



## **POLARIS ANNOUNCES EXECUTION OF MIXED INVESTMENT AGREEMENT FOR THE THREE MEXICO PROJECTS**

TORONTO, ON (July 7, 2026) – Polaris Renewable Energy Inc. (TSX: PIF) (“Polaris” or the “Company”) is pleased to announce that, further to its press release dated June 8, 2026, it has reached another important milestone in the development of its three renewable energy projects selected under Mexico’s Comisión Federal de Electricidad (“CFE”) Mixed Development Program (the “Mixed Program”).

On July 3, 2026, Polaris, through its Mexican project structure, executed the Mixed Investment Agreement (Contrato de Inversión Mixta or “CIM”) with the fiduciary trustee, Banca Mifel, S.A., Institucion de Banca Multiple, Grupo Financiero Mifel, acting on behalf of CFE.

The CIM establishes the contractual 30-year framework governing the joint participation of Polaris and CFE in the development, financing, construction, ownership and operation of the three selected projects, including the applicable governance, economic and corporate arrangements. The CIM includes the key information and economic metrics used in the selection process by CFE for each of the projects. This information includes project location, nameplate generation capacity, battery capacity, estimated capital expenditures (“CAPEX”) and return expectations.

The projects comprise approximately **250 MWdc of solar generation capacity** and **61.6 MW / 192.0 MWh of battery energy storage**, as summarized below:

**Los Girasoles:** A solar photovoltaic project with battery energy storage located in Quintana Roo, with 132.57 MWdc / 110 MWac of generation capacity and 33 MW / 101.5 MWh of storage capacity. Annual generation is estimated at 249,239 MWh/year. Commercial operation is targeted no later than November 28, 2028, with an estimated CAPEX of US\$120 million.

**Solar Energía Tres Hermanos:** A solar photovoltaic project with battery energy storage located in Tlaxcala, with 91.06 MWdc / 75 MWac of generation capacity and 22.5 MW / 71.6 MWh of storage capacity. Annual generation is estimated at 198,485 MWh/year. Commercial operation is targeted no later than December 1, 2028, with an estimated CAPEX of US\$78 million.

**Don Humberto:** A solar photovoltaic project with battery energy storage located in Sinaloa, with 25.3 MWdc / 19.2 MWac of generation capacity and 6.1 MW / 18.9 MWh of storage capacity. Annual generation is estimated at 47,173 MWh/year. Commercial operation is targeted no later than April 1, 2028, with an estimated CAPEX of US\$19 million.

Following execution of the CIM, the parties will continue working toward completion of the remaining definitive agreements required for the Mixed Program, including the power purchase agreements (“PPAs”), trust agreement, management services agreement, operation and maintenance agreement, and related project documentation. With respect to the PPAs, once the project budgets have been finalized and include estimates for inter-connection and system upgrade costs (which are not included in the CAPEX numbers above) pricing for the energy and battery capacity components is expected to be updated and reflected in the final agreements.

Polaris will continue to provide further updates as the remaining agreements are finalized and the projects advance toward financial closing and construction.

The Mixed Program represents the largest renewable energy and energy storage procurement initiative undertaken in Mexico. The program was established to facilitate strategic partnerships between CFE and private sector developers for the development, financing, construction, operation, and maintenance of new electricity generation and storage facilities throughout the country. The initiative forms a central component of Mexico's National Electricity System expansion strategy and seeks to accelerate the deployment of new generation capacity required to support growing industrial, commercial, and residential electricity demand. The program was designed to procure approximately 6,500 MW of new renewable generation and energy storage capacity by 2029. A key feature of the Mixed Program is the long-term contractual framework between CFE and successful private sector participants. The proposed 25-year power purchase and tolling arrangements are intended to provide stable and predictable revenue streams that support project financing and facilitate participation by domestic and international lenders, infrastructure funds, institutional investors, export credit agencies, and strategic partners.

