

Northland Power – Business Update & Spanish Onshore Renewables Acquisition

April 14, 2021

TSX: NPI

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Adjusted EBITDA represents core operating performance of the business excluding leverage, income tax and non-core accounting items. Adjusted EBITDA is calculated as Northland's share of net income (loss) adjusted for the provision for (recovery of) income taxes; depreciation of property, plant and equipment; amortization of contracts and other intangible assets; net finance costs; interest income from Gemini; fair value (gain) loss on derivative contracts; unrealized foreign exchange (gain) loss; (gain) loss on sale of development assets; equity accounting; costs attributable to an asset or business acquisition and other adjustments as appropriate, such as management and incentive fees earned by Northland from non-wholly owned assets. Management believes Adjusted EBITDA is a meaningful measure of Northland's operating performance because it excludes certain items included in the calculation of net income (loss) that may not be appropriate determinants of long-term operating performance.

Free Cash Flow ("**FCF**") represents the cash generated from the business that management believes is representative of cash available to pay dividends, while preserving the long-term value of the business. Free Cash Flow is calculated as Northland's share of cash provided by operating activities adjusted for short-term changes in operating working capital; non-expansionary capital expenditures; interest incurred on outstanding debt; scheduled principal repayments and upfinancings; major maintenance and debt reserves; interest income from Northland's subordinated loan to Gemini; proceeds from government grants; preferred share dividends; net proceeds from sale of development assets; and other adjustments as appropriate, including, but not limited to, lease payments. Free Cash Flow excludes pre-completion revenue required to service debt and related operating costs for projects under construction and excludes costs attributable to an asset or business acquisition. Management believes Free Cash Flow is a meaningful measure of Northland's ability to generate cash flow, after on-going obligations, to fund dividend payments.

Adjusted Free Cash Flow ("**Adjusted FCF**") is calculated by excluding growth-related expenditures from Free Cash Flow. Management believes this measure provides a relevant presentation of cash flow generated from the business before investment-related decisions. Management believes Adjusted Free Cash Flow is a meaningful measure of Northland's ability to generate cash flow, after on-going obligations, to reinvest in growth and fund dividend payments.



1. Key Messages & Business Update

Key Themes for Northland's Strategy

Resilient Operations & Global Growth Platform

1

Continue to Deliver Superior Value to Shareholders

- 30+ year track record of market leadership and value creation in renewables
- Accelerating growth with continued focus on offshore wind

2

Resilience and Strength in Operations through COVID-19 Pandemic

- Continued operations with high availability, ensure reliable energy supply
- Enacted measures to protect health and safety of staff and communities

3

Global Decarbonization is Accelerating

- Next decade will see increasing global efforts to decarbonize energy grids
- Creating significant growth opportunities for renewable energy, with offshore wind being the fastest growing technology

4

Northland Well Positioned to Compete and Deliver Growth

- Increased growth pipeline anchored by offshore wind, provides visible path to substantial growth in Adjusted EBITDA, Free Cash Flow and Adjusted Free Cash Flow
- Strong balance sheet and liquidity to support growth objectives

5

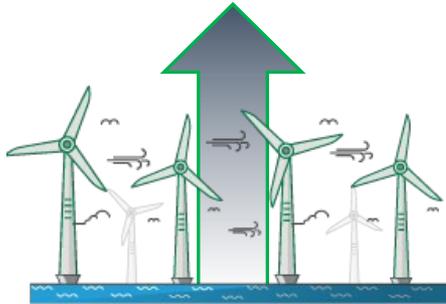
Preparing for the Next Wave of Decarbonization in Renewable Fuels

- New significant markets forming to meet challenges of 100% carbon-free electricity grids in decarbonizing in heat, transportation and industry

Source: Northland Power February 2021 Investor Day.

