



ATLANTIC POWER PREFERRED EQUITY LTD.
3 Allied Drive, Suite 155
Dedham, MA 02026

NOTICE OF SPECIAL MEETING OF PREFERRED SHAREHOLDERS
To Be Held on April 7, 2021

Dear Preferred Shareholder:

PLEASE TAKE NOTICE that a special meeting of holders (the “**Preferred Shareholders**”) of preferred shares in the capital of Atlantic Power Preferred Equity Ltd. (“**APPEL**”), being (i) the 4.85% cumulative redeemable preferred shares, Series 1 in the capital of APPEL, (ii) the 7.00% cumulative rate reset preferred shares, Series 2 in the capital of APPEL and (iii) the cumulative floating rate preferred shares, Series 3 in the capital of APPEL (collectively, the “**Preferred Shares**”) of APPEL, will be held on April 7, 2021, at 11:00 a.m., Eastern Daylight Time, virtually via the Internet at <https://web.lumiagm.com/414674433> (the “**Preferred Shareholder Meeting**”), for the following purposes:

- (1) For the holders of Preferred Shares, voting together as a single class, to:
 1. consider and, if deemed advisable, to pass, with or without variation, a special resolutions to approve the continuance (the “**Continuance**”) of APPEL from the jurisdiction of the Province of Alberta to the jurisdiction of the Province of British Columbia pursuant to Section 302 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) and Section 189 of the *Business Corporations Act* (Alberta) (the “**ABCA**”) (the “**Continuance Resolution**”); and
 2. consider, pursuant to an interim order of the Supreme Court of British Columbia, dated as of February 23, 2021 (the “**Interim Order**”) and, if deemed advisable, to pass, with or without variation, a special resolution to approve arrangement (the “**Arrangement**”) in accordance with Division 5 of Part 9 of the BCBCA pursuant to the Arrangement Agreement (the “**Arrangement Agreement**”), dated as of January 14, 2021, by and among the Atlantic Power Corporation, a corporation existing under the laws of the Province of British Columbia, APPEL, Atlantic Power Limited Partnership, a limited partnership existing under the laws of the Province of Ontario, Tidal Power Holdings Limited, a private limited company existing under the laws of the United Kingdom, and Tidal Power Aggregator, L.P., a limited partnership existing under the laws of the Cayman Islands to effect among other things, the transfer to APPEL of all of the outstanding Preferred Shares in exchange for C\$22.00 in cash (less any applicable withholding taxes) per Preferred Share (the “**Preferred Shareholder Resolution**”).
- (2) To act upon other business as may properly come before the Preferred Shareholder Meeting and any and all adjourned or postponed sessions thereof.

The record date for the determination of Preferred Shareholders entitled to notice of and to vote at the Preferred Shareholder Meeting is February 16, 2021. Accordingly, only Preferred Shareholders of record as of that date will be entitled to notice of and to vote at the Preferred Shareholder Meeting or any adjournment or postponement thereof. A list of our Preferred Shareholders entitled to vote at the Preferred Shareholder Meeting will be available at our principal executive and registered offices at 3 Allied Drive, Suite 155, Dedham MA 02026 during ordinary business hours for ten days prior to the Preferred Shareholder Meeting.

Please read the accompanying information circular and proxy statement carefully as it sets forth details of the proposed Continuance and Arrangement and other important information related to the Continuance and the Arrangement.

Your vote is important, regardless of the number of Preferred Shares you own. The Preferred Shareholder Resolution and Continuation Resolution must each be approved by no less than two-thirds of the votes cast by Preferred Shareholders present virtually or represented by proxy at the Preferred Shareholder Meeting. Even if you plan to attend the Preferred Shareholder Meeting virtually, we request that you complete, sign, date and return the enclosed proxy card by mail or facsimile or submit your proxy by telephone or the Internet prior to the Preferred Shareholder Meeting and thus ensure that your Preferred Shares will be represented at the Preferred Shareholder Meeting. If you fail to return your proxy card or fail to submit your proxy by telephone or the Internet, your Preferred Shares will not be counted for any purpose. **APPEL's board of directors recommends that Preferred Shareholders vote FOR the approval of the Preferred Shareholder Resolution and FOR the approval of the Continuation Resolution.**

Pursuant to the Interim Order, registered holders of Preferred Shares will have a right to dissent in respect of the Preferred Shareholder Resolution and to be paid an amount equal to the fair value of their Preferred Shares. See the section entitled "Dissent Rights of Common Shareholders and Preferred Shareholders in Respect of the Arrangement" beginning on page 113 in the accompanying information circular and proxy statement. Registered holders of Preferred Shares will also have a right to dissent pursuant to and in the manner set forth in Section 191 of the ABCA in respect of the Continuation Resolution and to be paid an amount equal to the fair value of their Preferred Shares. See the section entitled "Dissent Rights of Preferred Shareholders in Respect of the Continuation" beginning on page 118 in the accompanying information circular and proxy statement.

Whether or not you plan to attend the Preferred Shareholder Meeting virtually, please complete, sign and return, as promptly as possible, the enclosed proxy card in the accompanying reply envelope or by facsimile, or submit your proxy by telephone or the internet. Preferred Shareholders who attend the Preferred Shareholder Meeting virtually may revoke their proxies and vote in person.

By Order of the Board,

/s/ "James J. Moore, Jr."

James J. Moore, Jr.

President and Chief Executive Officer

Dedham, MA
March 2, 2021