



## PRESS RELEASE

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### **Boralex corrects misstatements made by O'Leary Funds Management LP**

*Montréal (Québec), August 11, 2010* – Boralex Inc. (“Boralex”) announced that it has no alternative but to respond to the press release issued yesterday by O’Leary Funds Management LP (“O’Leary”) which, in the opinion of Boralex, contains a series of statements and selected financial information (some of which is incorrect), that individually or taken together is misleading.

Boralex wishes to point out that certain financial information extrapolated or cited out of context from Boralex’s and Boralex Power Income Fund’s (the “Fund”) most recent financial statements was disclosed by O’Leary in a manner that is misleading. Boralex urges Unitholders of the Fund to consult the full financial statements and accompanying MD&A of the Fund and Boralex in order to understand the relevance and implications of such financial disclosure.

For instance, the amount of convertible debentures that would be issued by Boralex to acquire all of the Units of the Fund is \$226 million, not \$300 million as set out in the O’Leary press release. The corresponding pro forma debt load of Boralex as calculated by O’Leary is equally overstated.

As Boralex’s most recent financial statements demonstrate, Boralex has the necessary liquidity to complete all of its development projects that will be commissioned by the end of 2010 and has an additional \$105 million of cash available to it for its future projects, consisting of \$50 million cash on hand, \$30 million under its existing facilities and \$25 million from its French partner, Cube.

Finally, O’Leary’s insinuation that the decision to cut the Fund’s monthly distributions as announced in December 2009 was influenced by Boralex is irresponsible given Boralex’s and the Fund’s history of maintaining the highest standards of corporate governance.

Boralex reminds Unitholders that the independent committee, which was created by the Board of Trustees of the Fund, has reiterated its support for the improved take over bid from Boralex and concluded that it is a fair offer, in the best interests of Unitholders. In considering whether to accept the Offer, Boralex reminds Unitholders of several risk factors and uncertainties related to the Fund’s activities which could limit its growth potential as well as affect its ability to maintain long-term stable distributions such as:

- the impact of changes in the tax treatment of distributions from public income funds that will come in force on January 1, 2011;
- difficulties, both current and in the future, in the supply of wood residue for the Dolbeau and Senneterre power stations as well as the uncertainty related to the reopening of the Abitibi-Bowater mill in Dolbeau;
- uncertainties related to the operation of the Kingsey Falls power station upon the expiry of the power purchase agreement in 2012;
- the conditions which will be applicable to the renewal of the power purchase agreements with Hydro-Québec for the hydro stations;

- the significant investment required in order to bring the Buckingham hydroelectric station in compliance with the legislation on dam security; and
- the volatility of the US dollar on future results.

The Offer by Boralex to acquire all of the issued and outstanding units of the Fund remains open until 7:00 p.m. on August 13, 2010. For assistance in tendering Units to the Offer, Unitholders are encouraged to contact Georgeson Canada at 1-866-656-4104 (North American Toll Free Number).

### **Reader Advisory**

*Certain statements in this news release and the notice extension are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “except”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe”, or “continue” or the negative thereof or similar variations. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Important factors that could cause actual results to differ materially from the Offeror’s expectations include, among other things, general business and economic conditions and competition within those markets in which the Fund serves as well as specific risks relating to the Fund, such as risks relating to the industries in which the Fund is active generally, conflict policies and general economic conditions and other risks identified in the Fund’s public filings. Such forward-looking statements should, therefore, be construed in light of such factors and the Offeror is under no obligation and expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.*

*This press release does not constitute an offer to buy or solicitation of an offer to sell any securities. The Offeror has filed the notice of extension with the SEC and with Canadian securities regulators. The Fund Unitholders are strongly encouraged to read these and other documents filed with the SEC or Canadian securities regulators in their entirety when they become available, as they will contain certain important information. The Fund Unitholders will be able to obtain all documents filed by the Fund or the Offeror with the SEC and Canadian securities regulators related to the tender offer for no charge at the SEC’s website at [www.sec.gov](http://www.sec.gov) or at [www.sedar.com](http://www.sedar.com).*

### **About Boralex**

*Boralex is a major independent power producer whose core business is the development and operation of power stations that generate renewable energy. Employing over 300 people, the Corporation operates 28 power stations with a total installed capacity of 410 megawatts (“MW”) in Canada, in the Northeastern United States and in France. In addition, the Corporation has, alone or with its European and Canadian partners, power projects under development that will add close to 300 MW of power, of which almost 100 MW will come online by the end of fiscal 2010. Boralex is distinguished by its diversified expertise and in-depth experience in three power generation segments – wind, hydroelectric and thermal. Boralex also holds a 23% interest in Boralex Power Income Fund, which has 10 power stations with a total installed capacity of 190 MW in Québec and the United States. These sites are managed by Boralex. Boralex shares are listed on the Toronto Stock Exchange (TSX) under the ticker symbol BLX. More information is available at [www.boralex.com](http://www.boralex.com) or [www.sedar.com](http://www.sedar.com).*

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