# SEVENTH SUPPLEMENTAL INDENTURE

This Seventh Supplemental Indenture is entered into as of the 15th day of September, 2023 between:

**CAPITAL POWER CORPORATION**, a corporation incorporated under the federal laws of Canada and having its registered office in the City of Edmonton, Alberta (the "**Issuer**")

- and -

**COMPUTERSHARE TRUST COMPANY OF CANADA**, a trust company incorporated under the federal laws of Canada (the "**Trustee**")

**WHEREAS** the Issuer and the Trustee entered into a trust indenture dated May 3, 2016, as amended and supplemented from time to time, to provide for the creation and issuance of senior unsecured medium term notes (the "**Original Indenture**");

**AND WHEREAS** Section 12.1 of the Original Indenture provides that the Trustee may, from time to time, enter into Supplemental Indentures providing for the issue of Notes of any one or more Series;

**AND WHEREAS** the Issuer has entered into a fourth supplemental indenture dated June 1, 2020 (the "**Fourth Supplemental Indenture**") which amends the Original Indenture in respect of all future Series of Notes to offset the impact of the recognition of lease liabilities resulting from the implementation of IFRS 16 on covenants in the Original Indenture relating to the incurrence of debt and allows for revisions to the prescribed method of determining financial calculations if there occurs a material change in GAAP or the Issuer, as permitted by GAAP, adopts a material change in an accounting policy;

**AND WHEREAS** the Issuer has entered into a sixth supplemental indenture dated June 16, 2022 (the "**Sixth Supplemental Indenture**") which amends the Original Indenture in respect of the treatment of Subordinated Debt and Non-Recourse Debt in the calculation of Consolidated Capitalization in the Original Indenture (the Original Indenture, as amended and supplemented by the Fourth Supplemental Indenture, and the Sixth Supplemental Indenture hereinafter collectively referred to as the "**Indenture**");

**AND WHEREAS** the Issuer has determined to create and issue a Series of Notes to be designated as 5.816% Senior Unsecured Medium Term Notes due September 15, 2028 (Series 5) (the "**Series 5 Notes**") and to enter into this seventh supplemental trust indenture (the "**Seventh Supplemental Indenture**") with the Trustee to provide for such creation and issuance of the Series 5 Notes;

**AND WHEREAS** all necessary acts and proceedings have been done and taken and all necessary resolutions have been passed to authorize the execution and delivery of this Seventh Supplemental Indenture, to make the same effective and binding upon the Issuer, and to make the Series 5 Notes, when authenticated by the Trustee and issued as provided in the Indenture and this Seventh

Supplemental Indenture, valid, binding and legal obligations of the Issuer with the benefit and subject to the terms of the Indenture and this Seventh Supplemental Indenture;

**AND WHEREAS** the foregoing recitals are made as representations and statements of fact by the Issuer and not by the Trustee;

**NOW THEREFORE** it is hereby covenanted, agreed and declared as set forth below.

## ARTICLE 1
## DEFINITIONS AND AMENDMENTS TO INDENTURE

### 1.1 Definitions

All capitalized terms defined in the Indenture and used but not defined herein shall have the meanings specified in the Indenture. The following definitions shall have the respective meanings set forth below:

> "**Canada Yield Price**" means the price for the Series 5 Notes being redeemed that would provide a yield from the date fixed for redemption to but excluding August 15, 2028, compounded semi-annually and calculated in accordance with generally accepted Canadian financial practice, equal to the Government of Canada Yield (as calculated at 10:00 a.m. (Toronto time) on the Business Day preceding the day on which the Issuer gives notice of redemption pursuant to the Indenture) plus 0.455% (45.5 basis points).

> "**Government of Canada Yield**" means, on any date the yield to maturity, calculated in accordance with generally accepted Canadian financial practice and assuming semi-annual compounding, that a non-callable Government of Canada bond would carry if issued on such date in Canada and in Canadian dollars at 100% of its principal amount and having a term to maturity equal to, or which most closely approximates, the remaining term to August 15, 2028, such yield being the average of yields provided by two Canadian investment dealers selected by the Issuer.

### 1.2 Amendments to Indenture

This Seventh Supplemental Indenture is supplemental to the Indenture, and the Indenture and this Seventh Supplemental Indenture shall hereafter be read together and shall have effect, so far as practicable, with respect to the Series 5 Notes, as if all the provisions of the Indenture and this Seventh Supplemental Indenture were contained in one instrument. The Indenture is and remains in full force and effect with regards to all matters governing the Series 5 Notes, except as the Indenture is amended, superseded, modified or supplemented by this Seventh Supplemental Indenture. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of this Seventh Supplemental Indenture and the provisions of the Indenture, the provisions of this Seventh Supplemental Indenture shall prevail.

## ARTICLE 2
## THE SERIES 5 NOTES

### 2.1 Creation and Designation

There is hereby authorized to be issued under the Indenture a Series of Notes designated as 5.816% Senior Unsecured Medium Term Notes due September 15, 2028 (Series 5). The Series 4 Notes shall have the terms set forth in this Article 2 and be subject to the applicable provisions of the Indenture.

### 2.2 Form and Terms of Notes

(a) The Series 5 Notes authorized for issuance are initially limited to an aggregate principal amount of $350,000,000. Subject to Section 5.2 of the Indenture, the Issuer may, from time to time, without the consent of any Holders of the Series 5 Notes or any other Notes, create and issue additional Series 5 Notes hereunder having the same terms and conditions as the Series 5 Notes initially issued in all respects, except for the issue date, issue price and first payment of interest thereon. Additional Series 5 Notes so created and issued will be consolidated with and form a single Series with the Series 5 Notes.