Accelerating Growth

Northland's Capital Allocation Focused on Renewable Growth



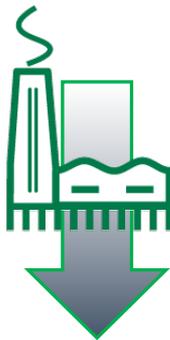
Offshore Wind
Increase Exposure



Onshore Renewables
Increase Exposure



Utilities
Increase Exposure



Efficient Natural Gas
Reduce Exposure



Energy Storage
Establish Position



Renewable Green Fuels
(e.g. Hydrogen, Renewable Natural Gas)
Establish Position

Source: Northland Power February 2021 Investor Day.

Accelerating Growth (*Cont'd*)

Balancing Long-Term Growth with Near-Term Cash Flow

2021 – 2025 Objective



1

Development of Onshore Renewable Projects with Shorter Incubation Periods

2

M&A to Augment Immediate Cash Flow

2026 – 2030 Objective



1

Offshore Wind Drives Significant Growth in Capacity and Cash Flow

2

New Initiatives to Drive Additional Growth

Source: Northland Power February 2021 Investor Day.

Announced Growth Targets

Northland to Double Business by the latter half of the Decade



**4 – 5 GW in Identified
Development Projects focused on offshore
wind**



**\$15 - \$20+ Billion¹ in Potential Capital
Investments over the Next 5 Years**



**Double-Digit IRRs on
Offshore Wind Greenfield Development**



**More than Double Adjusted EBITDA to
\$2.5+ Billion by the latter half of the Decade**

Source: Northland Power February 2021 Investor Day.

1. Excludes incremental Greenfield Development and M&A. Total capital investments are based on recent estimates of Identified Development Projects and are subject to change as projects advance

Northland Strategy Recap

Key Priorities Over Next Five Years

1

Leverage Strong Position in Offshore Wind

Press strong position in offshore wind by sourcing and advancing large-scale projects in key identified target markets

2

Execute Near-Term Growth

Secure near-term growth through onshore renewables and transmission and distribution assets in select markets

3

Position for New Wave of Global Decarbonization

Targeting further growth from storage and renewable fuels

Source: Northland Power February 2021 Investor Day.



2. Recent Events

Recent Events

Development Updates

1. **Closed 49% acquisition of Baltic Power (Poland Offshore Wind Project)** with partner PKN Orlen on March 24, 2021 and applied for the 25-year CfD contract with expected award by mid-year 2021
2. **Accepted NY Wind (Onshore Renewables)** 20 year indexed renewable energy credits (REC) offtake contracts with the New York State Energy Research and Development Authority for three onshore wind projects
3. **Hai Long (Taiwan Offshore Wind Project)** received approval for the Industrial Relevance Plan (“IRP”) submitted to the Taiwan Industrial Development Bureau. Approval of the IRP, which sets out Northland’s commitments to local procurement, marks a significant milestone in the ongoing development of this important project.
4. **Update on Construction Activities at the La Lucha Solar Project**

