



PRESS RELEASE

Boralex Inc. Amends and Extends \$5.00 Offer for Units of Boralex Power Income Fund, Signs Lock-up Agreements with Certain Unitholders and Announces \$85 million Bought-Deal Financing

Montréal (Québec), August 25, 2010 – Boralex Inc. (“Boralex” or the “Corporation”) announces that it is amending its offer (“Offer”) to acquire all of the issued and outstanding trust units (“Units”) of Boralex Power Income Fund (the “Fund”) by offering, at the election of the unitholders of the Fund (“Unitholders”), \$5.00 consideration per Unit in the form of (a) cash, or (b) 6.75% convertible unsecured subordinated debentures of Boralex Inc. (“Convertible Debentures”), in each case subject to proration. The maximum amount of cash payable under the amended Offer and any subsequent compulsory acquisition or subsequent acquisition transaction is \$90.6 million and the maximum aggregate principal amount of Convertible Debentures is \$135.9 million. Previously, the consideration for the Offer was limited to 0.05 of a \$100 principal amount of Convertible Debentures for each Unit.

Boralex has extended the Offer until 7:00 p.m. (Montréal time) on September 15, 2010. Unitholders who have already deposited their Units do not need to take any further action to accept the Offer but will have the opportunity to make the election for cash or Convertible Debentures.

Boralex also announced that Unitholders representing approximately 9% of the issued and outstanding Units, on a fully-diluted basis, have entered into lock-up agreements with Boralex pursuant to which they have agreed to tender their Units to the Offer. K2 Principle Fund LP, MMCAP International Inc. SPC, and one additional institutional investor have executed lock-up agreements and support the Offer.

In connection with the Offer, Boralex has entered into an agreement with a syndicate of underwriters, led by TD Securities Inc., pursuant to which the underwriters have agreed to purchase, on a bought deal basis, extendible convertible unsecured subordinated debentures (“Extendible Debentures”) in the aggregate principal amount of \$85,000,000 (the “Financing”). Boralex intends to use the net proceeds of the offering to partially fund the payment of the cash component consideration for the Offer. Closing of the Financing (the “Financing Closing”) is expected on or about September 15, 2010 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the Toronto Stock Exchange.

The terms of the Extendible Debentures to be issued pursuant to the bought deal financing are identical to the terms of the Convertible Debentures to be issued in connection with the Offer, except for the maturity date extension feature, and are outlined below in the section entitled “About the Financing”.

About the Offer

Boralex is amending its Offer by offering, at the election of the Unitholders, \$5.00 consideration per Unit in the form of (a) cash, or (b) Convertible Debentures, in each case subject to proration.

The maximum amount of cash payable under the amended Offer and any subsequent compulsory acquisition or subsequent acquisition transaction is \$90.6 million and the maximum aggregate principal amount of Convertible Debentures is \$135.9 million. Unitholders who fail to make an election will be deemed to have elected to receive consideration in the form of 0.05 of a \$100 principal amount of Convertible Debentures. By way of example, if all Unitholders were to elect to receive the cash alternative, this would result in \$2.00 in cash and 0.03 of a \$100 principal amount of Convertible Debentures for each Unit under the amended Offer and any subsequent compulsory acquisition or subsequent acquisition transaction. The election to receive either cash or Convertible Debentures will also be made available, prior to the expiry time of the amended Offer, to non-tendering unitholders on a consolidated basis with the election of the tendering unitholders in order to allow them a choice in the compulsory acquisition or subsequent acquisition transaction.

Boralex has also extended its offer until 7:00 p.m. (Montréal time) on September 15 2010, unless the offer is otherwise extended or withdrawn by Boralex. Aside from the above-described variation and extension, the terms and conditions of the offer described in Boralex's offer and take-over bid circular dated May 18, 2010, as extended by Boralex on June 28, 2010, July 30, 2010 and August 13, 2010 remain unchanged. Computershare Investor Services Inc., in its capacity as depositary under the offer, has advised Boralex that as of 10 a.m. (ET) today, Units representing 55.6% of all issued and outstanding Units, have been tendered to the Offer, which tendered units do not include the approximately 9% of issued and outstanding units that are subject to above mentioned lock-up agreements entered into with Unitholders who support the offer.

A formal notice of variation and extension will be mailed promptly to the Unitholders of the Fund. The notice of variation and extension will also be available on the SEDAR website at www.sedar.com and on the EDGAR website at www.sec.gov.

Unitholders of the Fund may deposit their units at any time prior to 7:00 p.m. (Montréal time) on September 15, 2010. For assistance in tendering Units to the Offer, the Unitholders of the Fund are encouraged to contact Georgeson Canada at 1-866-656-4104 (North American Toll Free Number).

About the Financing

The Extendible Debentures issued in connection with the Financing will bear interest at a rate of 6.75% per annum, payable semi-annually, and will be convertible at the option of the holder into Boralex Shares at a conversion price of \$12.50 per Boralex Share, being a ratio of 8.0 Boralex Shares per \$100 principal amount of Debentures.

The Extendible Debentures will have an initial maturity date of October 31, 2010 which will automatically be extended to June 30, 2017 upon closing of the Acquisition.

The Company has granted the underwriters an option, for a period of 30 days following the Financing Closing, to purchase up to an additional 15% of the principal amount of Extendible Debentures to cover over-allotments, if any.

The Extendible Debentures have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirement of such Act. This news release is not an offer of securities for sale in the United States.

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 or www.sedar.com.

Reader Advisory

Certain statements in this press 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's 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's 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 or at www.sedar.com.

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