BORALEX

PRESS RELEASE

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Boralex Announces the Acquisition of Enercon's Interest in the 230 MW Niagara Region Wind Farm, a $150 Million Public Equity Offering and a 7.1% Increase in its Annual Dividend per Share

KEY TRANSACTION HIGHLIGHTS

- *Acquisition of Enercon's interest in newly commissioned 230 MW wind farm in Ontario*
  - *Will benefit from a 20-year feed-in tariff contract with Ontario IESO*
- *Supersedes previous announcement on November 2, 2016 under which Boralex announced its intention to exercise its option to acquire a 25% economic interest in NRWF*
- *Significantly enhances Boralex's renewable power portfolio*
  - *Increases Boralex's net installed capacity by 21% to 1,338 MW*
  - *Extends weighted average PPA term to 16 years*
- *Double-digit accretion to 2017 discretionary cash flow per share*
- *7.1% increase in annual dividend per share to $0.60*
- *2020 contracted capacity target increased from 1,650 to 2,000 MW*

Montréal, Québec, December 8, 2016 – Boralex Inc. (TSX: BLX) ("**Boralex**" or the "**Corporation**") is pleased to announce it has entered into binding agreements with Enercon Canada Inc. ("**Enercon**") to acquire all of its economic interest in the 230 MW Niagara Region Wind Farm ("**NRWF**" or the "**Project**"), for a total cash consideration of $238.5 million, subject to adjustments under the acquisition agreements (the "**Transaction**").

Extending across the Regional Municipality of Niagara, the Township of West Lincoln, the Town of Wainfleet and Haldimand County in Ontario, NRWF was commissioned on November 2, 2016 and comprises 77 state-of-the-art Enercon E-101 turbines. Upon the closing of the Transaction, NRWF will benefit from a 20-year feed-in tariff contract (the "**FIT Contract**") with the province-owned IESO under attractive terms, which provide a predictable and recurring revenue and cash flow stream.

"*We are thrilled to announce today the acquisition of Enercon's economic interest in NRWF, an asset that we know well having coordinated its development, construction and commissioning with Enercon over the past two years. This Transaction is a great opportunity to further expand and diversify Boralex's asset portfolio with a high quality wind farm that will provide a stable and recurring cash flow stream. Moreover, the Transaction is expected to create value for our shareholders with double-digit accretion to Boralex's 2017 discretionary cash flow per share,"* said Patrick Lemaire, President and Chief Executive Officer of Boralex.

Mr. Lemaire adds that "*the financing strategy put in place to secure the Transaction will allow the Corporation to maintain significant financial flexibility to continue developing our high quality growth pipeline. Today, we remain ideally positioned to keep moving forward with our growth strategy focused on developing and acquiring assets associated with long term power purchase agreements and are pleased to announce the upward revision of our 2020 contracted capacity target from 1,650 to 2,000 MW. Considering the Corporation's strong financial position and positive outlook for the long-term, we are also very pleased to announce an increase in our annual dividend to $0.60 per share, effective upon closing of the Transaction.*"

KEY ATTRIBUTES OF THE TRANSACTION

Boralex has for many years been dedicated to the Canadian renewable energy sector and, in particular, wind power. Consistent with this vision, Boralex has been committed to building on its significant presence and experience in Canada, including through acquisitions that are compatible with its position and goals in the market.

The acquisition of Enercon's economic interest in NRWF will add 230 MW of clean energy to Boralex's asset portfolio, increasing the Corporation's net installed capacity by 21% to 1,338 MW. NRWF will become Boralex's largest asset and will contribute to further extending its portfolio's weighted average PPA term to 16 years.

On October 12, 2016, NRWF secured ring-fenced financings totalling $828.3 million from a club of international financial institutions. The financings consist of a $789.4 million 18-year term loan bearing interest at a rate of less than 4% and a $38.9 million letter of credit facility.

NRWF is expected to generate approximately $84 million in annual run-rate EBITDA(A) and the Transaction is expected to be double-digit accretive to 2017 discretionary cash flow per share.

Under the terms of the Transaction, Boralex will pay a cash consideration of $238.5 million to Enercon upon closing, subject to adjustments under the acquisition agreements. The Transaction replaces and supersedes the previous announcement on November 2, 2016 under which Boralex announced its intention to exercise its option to acquire a 25% economic interest in NRWF.

In addition to its cash on hand and availabilities under its existing revolving credit facility, the following financing sources will continue to preserve Boralex's strong balance sheet and financing flexibility:

- A $100 million increase to the existing revolving credit facility to $400 million. The Corporation's credit facility will expire in 2020; and
- A $150 million public equity offering of subscription receipts.