Other Corporate Updates

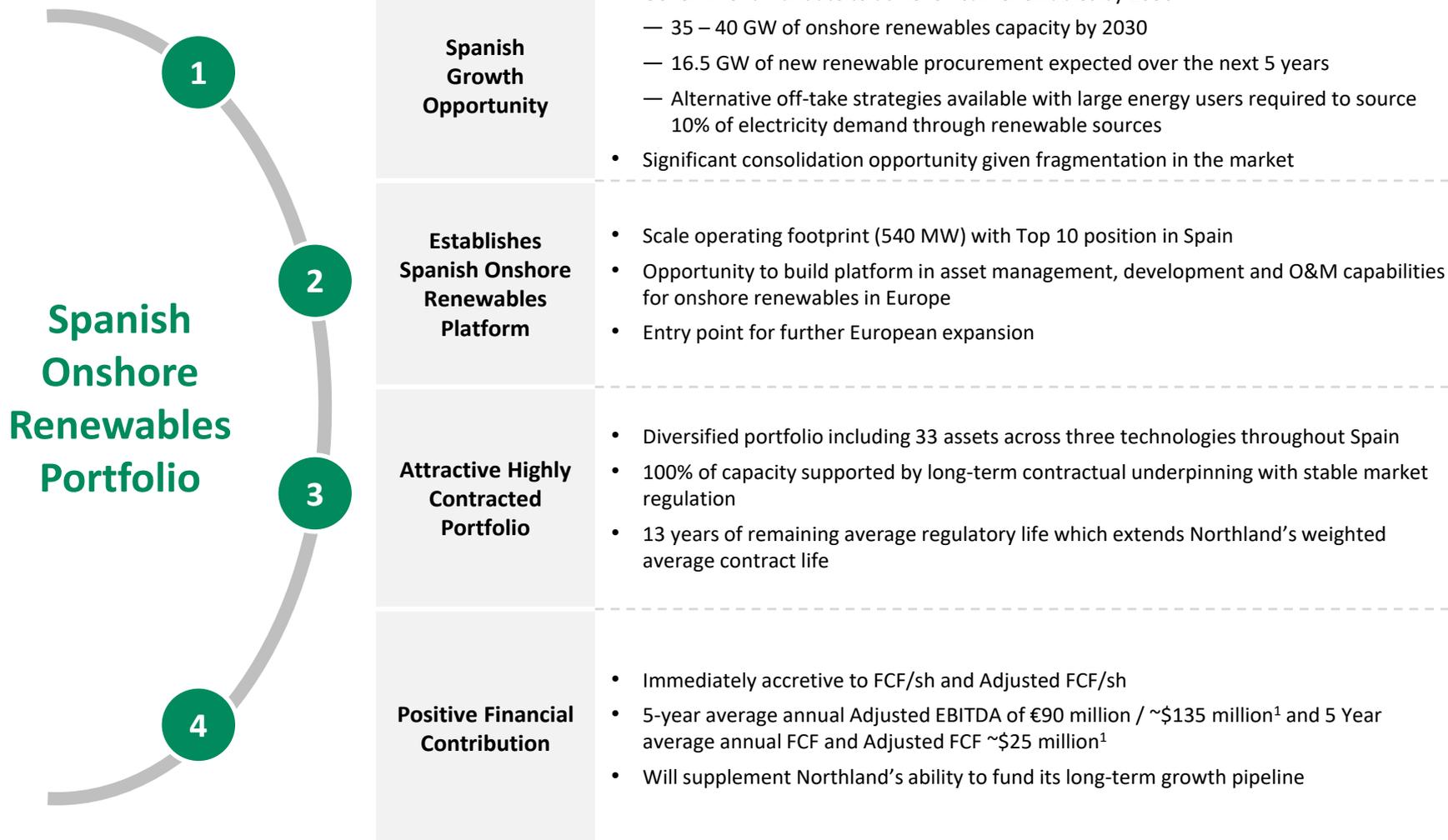
1. **Closed €886 million Deutsche Bucht Re-Financing;** reducing interest rate to 2.3% (from 2.6%) and adding a Debt Service Reserve Facility, which will allow for the immediate release of €50 million of cash (\$73 million equivalent), enhancing Northland’s corporate liquidity.
2. **Northland Corporate Credit Rating Reaffirmed** on March 23, 2021 BBB (Stable).



3. Spanish Onshore Renewables Acquisition Highlights

Investment Thesis

A Leading Renewable Power Portfolio in the Spanish Market



1. Adjusted EBITDA assumes EUR/CAD rate of 1.50 and Adjusted FCF is converted at the hedged rate

Transaction Summary

Attractive Entry Point with Consistent Investment Grade Financing Plan

Purchase Price	<ul style="list-style-type: none"> • €345 million (~\$520 million) of cash consideration • Including assumed non-recourse debt of €716 million (~\$1,075 million) and implies TEV of €1.1 billion (~\$1.6 billion)
Financing Plan	<ul style="list-style-type: none"> • Consistent with Northland’s investment grade profile • Cash portion of the purchase price fully funded via common share issuance • Prior to closing, a long-term hedging program will be put in place consistent with current Euro exposure
Timeline & Approvals	<ul style="list-style-type: none"> • Acquisition is subject to certain closing conditions such as the Foreign Investment Approval from the Spanish Government and obtaining of consents under the existing Financing Agreements • Acquisition expected to close in the third quarter of 2021 subject to certain customary closing conditions

