POLARIS RENEWABLE ENERGY ANNOUNCES Q4 AND YEAR END 2022 RESULTS

TORONTO, ON (February 23, 2023) – Polaris Renewable Energy Inc. (TSX: PIF) ("Polaris Renewable Energy" or the "Company"), is pleased to report its financial and operating results for the three and year ended December 31, 2022. This earnings release should be read in conjunction with the Company's consolidated financial statements and management's discussion and analysis, which are available on the Company's website at www.PolarisREI.com and have been posted on SEDAR at www.sedar.com. The dollar figures below are denominated in US Dollars unless noted otherwise.

HIGHLIGHTS

- The Company closed an acquisition of a solar facility in the Dominican Republic on June 28,2022 as well as an acquisition of a hydroelectric facility in Ecuador on September 7, 2022. All consolidated results and highlights below include production numbers, revenues and costs from such acquisitions since the respective closing dates.

- Annual consolidated energy production of 649,756 MWh (net) for the year ended December 31, 2022, of which 439,090 MWh (net) was contributed by the Company's geothermal facility in Nicaragua: an aggregate of 172,847 MWh (net) was contributed by the Company's hydroelectric facilities in Peru. A total of 28,401 MWh (net) was contributed by the Company's solar facility in Dominican Republic, and 9,418 MWh (net) was contributed by the Company's hydroelectric facility in Ecuador.

- The Company generated $62.6 million in revenue from energy sales for the year ended December 31, 2022, compared to $59.5 million in the same period in 2021. The increase was the net result of additional revenue from the two new facilities located in Dominican Republic and Ecuador, acquired during 2022, coupled with the increased prices with respect to the inflation adjustments in the power purchase agreement's ("PPA") for the Peruvian facilities, partly offset by the decrease in revenue from San Jacinto.

- Net earnings attributable to owners was $2.5 million or $0.12 per share – basic for the year ended December 31, 2022, compared to net earnings of $0.5 million or $0.03 per share – basic in 2021.

- Adjusted EBITDA*(1)* was $44.9 million for the year ended December 31, 2022, compared to Adjusted EBITDA of $43.8 million in the same period in 2021, principally as a result of revenue increases, as described above.

- For year ended December 31, 2022, the Company generated $33.5 million in net cash flow from operating activities, ending with a cash position of $40.0 million, including restricted cash.

- Construction, testing and initial operation of a 10.0 MW (net) geothermal binary power plant was completed on December 30, 2022, with full capacity achieved on December 31, 2022. The total investment incurred by the Company was $25.6 million, which was in line with original expectations.

- The Company continues to progress the construction of the newly named Vista Hermosa Solar Park, the solar projects located in Panama. During the year ended December 31, 2022 the Company spent $9.1 million. Construction is expected to be completed by March 2023.

- The Company remains focused on maintaining a quarterly dividend. For the year ended December 31, 2022, the Company declared and paid $12.1 million in dividends. The Company has declared and will pay a quarterly dividend of $0.15 per outstanding common share on February 24, 2023.

- The Company continued to advance its environmental, social and governance ("ESG") initiatives as part of its core strategy while continuing to maintain an excellent health and safety record. Readers are encouraged to refer to the Company's annual sustainability report, which is available on the Company's website for additional details.

OPERATING AND FINANCIAL OVERVIEW

	Three Months Ended		Year Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Energy production				
Consolidated Power MWh (net)	**174,220**	162,542	**649,756**	643,523
Financials				
Total revenue	**$ 16,870**	$ 14,871	**$ 62,600**	$ 59,517
Net earnings (loss) attributable to owners	**$ 3,001**	$ (921)	**$ 2,499**	$ 501
Adjusted EBITDA	**$ 11,658**	$ 11,067	**$ 44,921**	$ 43,766
Net cash flow from operating activities			**$ 33,506**	$ 41,129
Per share				
Net earnings (loss) attributable to owners - *basic*	**$ 0.14**	$ (0.05)	**$ 0.12**	$ 0.03
Net earnings (loss) attributable to owners - *diluted*	**$ 0.14**	$ (0.05)	**$ 0.12**	$ 0.03
Adjusted EBITDA - *basic*	**$ 0.55**	$ 0.57	**$ 2.23**	$ 2.33

Balance Sheet	As at December 31, 2022	As at December 31, 2021
Cash	**$ 35,325**	$ 97,930
Restricted cash - non-current	**$ 4,640**	$ 3,835
Total current assets	**$ 50,609**	$ 110,143
Total assets	**$ 535,102**	$ 502,700
Current and Long-term debt *(i)*	**$ 184,408**	$ 169,686
Total liabilities	**$ 264,890**	$ 241,876

(i) *Net of transaction costs.*

During the three months ended December 31, 2022 quarterly consolidated power production was higher than the same period in 2021, as a net result of additional production from the Dominican Republic and Ecuador facilities acquired in the year, partly offset by lower production in Peru.

For Nicaragua, in the fourth quarter of 2022 production was similar to production in the comparable period of 2021. It is management's view that this is a result of implementation of a limited in-field injection strategy which had the effect of improving stability in several of the high enthalpy wells, namely 9-3 and 6-2. In addition, the remainder of the field showed a high level of stability.

Consolidated production in Peru for the three months ended December 31, 2022 was lower than the comparative period in 2021 due to lower water availability at both El Carmen and 8 de Agosto facilities. It is management's understanding that the start of the rainy season, which is typically in October or November, was delayed in most regions of Peru in 2022. These decreases were partly offset by the increase in production at Canchayllo.

For Dominican Republic, the Canoa 1 facility, acquired on June 28, 2022, produced 14,139 MWh in the three months ended December 31, 2022. This is in line with the third quarter of 2022, historical results and our expectations.

