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POLARIS INFRASTRUCTURE ANNOUNCES Q3 2021 RESULTS

TORONTO, ON (November 4, 2021) – Polaris Infrastructure Inc. (TSX: PIF) ("Polaris Infrastructure" or the "Company"), a Toronto-based company engaged in the operation, acquisition and development of renewable energy projects in Latin America, is pleased to report its financial and operating results for the three- and nine-months period ended September 30, 2021. This earnings release should be read in conjunction with Polaris Infrastructure's consolidated financial statements and management's discussion and analysis, which are available on the Company's website at www.polarisinfrastructure.com and have been posted on SEDAR at www.sedar.com. The dollar figures below are denominated in US Dollars unless noted otherwise.

HIGHLIGHTS

- Quarterly consolidated energy production of 149,320 MWh (net) for the three-month period ended September 30, 2021, of which 120,838 MWh (net) was contributed by the Company's geothermal facility in Nicaragua, the San Jacinto facility ("San Jacinto"), and an aggregate of 28,482 MWh (net) was contributed by the Company's hydroelectric facilities in Peru, being the Canchayllo facility ("Canchayllo"), the El Carmen facility ("El Carmen") and the 8 de Agosto facility ("8 de Agosto").

- The Company generated $14.8 million in revenue from energy sales for the three months ended September 30, 2021, lower compared to the same period in 2020. This was the third quarter under the amended power purchase agreement's ("PPA") price in respect of San Jacinto, which was the largest contributor to the decline in revenue. The lower PPA price was part of the broader negotiation with the Government of Nicaragua which included an extension of the concession period and inclusion of the additional binary unit.

- Net earnings attributable to owners was $2.2 million or $0.11 per share – basic for the three months ended September 30, 2021, compared to net earnings of $1.3 million or $0.08 per share – basic in 2020. Net earnings increased due to other gains recorded during the period relating to disposal of non-core North American assets compared to other losses in 2020 partly offset by lower revenue. Adjusted EBITDA[(1)] was $10.9 million for the three months ended September 30, 2021, compared to Adjusted EBITDA[(1)] of $13.0 million in the same period in 2020.

- For the nine months ended September 30, 2021, the Company generated $33.9 million in net cash flow from operating activities and $25.4 million in operating cash flow[(1)], ending with a strong cash position of $104.6 million[(2)].

- During the third quarter, the Company signed a definitive supply agreement with Ormat Systems Limited, a wholly owned subsidiary of Ormat Technologies Inc. (NYSE: ORA), to purchase equipment for the construction, commissioning and operation of an additional geothermal binary power plant at San Jacinto with a goal of initial operations by early Q1 2023. The Company also engaged the services of STEAM Group, an Italian company with expertise in geothermal development projects, to act as the owner engineer during the construction and commissioning phases.

- Consistent with its plans of maintaining a quarterly dividend, the Company declared and paid a $0.15 dividend per share during the three-months ended September 30, 2021. The Company will pay the twenty-third consecutive quarterly dividend of $0.15 per outstanding common share on November 26, 2021.

- The Company continued to advance its environmental, social and governance (“ESG”) initiatives while continuing to maintain an excellent health and safety record. During the third quarter, in Nicaragua, the Company implemented Phase II of its educational robotics project engaging local students from grades one to nine and donated COVID-19 prevention and treatment supplies to local health centers. In Peru, the Company signed a cooperation agreement to grant a university scholarship to the highest ranked student graduating from the local school.

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(1) A Non-GAAP measure used by the Company. A cautionary note regarding non-GAAP performance measures and their respective reconciliations is included in Section 11: Non-GAAP Performance Measures in the Company's MD&A for the three and nine months ended September 30, 2021. A cautionary note regarding non-GAAP performance measures is included in the 'Non-GAAP Performance Measures' section below.

(2) Includes Restricted cash the increase of which relates to a Letter of Credit relating to the Binary Unit in San Jacinto.

