



Dear Exchangeable Unitholder of Algonquin (AirSource) Power LP:

Re: Liquidity of Exchangeable Units / Algonquin Power Income Fund Unit-Share Exchange

As a holder of Algonquin (AirSource) Power LP Exchangeable Units (“Exchangeable Units”) that are exchangeable into units of Algonquin Power Income Fund (the “Fund” or “Algonquin”), this correspondence is highly relevant to you and should be reviewed and considered carefully. It is recommended that you consult your investment advisor and/or financial planner regarding this matter.

As a result of changes in tax legislation affecting income trusts and its affect on the income trust markets generally, the Board of Trustees of the Fund has concluded that it is in the best interest of Fund Unitholders to exchange their Units for shares of a corporation (the “Unit-Share Exchange”). Completion of the Unit-Share Exchange would make the Fund a wholly owned subsidiary of a new publicly traded Algonquin corporation. This will, however, mean that the Fund itself will no longer be publicly traded and your Exchangeable Units would be exchangeable into an entity which would no longer be publicly traded.

As a holder of Exchangeable Units, to be assured of the continued ability to have your investment ultimately tradable on a public market, you are strongly encouraged to exchange your Exchangeable Units for Algonquin Units at the earliest possible date and prior to the completion of Algonquin’s proposed Unit-Share Exchange described above.

You are currently entitled to receive 0.9808 Units of the Fund for each Exchangeable Unit. Subsequent to the exchange of your Exchangeable Units, you would then be eligible to participate in the Unit-Share Exchange as outlined in the Unit-Share Exchange documentation which accompanies this letter. To initiate the exchange of your Exchangeable Units, please contact your broker directly to make an exchange request. An exchange request can be initiated by preparing, executing and delivering the accompanying exchange notice and the letter of transmittal attached to the exchange notice at Schedule “A” (the “Exchange Materials”) in accordance with the instructions set out therein. An exchange request is conditional upon successful completion of the Unit-Share Exchange. In the event that the Unit-Share Exchange is not successfully completed, the exchange of your Exchangeable Units will not be initiated and you will continue to be a holder of Exchangeable Units.

If you do not exchange your Exchangeable Units prior to closing of the proposed Unit-Share Exchange and the Unit-Share Exchange is successfully completed, you will continue to hold Exchangeable Units as you do today, which will continue to be eligible for exchange into Fund Units, **however the Fund itself will no longer be publicly traded on the Toronto Stock Exchange.**

Certain Canadian Federal Income Tax Considerations

The exchange of Exchangeable Units may have tax implications for some Exchangeable Unitholders as the exchange will be a disposition for Canadian income tax purposes. Exchangeable Unitholders who hold their Exchangeable Units as capital property will realize a capital gain (or capital loss) to the extent that proceeds of disposition of Exchangeable Units, net of reasonable disposition costs, exceeds the adjusted cost base thereof. No opinion is being given as to the tax consequences to a particular resident or non-resident Exchangeable Unitholder of making an exchange and the Fund provides no representation as to the tax consequences of making such an exchange. All Exchangeable Unitholders should consult their own independent tax advisors regarding the specific tax consequences of the exchange in light of their particular circumstances.

U.S. Securities Law Considerations

The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or under any applicable securities laws of any state of the United States and may not be offered or sold, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.



For Questions or Further Information

Please direct any questions you may have to Algonquin's Investor Relations department by calling Kelly Castledine at 905-465-4576 or by emailing to Kelly.Castledine@AlgonquinPower.com

Regards,

(Signed) "*Kenneth Moore*"

Kenneth Moore
Chairman, Board of Trustees of Algonquin Power Income Fund