* Assumes EUR/CAD spot rate of 1.50

High Quality, Long-term Regulated Renewables Portfolio

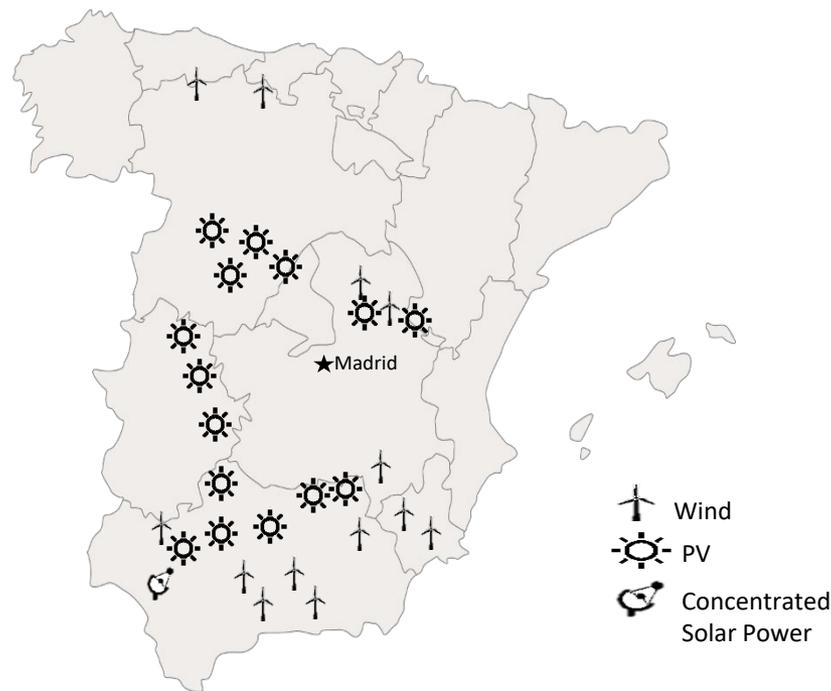
Expansion into Spain with an Industry Leading Multi-Technology Portfolio

Spanish Portfolio Overview

- Portfolio is 540 MW (net) comprised of onshore renewables with a regulated tariff
 - ~80% of the portfolio consists of onshore wind assets, with the balance comprising solar PV and Concentrated Solar Power (CSP)
- Portfolio benefits from a diversified mix of equipment suppliers and OEM providers, mitigating exposure to any single manufacturer or service provider
- Operations and Maintenance services are provided by a combination of Plenium (solar PV) and OEMs (onshore wind and CSP) under medium to long-term agreements
- Plenium (also vendor) manages over 130 operating power stations with an aggregate capacity of 2.2 GW including Wind, Solar Thermal and Solar PV across Spain, Italy and Portugal.

	Onshore Wind	Solar PV	Concentrated Solar Power
Net Capacity	424 MW	66 MW	50 MW
Project(s)	14	18	1
Average Asset Age	11 Years	10 Years	10 Years
Fully Regulated	Yes	Yes	Yes

Asset Locations in Spain



Operating portfolio supplies over 270,000 of households with energy

Attractive Spanish Renewables Market

Future Growth Potential with Announced Coal and Nuclear Phase-Outs Supporting Renewables Growth

Key Development Areas



Spain requires an additional ~80 TWh / ~37 GW of renewables to meet its 70% renewable electricity target by 2030



Multiple options for offtake including: Corporate PPAs, government auctions and the wholesale energy market



Spain announced coal fleet phase out by 2025 and nuclear fleet phase out by 2036; growth in renewables will replace them