PUBLIC OFFERING OF SUBSCRIPTION RECEIPTS

Boralex has entered into an agreement with National Bank Financial Inc. and RBC Capital Markets, on behalf of a syndicate of underwriters, to sell, on a bought deal basis, subscription receipts (or class A shares of Boralex ("**Common Shares**") as noted below) of Boralex (the "**Offering**"). The agreement includes the issuance of 9,010,000 subscription receipts at a price of $16.65 per subscription receipt for gross proceeds of $150 million and up to $172.5 million in the event the underwriters exercise their over-allotment option. The subscription receipts will be offered in all provinces of Canada pursuant to a short form prospectus to be filed by Boralex. In addition, subscription receipts may be offered in the United States in transactions exempt from registration under the U.S. Securities Act and applicable state securities laws.

The subscription receipts are exchangeable on a one-for-one basis for Common Shares upon closing of the Transaction for no additional consideration or further action. The Offering is scheduled to close on or about December 23, 2016. Should the Transaction closing occur before the closing of the Offering, Common Shares, in lieu of subscription receipts, will be issued upon closing of the Offering.

Holders of subscription receipts will receive on the date of closing of the Transaction, in the form of a special interest payment, an amount equal to any dividends declared by Boralex and payable to holders of Common Shares of record as of dates from and including the closing date of the Offering to but excluding the date of closing of the Transaction.

DIVIDEND INCREASE

In light of the Transaction and its confidence in the outlook for the Corporation, the Board of Directors of Boralex has authorized a 7.1% increase in the annual dividend from $0.56 to $0.60 per share (or the quarterly dividend from $0.14 per share to $0.15 per share) which will become effective upon closing of the Transaction. This dividend will be paid to shareholders of record at the close of business on the next record date following closing of the Transaction. Boralex is also maintaining its distribution policy in effect since 2014, whereby its dividend represents between 40% and 60% of its discretionary cash flows.

REVISED 2017 FINANCIAL TARGETS AND 2020 CONTRACTED CAPACITY TARGET

As a result of the Transaction and its visibility on projects under construction, Boralex revises upward its 2017 EBITDA(A) target (calculated on proportionate consolidation and on an annualized run rate basis) from $290 million to $375 million and its 2017 discretionary cash flow target from $75 million to $95 million. In addition, because of Boralex's confidence in the strength of its growth profile, it also announces an increase in its 2020 contracted capacity target from 1,650 MW to 2,000 MW.

TRANSACTION STRUCTURE

NRWF has been developed by Enercon and Boralex in partnership with the Six Nations of the Grand River Band (the "**Six Nations**"). NRWF's equity ownership has been structured to provide (i) each of the Six Nations and Enercon with a 50% equity stake in FWRN LP, which owns the intangible assets of the Project including the FIT Contract, and (ii) Enercon with a 100% equity stake in NR Capital General Partnership, which owns the infrastructure assets and leases them to FWRN LP pursuant to a 20-year lease. Six Nation's equity investment in FWRN LP has been financed through a loan from Enercon which is non-recourse and will be repaid, with interest, from Six Nations' share of FWRN LP's distributions throughout the 20-year term of the FIT Contract. As such, Enercon's participation in the Project, which will be transferred to Boralex upon Transaction closing, gives rights to substantially all of the expected net cash flows from the Project over the term of the FIT Contract. Upon expiration of the 20-year lease among NR Capital General Partnership and FWRN LP, the infrastructure assets are expected to revert back to FWRN LP.

CONDITIONS TO COMPLETION

The Transaction has been unanimously approved by the board of directors of Boralex and remains subject to customary regulatory approvals and closing conditions. Closing is expected to occur in January 2017.

AVAILABILITY OF DOCUMENTS

Copies of related documents, such as the preliminary short form prospectus and the underwriting agreement will be available on SEDAR (www.sedar.com) as part of the public filings of Boralex and on Boralex's website at www.boralex.com.

About Boralex

Boralex develops, builds and operates renewable energy power facilities in Canada, France and the United States. A leader in the Canadian market and France's largest independent producer of onshore wind power, the Corporation is recognized for its solid experience in optimizing its asset base in four power generation types — wind, hydroelectric, thermal and solar. Boralex ensures sustained growth by leveraging the expertise and diversification developed over the past 25 years. Boralex's shares and convertible debentures are listed on the Toronto Stock Exchange under the ticker symbols BLX and BLX.DB.A, respectively. More information is available at www.boralex.com or www.sedar.com.

