

Atlantic Power Corporation Announces Pricing of Public Offering of Unsecured Convertible Debentures on a Bought Deal Basis

BOSTON, MASSACHUSETTS--(Marketwire - June 26, 2012) - Atlantic Power Corporation (NYSE:AT)(TSX:ATP)(TSX:ATP.DB)(TSX:ATP.DB.A)(TSX:ATP.DB.B) (the "Company" or "Atlantic Power") announced today that it has priced an underwritten public offering on a bought deal basis, in each of the provinces and territories of Canada, except Quebec, of US\$130 million aggregate principal amount of series C convertible unsecured subordinated debentures (the "Debentures") at a public offering price of US\$1,000 per Debenture. The Debentures will bear interest at a rate of 5.75% per year, and will mature on June 30, 2019, unless earlier redeemed. The Debentures will be convertible into common shares of the Company at an initial conversion price of US\$17.25 per common share, being a ratio of approximately 57.9710 common shares per US\$1,000 principal amount of Debentures. The Company estimates that the net proceeds from the offering of the Debentures, after deducting the underwriting discounts and estimated expenses, will be approximately US\$124.0 million. TD Securities is acting as sole bookrunner with respect to the offering of Debentures. Subject to customary closing conditions, the offering of Debentures is expected to close on July 5, 2012.

The Company intends to use the net proceeds from the Debenture offering, together with the net proceeds of its concurrent offering of 5,500,000 common shares, to fund the Company's equity commitment in Canadian Hills, its approximately 300 MW wind energy project under construction in the State of Oklahoma. Any remaining net proceeds will be used to fund additional growth opportunities and for general corporate purposes.

The Debentures will be issued pursuant to an effective Form S-1 registration statement previously filed with the United States Securities and Exchange Commission (the "SEC") and pursuant to a preliminary short form prospectus previously filed in each of the provinces and territories of Canada, except Quebec. A copy of the U.S. prospectus relating to the offering of Debentures may be obtained upon request from TD Securities (USA) LLC, Attn: David Chepauskas (31 West 52nd St., New York, NY 10019, Tel: (212) 827-7392); and a copy of the Canadian prospectus relating to the offering of Debentures may be obtained upon request by contacting TD Securities Inc., Attn: Symcor, NPM (Email: sdconconfirms@td.com, Tel: (289) 360-2009).

This press release does not constitute an offer to sell or a solicitation of an offer to buy and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

About Atlantic Power

Atlantic Power is a leading publicly traded, power generation and infrastructure company with a well-diversified portfolio of assets in the United States and Canada. The Company's power generation projects sell electricity to utilities and other large commercial customers under long-term power purchase agreements, which seek to minimize exposure to changes in commodity prices. The net generating capacity of the Company's projects is approximately 2,140 MW, consisting of interests in 31 operational power generation projects across 11 states and 2 provinces and an 84-mile, 500 kilovolt electric transmission line located in California. In addition, the Company has one 53 MW biomass project under construction in Georgia and one approximate 300 MW wind project under construction in Oklahoma. Atlantic Power also owns a majority interest in Rollcast Energy, a biomass power plant developer in Charlotte, NC. Atlantic Power is incorporated in British Columbia, headquartered in Boston and has offices in Chicago, Toronto, Vancouver and San Diego.

Forward-Looking Statements

This news release may include forward-looking statements within the meaning of the federal securities laws and forward-looking information under Canadian securities laws (referred to as "forward-looking statements"). These statements can generally be identified by the use of the words "outlook," "objective," "may," "will," "should," "could," "would," "plan," "potential," "estimate," "project," "continue," "believe," "intend," "anticipate," "expect," "target" or the negatives of these words and phrases or similar expressions that are predictions of or indicate future events or trends and which do not relate solely to present or historical matters. In particular, Atlantic Power's intention to complete the offering and to use the proceeds as described above constitute forward-looking statements. Forward-looking statements reflect Atlantic Power's current expectations regarding future events and speak only as of the date of this news release. These forward-looking statements are based on a number of assumptions which may prove to be incorrect. The completion of the offering will be subject to market conditions and the intended use of proceeds from the offering may change from that described herein. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not or the times at or by which such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under "Risk factors" in the filings Atlantic Power makes from time to time with the SEC and

Canadian securities regulators. Atlantic Power's business is both competitive and subject to various risks. Although the forward-looking statements contained in this news release are based upon what Atlantic Power believes to be reasonable assumptions, investors cannot be assured that actual results will be consistent with these forward-looking statements, and the differences may be material. Therefore, investors are urged not to place undue reliance on Atlantic Power's forward-looking statements. These forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, Atlantic Power assumes no obligation to update or revise them to reflect new events or circumstances.

FOR FURTHER INFORMATION PLEASE CONTACT:

Atlantic Power Corporation
Amanda Wagemaker
Investor Relations
(617) 977-2700
info@atlanticpower.com

Source: Atlantic Power Corporation

<https://investors.atlanticpower.com/2012-06-26-Atlantic-Power-Corporation-Announces-Pricing-of-Public-Offering-of-Unsecured-Convertible-Debentures-on-a-Bought-Deal-Basis>