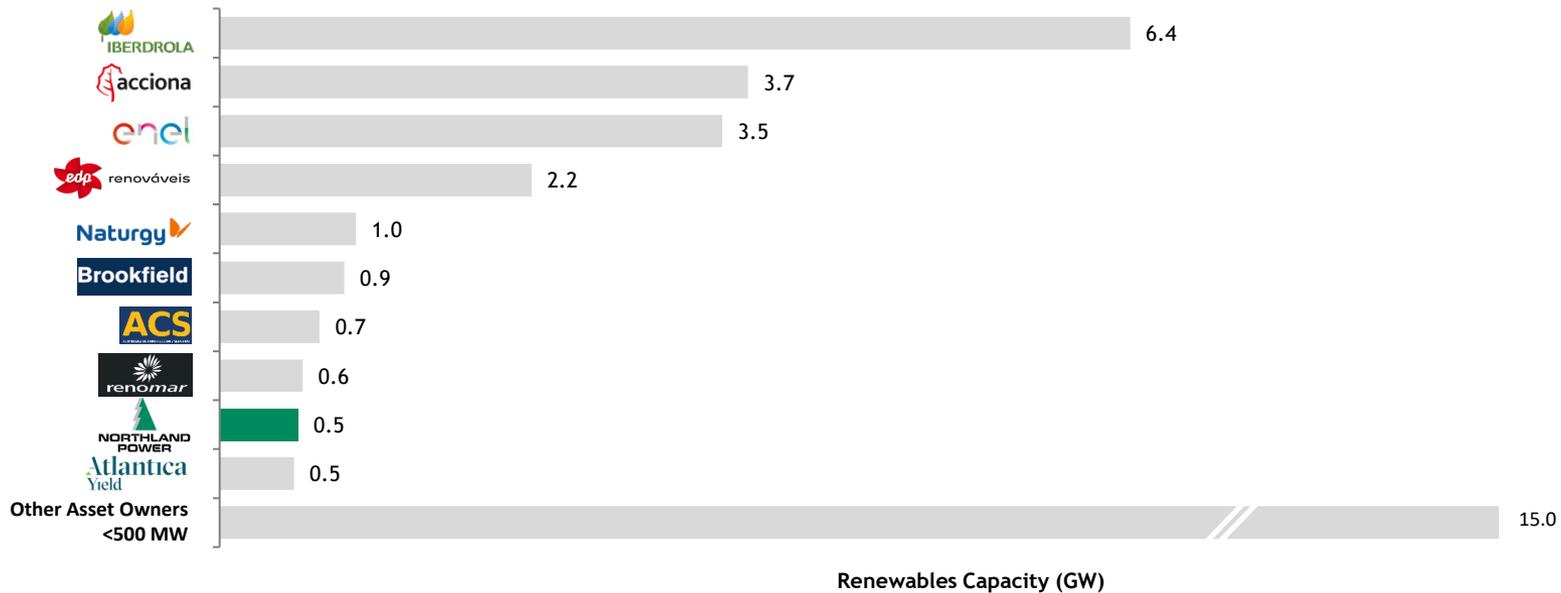
Spanish government has stated they will mandate large energy users to procure at least 10% of annual electricity demand through PPAs with renewables

Scale Operating Footprint To Expand Platform

An Industry Leading Proven Portfolio in Spain

- Acquisition places Northland as a top 10 onshore renewable asset owner in Spain
 - Spanish Portfolio is one of the largest portfolios in Spain by operational capacity – top 10 overall and a top 5 amongst international players
- Significant number of smaller portfolios of assets that could be an opportunity for future acquisitions
- The top 10 players account for ~20 GW of the total ~35 GW¹ of renewables capacity in Spain

BNEF Spain Renewables League Table¹ (As of November 1, 2020)

