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For immediate release

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## Capital Power considers first ever Green hybrid subordinated debt securities offering in Canada

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**EDMONTON, Alberta** – Capital Power Corporation (“Capital Power” or the “Company”) (TSX:CPX) announced today that it is considering an offering of the first ever Green hybrid subordinated debt securities (the “Notes”) in Canada under its short form base shelf prospectus dated June 10, 2022.

If a successful offering is priced and completed, the Company intends to allocate an amount equal to the net proceeds from the sale of the Notes to finance or refinance new or existing “green” investments that meet the eligibility criteria as described in the Company’s Green Financing Framework. Pending such allocation, the Company expects to use the net proceeds from the sale of the Notes to redeem the Company’s outstanding Cumulative Minimum Rate Reset Preference Shares, Series 9 (TSX: CPX.PR.I) (the “Preferred Shares”), to repay certain amounts drawn on the Company’s credit facilities and for general corporate purposes. Although the Company intends to allocate an amount equal to the net proceeds of the offering of Notes to eligible investments, it will not be an event of default under the Company’s indenture governing the Notes if the Company fails to do so.

There is no certainty that Capital Power will ultimately complete the offering being considered or as to the timing or terms on which such an offering might be completed. This press release is not a notice of redemption of the Preferred Shares and there is no certainty the Company will redeem the Preferred Shares.

The Company has filed with the securities regulatory authorities in each of the provinces and territories of Canada a preliminary prospectus supplement to the Company’s short form base shelf prospectus dated June 10, 2022 in respect of the potential offering of Notes. Any potential offering, if and when launched, would be only made by way of prospectus and would be made pursuant to a final prospectus supplement to the short form base shelf prospectus of the Company dated June 10, 2022. The short form base shelf prospectus and preliminary prospectus supplement contain important detailed information about the Notes. Copies of these documents are available electronically on the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators (“SEDAR”), at [www.sedar.com](http://www.sedar.com). Investors should read the short form base shelf prospectus and preliminary prospectus supplement, or any final prospectus supplement, before making an investment decision.

This press release does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction. The Notes have not been approved or disapproved by any regulatory authority. The Notes have not been and will not be registered under the United States Securities

Act of 1933, as amended, or any state securities law, and may not be offered or sold within the United States, or to or for the account of, United States persons.

### **Forward-looking Information**

Certain information in this press release is forward-looking information within the meaning of Canadian securities law as it relates to anticipated financial and operating performance, events or strategies. The forward-looking information or statements are provided to inform the Company's shareholders and potential investors about management's assessment of Capital Power's future plans and operations. This information may not be appropriate for other purposes. The forward-looking information in this press release is generally identified by words such as will, anticipate, believe, plan, intend, target, and expect or similar words that suggest future outcomes.

Material forward-looking information in this press release includes expectations regarding a potential offering of Notes and the use of proceeds from any successful offering, including the potential redemption of the Preferred Shares and the allocation of the net proceeds of the offering to eligible investments.

These statements are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate, including its review of purchased businesses and assets. The material factors and assumptions used to develop these forward-looking statements relate to: (i) electricity and other energy prices, (ii) performance, (iii) business prospects (including potential re-contracting of facilities) and opportunities including expected growth and capital projects, (iv) status of and impact of policy, legislation and regulations, (v) effective tax rates, (vi) availability and sources of capital, and (vii) the ability to obtain required regulatory approvals.

Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results and experience to differ materially from the Company's expectations. Such material risks and uncertainties are: (i) changes in electricity, natural gas and carbon prices in markets in which the Company operates and the use of derivatives, (ii) regulatory and political environments including changes to environmental, financial reporting, market structure and tax legislation as well as the receipt and timing thereof of required regulatory approvals, (iii) generation facility availability and performance including maintenance of equipment, (iv) ability to fund current and future capital and working capital needs, (v) acquisitions and developments including timing and costs of regulatory approvals and construction, (vi) changes in market prices and availability of fuel, (vii) the ability to realize the anticipated benefits of acquisitions, (viii) limitations inherent in the Company's review of acquired assets, (viii) changes in general economic and competitive conditions including fluctuations in interest and exchange rates, and (ix) changes in the performance and cost of technologies and the development of new technologies, new energy efficient products, services and programs.

See “Risks and Risk Management” in the Company’s 2021 Management’s Discussion and Analysis for further discussion of these and other risks.

Readers are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the specified approval date. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in the Company’s expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

### **About Capital Power**

Capital Power (TSX: CPX) is a growth-oriented North American wholesale power producer with a strategic focus on sustainable energy headquartered in Edmonton, Alberta. We build, own, and operate high-quality, utility-scale generation facilities that include renewables and thermal. We have also made significant investments in carbon capture and utilization to reduce carbon impacts and are committed to be off coal in 2023. Capital Power owns approximately 6,600 MW of power generation capacity at 27 facilities across North America. Projects in advanced development include approximately 385 MW of owned renewable generation capacity in North Carolina and Alberta and 512 MW of incremental natural gas combined cycle capacity, from the repowering of Genesee 1 and 2 in Alberta.

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