ALGONQUIN POWER & UTILITIES CORP.

ACQUISITION FACT SHEET

TSX: AQN

$1.7 BILLION IN ASSETS AND GROWING

LIBERTY UTILITIES: ACQUISITION OF NATURAL GAS DISTRIBUTION ASSETS IN GEORGIA

Acquisition Overview

- Natural gas distribution utility located in two Georgia service territories (Columbus, GA and Gainesville, GA)
- Aligned with Liberty Utilities ongoing roll-up strategy in the U.S. utilities sector
- Operations easily integrated into Liberty Utilities’ U.S. platform given recent MO/IL/IA transaction
- Well maintained assets include 1,243 miles of distribution pipelines, 5 gate stations, with 45% coated steel and 54% plastic mains
- Opportunities for continued growth and capital investment
- Diversified customer base made up primarily of residential (92%) and small commercial customers (8%)
- Complete leadership and operations team to be offered continued employment
- Purchase price of U.S.$140.7 million / expected 2012 EBITDA of 8.9x

“THIS ACQUISITION AFFIRMS LIBERTY UTILITIES’ SUCCESSFUL APPROACH TO GROWTH THROUGH THE CONTINUED SOURCING OF HIGH QUALITY ASSETS FROM LARGER UTILITIES”

- IAN ROBERTSON, CEO

Algonquin Power Co., the Company’s electric generation subsidiary, currently includes 46 renewable energy facilities and 12 thermal energy facilities representing more than 480 MW of installed capacity.

Liberty Utilities Co., the Company’s distribution utility business, provides regulated water and electric utility services to more than 335,000 customers with a portfolio of 27 water and electric utility systems.
AFFIRMING OUR SUCCESSFUL APPROACH TO GROWTH

Regulatory Environment

- Attractive state regulatory environment with a ‘supportive’ S&P regulatory rating
- Several regulatory mechanisms serve to support stable and predictable earnings, including:
  - 10.7% approved return on equity in the most recent rate case
  - Annual tariff adjustments to ensure target ROE achieved via Georgia Rate Adjustment Mechanism (GRAM) filings resulting in minimal regulatory lag
  - GRAM filings are made by October 1 of each year with new rates effective the following February
  - Weather normalization mechanism (decoupling) reduces earnings volatility
  - Separate tracker account to provide immediate return on investment under Pipe Replacement Program
- Georgia regulatory approval of the acquisition expected in mid 2013

Acquisition Financing

- Liberty Utilities long term targeted capital structure for operating utilities of approximately 52% equity, 48% debt
- Acquisition financing to be arranged in conjunction with the closing of the acquisition in 2013

<table>
<thead>
<tr>
<th>Key Facts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price</td>
<td>US $140.7 million</td>
</tr>
<tr>
<td>Net property, plant and equipment expected on closing</td>
<td>US $128.1 million</td>
</tr>
<tr>
<td>Acquisition Premium</td>
<td>~1.1x</td>
</tr>
<tr>
<td>Customers</td>
<td>64,000</td>
</tr>
<tr>
<td>Georgia Employees</td>
<td>64</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expected Seasonality by Quarter</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA Seasonality Percentages</td>
<td>41%</td>
<td>16%</td>
<td>14%</td>
<td>29%</td>
<td>100%</td>
</tr>
<tr>
<td>Approximate Normalized Dekatherms</td>
<td>3,500,000</td>
<td>1,600,000</td>
<td>1,400,000</td>
<td>2,600,000</td>
<td>9,100,000</td>
</tr>
</tbody>
</table>
Certain statements included in this news release contain information that is forward-looking within the meaning of certain securities laws, including information and statements regarding prospective results of operations, financial position or cash flows. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. APUC cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors include those set out in the management’s discussion and analysis section of APUC’s most recent annual report and quarterly report, and APUC’s Annual Information Form. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, APUC undertakes no obligation to update any forward-looking statements or information to reflect new information, subsequent or otherwise.