(b) The Series 5 Notes shall be denominated in, and all principal of, and premium, interest and other amounts on the Series 5 Notes shall be payable in, Canadian dollars.

(c) The Series 5 Notes mature on September 15, 2028.

(d) The Series 5 Notes bear interest from the date of initial issue (being the date hereof) at the rate of 5.816% per annum, payable semi-annually in arrears in equal installments on March 15 and September 15 each year. Each interest payment will be in the amount of $29.08 per $1,000 principal amount. Interest on the Series 5 Notes payable in respect of any period other than a full semi-annual period will be computed on the basis of a 365-day year and the actual number of days elapsed in that period.

(e) The Record Dates for the Series 5 Notes are February 28 and August 31 in each year (whether or not a Business Day).

(f) Prior to August 15, 2028, the Series 5 Notes are redeemable, in whole or in part, at the option of the Issuer, at any time and from time to time, upon not less than 10 days and not more than 60 days' prior notice and upon such conditions as may be specified in the applicable notice of intention to redeem given to the Holders of the Series 5 Notes that are to be redeemed in the manner provided in Section 10.2 of the Indenture, at a Redemption Price equal to the greater of (1) 100% of the principal amount to be redeemed and (2) the Canada Yield Price, plus, in each case, accrued and unpaid interest, if any, to but excluding the Redemption Date.

(g) On or after August 15, 2028, the Series 5 Notes will be redeemable, in whole but not in part, at the option of the Issuer, upon not less than 10 and not more than 60 days' prior notice and upon such conditions as may be specified in the applicable notice of intention to redeem given to the Holders of the Series 5 Notes that are to be redeemed in the manner provided in Section 10.2 of the Indenture, at a Redemption Price equal to 100% of the principal amount of the Series 5 Notes, plus accrued and unpaid interest, if any, to but excluding the Redemption Date.

(h) Notice of intention to redeem Series 5 Notes given to the Holders of the Series 5 Notes to be redeemed in the manner provided in Section 10.2 of the Indenture may, at the option of the Issuer, be made subject to conditions and, in such case, such notice of redemption shall specify, in addition to the requirements of Section 4.3 of the Indenture, the details and terms of any event (*e.g.*, a financing, asset disposition or other transaction) on which such redemption is conditional. Notwithstanding Section 4.4 of the Indenture, upon notice of the intention to redeem any Series 5 Notes having been given as specified in this paragraph, the Series 5 Notes so called for redemption become due and payable at the Redemption Price and on the Redemption Date specified in such notice, in the same manner and with the same effect as if such date was the Stated Maturity specified herein for the Series 5 Notes, only upon the fulfillment or discharge of the conditions stated in such notice to the satisfaction of the Issuer, acting reasonably, or the waiver of such conditions by the Issuer, in whole or in part, anything therein or herein to the contrary notwithstanding, and assuming such conditions have been fulfilled or discharged to the satisfaction of the Issuer or such conditions have been waived by the Issuer, then from and after such Redemption Date, if the money necessary to redeem such Series 5 Notes has been deposited as provided in Section 4.5 of the Indenture and affidavits or other proof satisfactory to the Trustee, acting reasonably, as to the publication or delivery of such notices has been lodged with the Trustee, such Series 5 Notes shall not be considered as outstanding hereunder and interest upon such Series 5 Notes shall cease. If any question shall arise as to whether any notice has been given as required or any deposit has been made, such question shall be decided by the Trustee, whose decision shall be final and binding upon all parties in interest.

(i) The Series 5 Notes shall be issued as an uncertificated Global Note and registered in the name of the Depository in accordance with the applicable terms, conditions and procedures of the Indenture.

## ARTICLE 3
## ADDITIONAL MATTERS

### 3.1 Confirmation of Indenture

The Indenture, as amended and supplemented by this Seventh Supplemental Indenture, is in all respects confirmed.

### 3.2 Acceptance of Trusts

The Trustee hereby accepts the trusts in this Seventh Supplemental Indenture declared and provided for and agrees to perform the same upon the terms and conditions and subject to the provisions set forth in the Indenture.

### 3.3 Governing Law

This Seventh Supplemental Indenture and the Series 5 Notes shall be construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall be treated, in all respects, as Alberta contracts.

### 3.4 Further Assurances

The parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Seventh Supplemental Indenture, and each party shall provide such further documents or instruments required by the other party as may be reasonably necessary or desirable to effect the purpose of the Indenture and this Seventh Supplemental Indenture and to carry out its provisions.

### 3.5 Electronic Execution, Counterparts and Formal Date

Delivery of an executed signature page to this Seventh Supplemental Indenture by any party by electronic transmission, including through DocuSign and similar applications, will be as effective as delivery of a manually executed copy of this Seventh Supplemental Indenture by such party. This Seventh Supplemental Indenture may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and all such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to bear date as of September 15, 2023.

***[Remainder of page intentionally left blank.]***

**IN WITNESS WHEREOF** the parties hereto have executed this Seventh Supplemental Indenture.

**CAPITAL POWER CORPORATION**

By: (signed) "*Sandra Haskins*"
Name: Sandra Haskins
Title: Senior Vice President, Finance & Chief Financial Officer

By: (signed) "*Scott Manson*"
Name: Scott Manson
Title: Vice President, Finance and Treasury

**COMPUTERSHARE TRUST COMPANY OF CANADA**

By: (signed) "*Corentin Leverrier*"
Name: Corentin Leverrier
Title: Corporate Trust Officer

By: (signed) "*Luci Scholes*"
Name: Luci Scholes
Title: Corporate Trust Officer