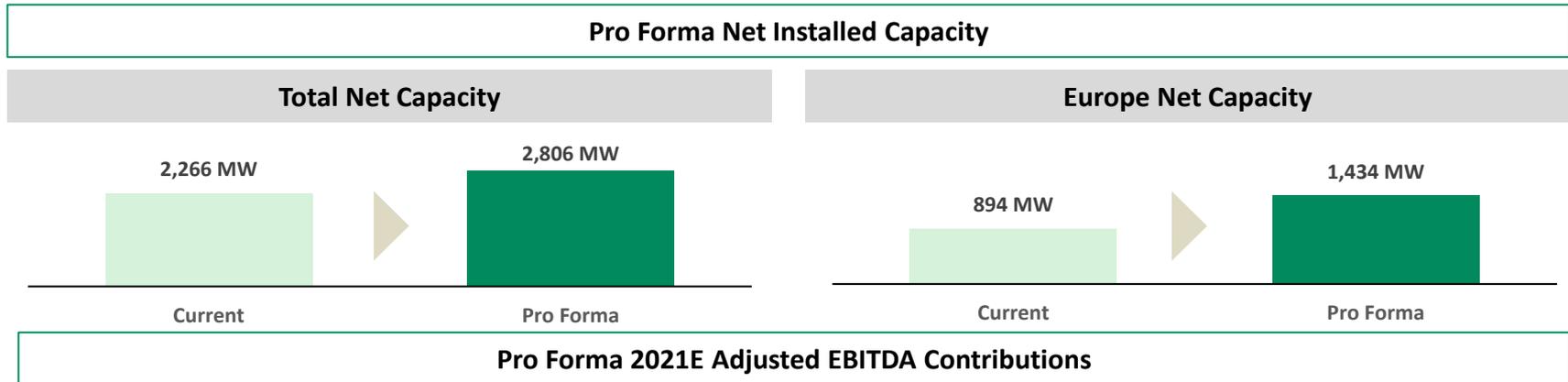


1. Includes onshore wind, solar PV, and solar thermal; excludes hydro

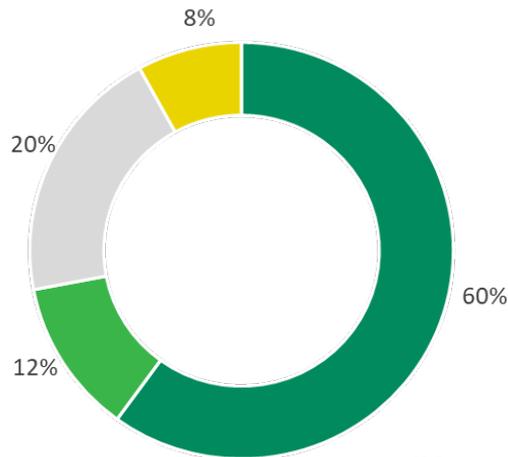
Source: Bloomberg New Energy Finance

Pro Forma Impact of Spanish Renewables Transaction

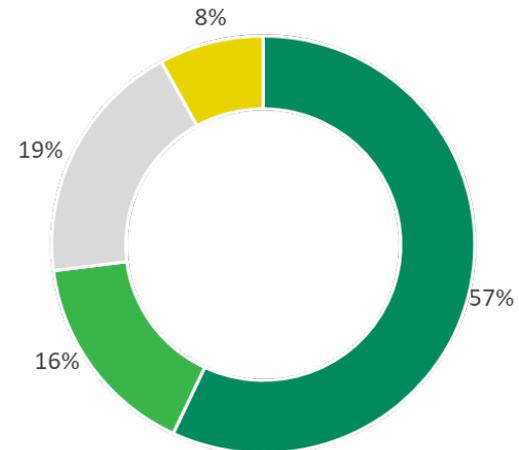
Portfolio Provides Scale and Diversity in Attractive Growth Market in Europe



Current Business Mix



Pro Forma Business Mix



■ Offshore Wind ■ Onshore Renewables
■ Efficient Natural Gas ■ Utilities

Key Transaction Highlights

Attractive Acquisition Opportunity Providing Re-Entry into European Onshore Renewables



Strategically Sound Acquisition

- Positions Northland as top 10 owner of operating onshore renewables in Spain and provides better access to growth opportunities locally and elsewhere in Europe
- Immediate cash flow contribution to further support offshore development strategy/initiatives



Establishes European Onshore Renewables

- Portfolio provides scale and technological diversity in an attractive growth market in Europe
- Assets are supported with a regulated tariff with more than 13 years remaining of regulatory life
- Low merchant exposure with close to 80% of the portfolio value generated during the regulatory period