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OPERATING AND FINANCIAL OVERVIEW

	Three Months Ended		Nine Months Ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Energy production				
Consolidated Power (MWh) net	**149,320**	142,194	**480,981**	490,143
Consolidated Power, average (MW) net	**67.63**	65.21	**73.41**	77.20
Financials				
Revenue	**$ 14,806**	$ 17,054	**$ 44,646**	$ 56,249
Net earnings attributable to owners	**2,175**	1,322	**1,422**	4,657
Adjusted EBITDA *(i)*	**10,857**	13,032	**32,699**	38,666
Net cash flow from operating activities			**33,903**	30,140
Operating cash flow *(i)*			**25,418**	30,351
Per share				
Net earnings attributable to owners - basic	**$ 0.11**	$ 0.08	**$ 0.08**	$ 0.30
Net earnings attributable to owners - diluted	**$ 0.11**	$ 0.08	**$ 0.08**	$ 0.28
Adjusted EBITDA *(i)*	**$ 0.56**	$ 0.83	**$ 1.76**	$ 2.46
Operating cash flow *(i)*			**$ 1.37**	$ 1.93

Balance Sheet	As at September 30, 2021	As at December 31, 2020
Cash	**$ 99,858**	$ 60,058
Restricted cash	**$ 4,780**	$ 1,785
Total current assets	**$ 111,337**	$ 80,344
Total assets	**$ 509,772**	$ 491,118
Current and Long-term debt *(ii)*	**$ 174,011**	$ 189,295
Total liabilities	**$ 246,442**	$ 264,349
Working Capital *(iii)*	**$ 78,263**	$ 45,303

(i) *A Non-GAAP measure used by the Company. A cautionary note regarding non-GAAP performance measures is included in the 'Non-GAAP Performance Measures' section below.*
(ii) *Net of transaction costs.*
(iii) *Working capital is the excess of current assets over current liabilities including the current portion of debt.*

During the three months ended September 30, 2021, quarterly consolidated power production was higher than the same period in 2020, both in Nicaragua and Perú.

For Nicaragua, third quarter 2021 production was higher mainly due to planned annual maintenance with one unit down for 16 days in August 2020, while in 2021 the planned annual maintenance was performed in May 2021. Production for the third quarter averaged 54.7 MWs (net), compared to 51.2 MWs (net) in the second quarter of 2021.

Consolidated production in Peru for the three months ended September 30, 2021 was higher than the comparative period in 2020 due to the operating failure at El Carmen in 2020 forcing a shut down for approximately 5 months. Insurance proceeds of $1.03 million due to the Company following the operating failure at El Carmen were received on July 16, 2021.

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“We are pleased with third quarter results as we continue to build on our longer-term strategy by delivering operationally, generating strong cash flow and focusing on our diversification. Underpinned by a strong balance sheet, we are advancing on organic growth with the development of the binary unit and on strategic corporate development and acquisition initiatives” noted *Marc Murnaghan*, Chief Executive Officer of Polaris Infrastructure.

About Polaris Infrastructure

Polaris Infrastructure is a Toronto-based company engaged in the operation, acquisition and development of renewable energy projects in Latin America. Currently, the Company operates a 72 MW average (net) geothermal project located in Nicaragua and three run-of-river hydroelectric facilities in Peru, with approximately 20 MW average (net), 8 MW average (net), and 5 MW average (net) of capacity.

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Cautionary Statements

This news release contains certain “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 and business prospects and opportunities. 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; 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; 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 and Warrants; impact of issuance of additional equity securities on the trading price of Shares and Warrants; 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 and Peru to sell power to neighbouring countries; economic insecurity in Nicaragua and Peru; and other development and operating risks, as well as those factors discussed in the section entitled “Risks and Uncertainties” in this news release. 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 news 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 of this news release 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, 2020 is available on SEDAR at www.sedar.com and on the Company's website at www.polarisinfrastructure.com.

Non-GAAP Performance Measures

Certain measures in this MD&A do not have any standardized meaning as prescribed by International Financial Reporting Standards ("IFRS") and, therefore, are not considered generally accepted accounting principles ("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"), adjusted EBITDA per share, cash flow from operations and cash flow from operations 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, cash flow from operating activities 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 Infrastructure's results since the Company believes that the presentation of these measures will enhance an investor's understanding of Polaris Infrastructure'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 11: Non-GAAP Performance Measures in the Company's MD&A for the three and nine months ended September 30, 2021 and in the Company's website www.polarisinfrastructure.com/Non-GAAP.