POLARIS RENEWABLE ENERGY ANNOUNCES Q1 2023 RESULTS

TORONTO, ON (May 4, 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 months ended March 31, 2023. This earnings release should be read in conjunction with the Company's condensed consolidated interim 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

- Consolidated energy production was 217,613 MWh (net) for the quarter ended March 31, 2023, of which 125,930 MWh (net) was contributed by the Company's geothermal facility in Nicaragua ("San Jacinto") and an aggregate of 66,334 MWh (net) was contributed by the Company's hydroelectric facilities in Peru. A total of 15,235 MWh (net) was contributed by the Company's solar facility in Dominican Republic ("Canoa 1"), and 10,114 MWh (net) was contributed by the Company's hydroelectric facility in Ecuador ("San Jose de Minas or HSJM").
- The Company generated $20.1 million in revenue for the three months ended March 31, 2023, compared to $16.1 million in the same period in 2022. The increase was the net result of additional energy revenue sales from the Binary Unit located in Nicaragua, the two new facilities located in Dominican Republic and Ecuador, acquired during 2022, and from our Peruvian facilities, which had increased production, coupled with the increased prices due to inflation adjustments in the power purchase agreement's ("PPA").
- Net earnings attributable to owners was $4.7 million or $0.22 per share – basic for the quarter ended March 31, 2023, compared to net earnings of $2.5 million or $0.13 per share – basic in 2022.
- Adjusted EBITDA was $15.3 million for the three months ended March 31, 2023, compared to Adjusted EBITDA of $12.1 million in the same period in 2022, principally as a result of revenue increases, as described above.
- For the quarter ended March 31, 2023, the Company generated $10.1 million in net cash flow from operating activities, ending with a cash position of $40.6 million, including restricted cash.
- On March 15, 2023, the Company signed an agreement with Export Development Canada ("EDC") for a $10.0 million floating rate term loan facility, with the purpose of providing capital to fund early-stage development expenses required to take projects to the point of being construction ready.
- On March 31, 2023, the Company completed the construction of Vista Hermosa Solar Park, located in Panama. The plant was connected to the electrical grid on April 22, 2023.
- In April 2023, the Company began the construction of the Perlabi project, which consists of a conduction channel from the adjacent Perlabi river that will increase the load factor of the existing power plant in San Jose de Minas, Ecuador. The budget for the Perlabi project is approximately $3.4 million and construction is expected to be completed in the second quarter of 2024.
- The Company remains focused on maintaining a quarterly dividend. For the quarter ended March 31, 2023, the Company has declared and will pay the quarterly dividend of $0.15 per outstanding common share on May 26, 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. For additional details, readers are encouraged to refer to the Company's annual sustainability report, which is available on the Company's website.

POLARIS RENEWABLE ENERGY

OPERATING AND FINANCIAL OVERVIEW

		Three Months Ended		
		March 31, 2023		March 31, 2022
Energy production				
Consolidated Power MWh (net)		**217,613**		177,765
Financials				
Total revenue	**$**	**20,115**	$	16,066
Net earnings (loss) attributable to owners	**$**	**4,696**	$	2,531
Adjusted EBITDA	**$**	**15,325**	$	12,097
Net cash flow from operating activities	**$**	**10,088**	$	7,570
Per share				
Net earnings (loss) attributable to owners - *basic*	**$**	**0.22**	$	0.13
Net earnings (loss) attributable to owners - *diluted*	**$**	**0.22**	$	0.13
Adjusted EBITDA - *basic*	**$**	**0.73**	$	0.62
Balance Sheet		**As at March 31, 2023**		**As at December 31, 2022**
Cash	**$**	**35,960**	$	35,325
Restricted cash - non-current	**$**	**4,640**	$	4,640
Total current assets	**$**	**51,520**	$	50,609
Total assets	**$**	**531,100**	$	535,102
Current and Long-term debt *(i)*	**$**	**181,986**	$	184,408
Total liabilities	**$**	**259,197**	$	264,890

(i) *Net of transaction costs.*

During the three months ended March 31, 2023, quarterly consolidated power production was 217,613 MWh (net) higher than the 177,765 MWh (net) consolidated power production for the three months ended March 31, 2022, due to additional production from the Binary Unit in Nicaragua, which began operating on December 30, 2022, as well as the Dominican Republic and Ecuador facilities acquired in the 2022, coupled with improved production in Peru.

For Nicaragua, the increase in production is the result of additional production from the Binary Unit, partly offset by expected declines in production from the steamfield. Total combined production came in within our expected range for the quarter.

Consolidated production in Peru for the three months ended March 31, 2023 was 66,334 MWh, which was higher than the comparative period in 2022 due to somewhat better hydrology across Peru for the quarter.

For Dominican Republic, the Canoa 1 facility, acquired on June 28, 2022, produced 15,235 MWh in the three months ended March 31, 2023. This is in line with production from the first quarter of 2022, historical results and management expectations.

For Ecuador, the HSJM facility, acquired on September 7, 2022, produced 10,114 MWh in the three months ended March 31, 2023. This is in line with production from the first quarter of 2022, historical results and management expectations. 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.

"*The first quarter results represent the culmination of several years of work by the Company which includes the construction of the Binary unit in Nicaragua as well as the acquisitions in the Dominican Republic and Ecuador. The integration of the acquisitions has gone well from an operational perspective and the new geographies will provide the Company with further growth opportunities. We are also very excited to have the new solar project in Panama online and producing.*" 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), and 3 solar (photovoltaic) projects in operation (35 MW).

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 three months ended March 31, 2023 and in the Company's website **www.polarisREI.com/Non-GAAP**.