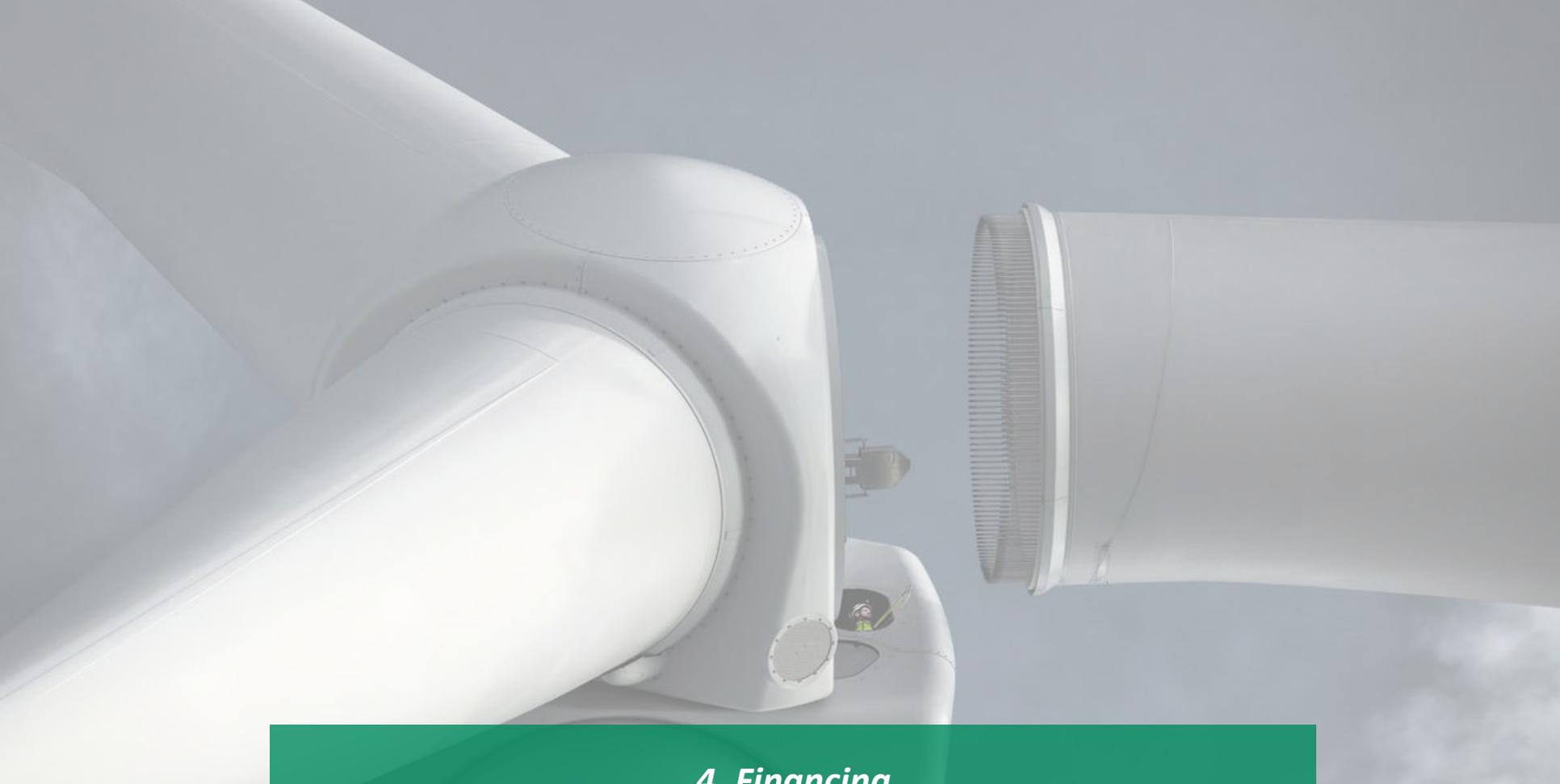
Attractive Risk-Weighted Economics

- Immediate accretion to Free Cash Flow per share and Adjusted Free Cash Flow per share
- Strong contribution in annual Adjusted EBITDA



