Atlantic Power Corporation and Atlantic Power Preferred Equity Ltd. Announce Quarterly Dividends Rate on the Cumulative Floating Rate Preferred Shares, Series 3 of Atlantic Power Preferred Equity Ltd.

DEDHAM, Mass., June 1, 2016 /PRNewswire/ -- Atlantic Power Corporation ("Atlantic Power") and Atlantic Power Preferred Equity Ltd. (TSX: AZP.PR.A, AZP.PR.B and AZP.PR.C) (the "Corporation"), a subsidiary of Atlantic Power, announced the dividend rate on the Corporation's outstanding Cumulative Floating Rate Preferred Shares, Series 3 (AZP.PR.C) (the "Series 3 Shares") will be 4.68%, which will be payable September 30, 2016.

The Series 3 Shares dividend rate was calculated on May 31, 2016 to be 4.68%, representing the sum of the Canadian Government 90-day Treasury Bill yield (using the three-month average result of 0.50%) plus 4.18%.

Tax Information for Shareholders

The Corporation designates the dividend on each of the Series 1 Shares, Series 2 Shares and Series 3 Shares to be an "eligible dividend" pursuant to subsection 89(14) of the Income Tax Act (Canada) and its equivalent in any of the provinces and territories of Canada. U.S. individual or other non-corporate taxpayers should be eligible for the reduced rate of tax currently applicable to "qualified dividends" provided that the investor meets the holding period and any other requirements. Taxpayers should always seek their own independent qualified professionals for advice regarding the tax consequences of purchasing or owning preferred shares of the Corporation.

About Atlantic Power Preferred Equity Ltd.

The Corporation is incorporated under the laws of the Province of Alberta and is an indirect, wholly-owned subsidiary of Atlantic Power. The Corporation holds, directly or indirectly, Atlantic Power's business and power generation and other assets in British Columbia and the United States.

About Atlantic Power

Atlantic Power owns and operates a diverse fleet of power generation assets in the United States and Canada. Atlantic Power's power generation projects sell electricity to utilities and other large commercial customers largely under long-term power purchase agreements, which seek to minimize exposure to changes in commodity prices. Atlantic Power's power generation projects in operation have an aggregate gross electric generation capacity of approximately 2,138 megawatts ("MW") in which its aggregate ownership interest is approximately 1,500 MW. Atlantic Power's current portfolio consists of interests in twenty-three operational power generation projects across nine states in the United States and two provinces in Canada.

Atlantic Power trades on the New York Stock Exchange under the symbol AT and on the Toronto Stock Exchange under the symbol ATP. For more information, please visit the Company's website at www.atlanticpower.com or contact:

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Copies of financial data and other publicly filed documents are filed on SEDAR at www.sedar.com or on EDGAR at www.sec.gov/edgar.shtml under "Atlantic Power Corporation" or on Atlantic Power's website.

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