reporting
<b>IFRS</b>	International Financial Reporting Standards
<b>LFAB</b>	Landfill Fly Ash Beneficiation Project
<b>Milner</b>	HR Milner, a 150 MW (nameplate capacity) generating facility located near the town of Grande Cache, Alberta since 1972 and was acquired by MAXIM on March 31, 2005
<b>M2</b>	M2 is a CCGT facility located at the Milner site near Grande Cache, Alberta, with a maximum capability of 300 MW
<b>MAXIM or the Corporation</b>	Maxim Power Corp.
<b>MD&amp;A</b>	Management's Discussion and Analysis
<b>MSA</b>	Market Surveillance Administrator
<b>MW</b>	Megawatt, a measure of electrical generating capacity that is equivalent to one million watts
<b>MWh</b>	Megawatt-hour, a measure of electricity consumption equivalent to the use of 1,000,000 watts of power over a period of one hour
<b>REM</b>	Restructured Energy Market
<b>NCIB</b>	Normal Course Issuer Bid
<b>O&amp;M</b>	Operations and Maintenance
<b>Summit</b>	Summit Coal LP and Summit Coal Inc.
<b>TIER</b>	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.