



Suite 1210, 715 – 5 Avenue S.W.
Calgary, Alberta, Canada T2P 2X6

Press Line: (403) 750-9305
TSX Symbol: MXG

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Maxim Power Corp. Provides Guidance on Alberta Utilities Commission's Loss Factor Decision

CALGARY, Alberta (December 16, 2015) – Maxim Power Corp. ("MAXIM" or the "Corporation") announced today that it has quantified the anticipated impact of the Alberta Utilities Commission ("AUC") decision no. 790-D03-2015 pertaining to Module B of Phase 2 of Milner Power Inc.'s ("Milner") complaint ("Complaint") against the Alberta Electric System Operator's ("AESO") Line Loss Rule ("Rule").

As previously reported on November 26, 2015, the AUC has directed the AESO to make changes to the current non-compliant Rule that has been in effect since January 1, 2006. Further, the AESO has been directed to file, by February 1, 2016, a plan to develop a revised Rule that incorporates the AUC's findings in the decision on a go forward basis from the, as yet to be determined, implementation date.

MAXIM has determined the resulting new Rule will align with the loss factor methodology advocated by Milner in its original 2005 Complaint. On a go forward basis, the new Rule is expected to reduce Milner's ongoing operating costs by approximately \$3 to \$5 million annually, based on current forward pool prices.

Through its decision, the AUC expressly asserted its parallel authority to adjust line loss charges from January 1, 2006 and determine final line loss charges in Module C, which will determine the ultimate financial remedy to Milner. MAXIM estimates the compensation that it will be afforded to be approximately \$38 million for the period January 1, 2006 to December 31, 2015 based on information currently available on the public record. This amount excludes compensation for Milner's cost of capital and legal costs, which will also be determined in Module C. As at the date of this press release, the implementation date of the new rule under Module B and timing of compensation under Module C cannot be determined.

About MAXIM

Based in Calgary, Alberta, MAXIM is an independent power producer, which acquires or develops, owns and operates innovative and environmentally responsible power and power related projects. MAXIM currently owns and operates 39 power plants in Alberta, the United States and France, having 778 MW of electric generating capacity. MAXIM trades on the TSX under the symbol "MXG". For more information about MAXIM, visit our website at www.maximpowercorp.com.

For further information please contact:

John R. Bobenic, President and CEO, (403) 750-9300

Michael R. Mayder, Senior Vice President, Finance and CFO, (403) 750-9311

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