For Polaris, the successful advancement of all three projects represents an important milestone in the Company's strategy to expand its renewable energy and energy storage platform in Mexico and further establish itself as a long-term partner in the country's energy transition and infrastructure development objectives.

CEO Marc Murnaghan commented "The execution of the Mixed Investment Agreement marks another significant milestone in developing these three awarded projects into long-term contracted operating assets and reflects the strong collaboration between Polaris and CFE. As we continue advancing toward financial closing and construction, we are also actively progressing a growing pipeline of additional renewable energy and energy storage opportunities across the country. Mexico remains one of our highest-conviction growth markets, and we look forward to expanding our presence while supporting the country's energy transition."

Polaris remains committed to delivering long-term, sustainable energy solutions across Latin America and the Caribbean and looks forward to working with all stakeholders throughout the implementation process.

### **About Polaris Renewable Energy Inc.**

Polaris Renewable Energy Inc. is a Canadian publicly traded company engaged in the acquisition, development, and operation of renewable energy projects in Latin America and the Caribbean. We are a high-performing and financially sound contributor to the energy transition.

The Company's portfolio includes a geothermal plant (~82 MW), four run-of-river hydroelectric plants (~39 MW), three solar (photovoltaic) projects (~35 MW) and an onshore wind park (~26 MW).

**For more information, contact:**

#### ***Investor Relations***

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#### **Cautionary Statements**

This press release contains certain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws. Forward-looking information in this press release includes, but is not limited to, statements regarding the development, financing, construction, ownership and operation of the three selected projects in Mexico; the expected completion of definitive agreements, including power purchase

agreements, trust agreements, management services agreements, operation and maintenance agreements and related project documentation; expected project capacity, battery storage capacity, estimated annual generation, estimated capital expenditures, expected project economics, expected pricing for energy and battery capacity components, targeted commercial operation dates, financial closing and construction timelines; the expected benefits of the Mixed Program; the Company's growth strategy in Mexico; and the Company's renewable energy and energy storage pipeline and future opportunities.

Forward-looking information reflects management's current expectations, estimates, projections and assumptions based on information currently available to management. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "targets", "aims", "anticipates", "believes", "continues", "may", "could", "should", "would", "might", "will" or the negative or other variations of such words and phrases.

Forward-looking information is based on a number of assumptions, including assumptions regarding the completion and terms of definitive project agreements; the finalization of project budgets, interconnection and system upgrade costs and pricing arrangements; receipt and maintenance of required permits, authorizations and regulatory approvals; availability of financing on acceptable terms; project design, procurement, construction and commissioning timelines; equipment availability and performance; solar resource, battery performance and expected annual generation; foreign exchange rates; inflation, interest rates and other macroeconomic conditions; continued cooperation with CFE and other project stakeholders; and the continued stability of the applicable legal, regulatory and political framework in Mexico.

A number of known and unknown risks, uncertainties and other factors may cause actual results or performance to differ materially from those expressed or implied by such forward-looking information. These risks and uncertainties include, among others, risks relating to the failure to complete definitive agreements on expected terms or at all; changes to project scope, capacity, cost, economics or timelines; delays or increased costs related to interconnection, system upgrades, permitting, procurement, construction, commissioning or financing; changes in applicable laws, regulations, policies or government programs in Mexico; counterparty, offtaker, trust, governance and contractual risks; political, social, economic and market conditions; foreign exchange, inflation and interest rate risks; equipment supply, logistics and performance risks; operational risks associated with solar generation and battery energy storage systems; labour disputes, force majeure events, accidents and other development and construction risks; and the risk factors described in the Company's Annual Information Form and other public disclosure documents filed under the Company's profile on SEDAR+.

Although the Company believes that the expectations and assumptions reflected in the forward-looking information are reasonable as of the date of this press release, there can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated. Readers should not place undue reliance on forward-looking information. The forward-looking information contained in this press release is made as of the date hereof, and, other than as required by applicable securities laws, Polaris assumes no obligation to update or revise such information to reflect new events or circumstances.