Compelling Acquisition

- Attractive purchase price
- Low execution risk

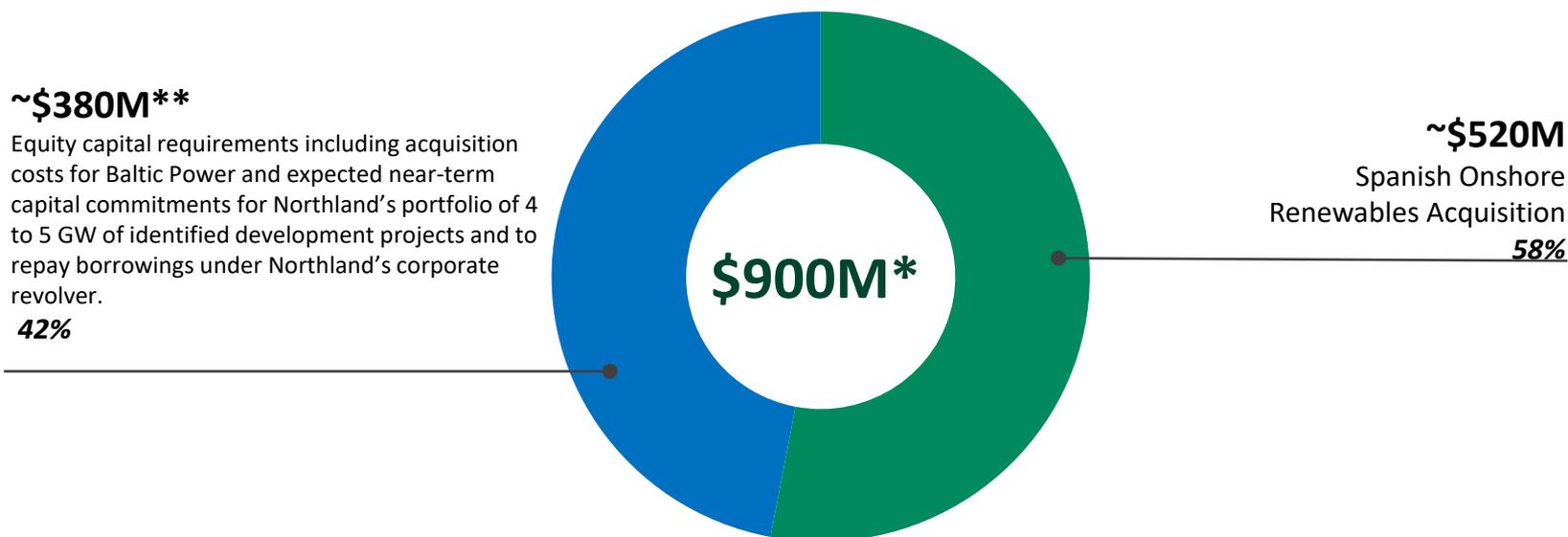


4. Financing

Use of Proceeds of the Offering

\$900 Million Public Offering to Support Spanish Acquisition and Northland’s Identified Development Growth Opportunities

April 2021 Proposed Offering Use of Gross Proceeds



Following the equity offering, Northland expects to have approximately \$800 million of available liquidity to support future growth initiatives

*Use of Proceeds illustration represents gross proceeds from the \$900 million base deal offering

** Includes underwriting fee/expenses from the equity offering



5. Appendix

Asset Photos

Onshore Wind Assets (Sample)



Carcelen wind farm (50 MW) located in Albacete (east coast of Spain, south of Madrid)



Tella wind farm (50 MW) located in Murica (east coast of Spain, south of Madrid)

Solar PV Assets (Sample)



Casatejada solar PV plant (10 MW) located on the west coast of Spain near Badajoz (south of Madrid)



Lora solar PV plant (2 MW) located in Sevilla near the south coast of Spain

Asset Photos (Cont'd)

CSP (Concentrated Solar Power) Asset (Lebrija)





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