For Ecuador, in the fourth quarter of 2022, the average production of 6,969 MWh represents the first full quarter of production contributed by HSJM. Overall, and similar to Peru, production in Ecuador is driven by the dry and wet season, with the rainy season generally starting in November and running until May/June. However, like in Peru, the rainy season started later in Ecuador than normal which resulted in lower results than expected. Our expectations were in the range of 8,000-9,000 MWh for the quarter.

"*The past year was a very important year for the Company having completed three acquisitions and having completed the Binary unit in December to finish off the year. We expect the results of these efforts to be fully reflected in our operational results for 2023. In addition, the platform we have built can now take advantage of the opportunities to grow in the region through our own developments as well as through opportunistic acquisitions.*" noted Marc Murnaghan, Chief Executive Officer of Polaris Renewable Energy.

About Polaris Renewable Energy Inc.

Polaris Renewable Energy Inc. (*formerly, Polaris Infrastructure Inc.)* is a Canadian publicly traded company engaged in the acquisition, development, and operation of renewable energy projects in the Americas. We are a high-performing and financially sound contributor in the energy transition.

The Company's operations are in 5 Latin American countries and include a geothermal plant (~72 MW), 4 run-of-river hydroelectric plants (39 MW), 1 solar (photovoltaic) project in operation (25 MW) and 2 solar projects with an expected total capacity of approximately 10 MW, currently under construction.

For more information, contact :

Investor Relations
Polaris Renewable Energy Inc.

Phone: +1 647-245-7199
Email: info@PolarisREI.com

Cautionary Statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities laws, which may include, but is not limited to, financial and other projections as well as statements with respect to future events or future performance, management's expectations regarding the Company's growth, results of operations, business prospects and opportunities, construction plans in Panama, production in the fourth quarter in Nicaragua and synergies of the acquisitions discussed above, and the effects of the COVID-19 pandemic. In addition, statements relating to estimates of recoverable energy "resources" or energy generation capacities are forward-looking information, as they involve implied assessment, based on certain estimates and assumptions, that electricity can be profitably generated from the described resources in the future. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "estimates", "goals", "intends", "targets", "aims", "likely", "typically", "potential", "probable", "projects", "continue", "strategy", "proposed", or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved.

A number of known and unknown risks, uncertainties and other factors may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. Such factors include, among others: failure to discover and establish economically recoverable and sustainable resources through exploration and development programs; imprecise estimation of probability simulations prepared to predict prospective resources or energy generation capacities; inability to complete hydro projects in the required time to meet COD; variations in project parameters and production rates; defects and adverse claims in the title to the Company's properties; failure to obtain or maintain necessary licenses, permits and approvals from government authorities; the impact of changes in foreign currency exchange and interest rates; changes in government regulations and policies, including laws governing development, production, taxes, labour standards and occupational health, safety, toxic substances, resource exploitation and other matters; availability of government initiatives to support renewable energy generation; increase in industry competition; fluctuations in the market price of energy; impact of significant capital cost increases; the ability to file adjustments in respect of applicable power purchase agreements; unexpected or challenging geological conditions; changes to regulatory requirements, both regionally and internationally, governing development, geothermal or hydroelectric resources, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, project safety and other matters; economic, social and political risks arising from potential inability of end-users to support the Company's properties; insufficient insurance coverage; inability to obtain equity or debt financing; fluctuations in the market price of Shares; inability to retain key personnel; the risk of volatility in global financial conditions, as well as a significant decline in general economic conditions; uncertainty of political stability in countries in which the Company operates; uncertainty of the ability of Nicaragua, Peru, Panama, Ecuador and Dominican Republic to sell power to neighbouring countries; economic insecurity in Nicaragua, Peru, Panama, Ecuador and Dominican Republic; and other development and operating risks, as well as those factors discussed in the section entitled "Risks and Uncertainties" in the Company's annual and interim MD&A, copies of which are available on SEDAR. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. These factors are not intended to represent a complete list of the risk factors that could affect us. These factors should be carefully considered, and readers of this press release should not place undue reliance on forward-looking information.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is provided as at the date hereof and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by applicable laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information due to the inherent uncertainty therein.

Additional information about the Company, including the Company's AIF for the year ended December 31, 2022, its annual and interim financial statements and related MD&A is available on SEDAR at www.sedar.com and on the Company's website at www.PolarisREI.com.

Non-GAAP Performance Measures

Certain measures in this press release do not have any standardized meaning as prescribed by IFRS and, therefore, are not considered GAAP measures. Where non-GAAP measures or terms are used, definitions are provided. In this document and in the Company's consolidated financial statements, unless otherwise noted, all financial data is prepared in accordance with IFRS.

This news release includes references to the Company's adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA") and adjusted EBITDA per share, which are non-GAAP measures. These measures should not be considered in isolation or as an alternative to net earnings (loss) attributable to the owners of the Company or other measures of financial performance calculated in accordance with IFRS. Rather, these measures are provided to complement IFRS measures in the analysis of Polaris Renewable Energy's results since the Company believes that the presentation of these measures will enhance an investor's understanding of Polaris Renewable Energy's operating performance. Management's determination of the components of non-GAAP performance measures are evaluated on a periodic basis in accordance with its policy and are influenced by new transactions and circumstances, a review of stakeholder uses and new applicable regulations. When applicable, changes to the measures are noted and retrospectively applied.

Descriptions and reconciliations of the above noted non-GAAP performance measures are included in Section 13: Non-GAAP Performance Measures in the Company's MD&A for the year ended December 31, 2022 and in the Company's website **www.polarisREI.com/Non-GAAP**.