This press release is not an offer of securities for sale in the United States. The subscription receipts have not been registered under the U.S. Securities Act and may not be sold in the United States absent registration or an applicable exemption from registration requirements.

Caution regarding forward-looking statements

Some of the statements contained in this press release, including those regarding future results and performance and use of proceeds of the Offering, are forward-looking statements based on current expectations, within the meaning of securities legislation. Boralex would like to point out that, by their very nature, forward-looking statements involve risks and uncertainties such that its results or the measures it adopts could differ materially from those indicated by or underlying these statements, or could have an impact on the degree of realization of a particular projection. Boralex considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but cautions that these assumptions regarding future events, many of which are beyond the control of the Corporation, may ultimately prove to be incorrect. The main factors that could lead to a material difference between the Corporation's actual results and the projections or expectations set forth in the forward-looking statements include, but are not limited to, the general impact of economic conditions, raw material price increases and availability, currency fluctuations, volatility in the selling price of energy, the Corporation's financing capacity, negative changes in general market conditions and regulations affecting the industry, as well as other factors discussed in the Corporation's filings with the various securities commissions.

Certain forward-looking information such as targeted EBITDA(A), targeted discretionary cash flows and forward-looking statements are subject to important assumptions, including: (i) assumptions as to the performance of the Corporation's projects based on management estimates and expectations with respect to wind and other factors, (ii) assumptions as to general industry and economic conditions and (iii) assumptions as to EBITDA(A) margins. While the Corporation considers these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect.

Unless otherwise specified by the Corporation, the forward-looking statements do not take into account the possible impact on its activities, transactions, non-recurring items or other exceptional items announced or occurring after the statements are made.

There can be no assurance as to the materialization of the results, performance or achievements as expressed or implied by forward-looking statements. The reader is cautioned not to place undue reliance on such forward-looking statements. Unless required to do so under applicable securities legislation, Boralex management does not assume any obligation to update or revise forward-looking statements to reflect new information, future events or other changes.

Proportionate Consolidation

This press release contains results presented on a proportionate consolidation basis. Under this method, the results of Seigneurie de Beaupré Wind Farms 2 and 3 and Seigneurie de Beaupré Wind Farm 4 General Partnerships (together, the "Joint Ventures"), which are 50% owned by Boralex, were proportionately consolidated instead of being accounted for using the equity method as required by IFRS. Under the proportionate consolidation method, which is no longer permitted under the IFRS, the Interests in the Joint Ventures *and* Share in earnings (loss) of the Joint Ventures *are eliminated and replaced by Boralex's share (50%) in all items in the financial statements (revenues, expenses, assets and liabilities). Because the information that Boralex uses to perform internal analyses and make strategic and operating decisions is compiled on a proportionate consolidation basis, management has considered it relevant to use this proportionate consolidation information into the press release to help investors understand the concrete impact of decisions made by the Corporation. Moreover, tables reconciling IFRS data with data presented on a proportionate consolidation basis are included in the management's discussion and analysis of the Corporation.*

Other Non-IFRS Measures
In order to assess the performance of its assets and reporting segments, Boralex uses the terms EBITDA, EBITDA(A), and discretionary cash flow.

"EBITDA" is calculated by the Corporation as earnings before interest, taxes, depreciation and amortization. In addition, EBITDA(A) is calculated by the Corporation as EBITDA adjusted for items such as net earnings from discontinued operations, loss on redemption of convertible debentures, net loss on financial instruments, foreign exchange loss (gain) and other gains, EBITDA and EBITDA(A) are reconciled to the most comparable IFRS measure, namely net earnings (loss), in the management's discussion and analysis of the Corporation.

Discretionary cash flows are equal to net cash flows related to operating activities before change in non-cash Items related to operating activities, less (i) distributions paid to non-controlling shareholders, (ii) additions to property, plant and equipment (maintenance), and (iii) repayments on current and non-current debt (projects); plus (iv) development costs (from statement of earnings). When evaluating its operating results, "discretionary cash flows" is a key performance indicator for the Corporation. Discretionary cash flows represent the cash generated from the operations that management believes is representative of the amount that is available for future development or to be paid as dividends to common shareholders while preserving the long-term value of the business. Discretionary cash flows are reconciled to cash flows from operations, which is reconciled to the most comparable IFRS measure, namely net cash flows related to operating activities, in the management's discussion and analysis of the Corporation.

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