

BUSINESSWIRE - BZX GET EMAIL ALERTS

Emera Completes Acquisition of Subscription Receipts for Additional Investment in Algonquin Power & Utilities Corp.

By

Published: Oct 7, 2014 6:07 p.m. ET

HALIFAX, Nova Scotia, Oct 07, 2014 (BUSINESS WIRE) -- **Emera Inc. (TSX:EMA)** announced today that it has completed the acquisition, on a private placement basis, of 8,708,170 subscription receipts (the "Subscription Receipts") of Algonquin Power & Utilities Corp. (TSX:AQN) ("Algonquin"), at a purchase price of \$8.90 per Subscription Receipt, for an aggregate subscription price of \$77,502,713.

The investment is made under the Strategic Investment Agreement between Emera and Algonquin, and is in support of the previously announced acquisition by Algonquin of the Odell Wind Farm project in Minnesota (the "Odell Acquisition"). The proceeds of the subscription are intended to be used by Algonquin to partially finance the Odell Acquisition and the completion of the Odell Wind Farm project. The Subscription Receipts are convertible into common shares of Algonquin on a one-for-one basis following completion of the Odell Acquisition, subject to Emera having received all necessary regulatory approvals for acquiring additional common shares of Algonquin, which include the request for approval in connection with Emera's ownership interest in Algonquin currently before the Maine Public Utilities Commission. Conversion of the Subscription Receipts into common shares would also be conditional on Emera's holdings not exceeding 25% of the outstanding common shares of Algonquin at the time of conversion.

The 8,708,170 common shares issuable on conversion of the Subscription Receipts represent approximately 3.8% of Algonquin's currently issued and outstanding common shares (or approximately 3.7% of Algonquin's issued and outstanding common shares after giving effect to the conversion of the Subscription Receipts).

In addition to holding the Subscription Receipts, Emera owns 50,126,766 common shares of Algonquin, representing approximately 22.0% of Algonquin's currently issued and outstanding common shares. In the event that all of the 8,708,170 common shares issuable pursuant to the Subscription Receipts are issued, the common shares so issued, together with the 50,126,766 common shares currently held by Emera, would represent approximately 24.9% of Algonquin's issued and outstanding common shares.

The Subscription Receipts have been acquired for investment purposes only, and Emera has no intention of acquiring control of Algonquin. Depending upon relevant economic, market or business conditions prevailing from time to time, Emera may determine to acquire or to dispose of common shares of Algonquin in TSX traded or privately negotiated transactions or otherwise. Under certain agreements previously entered into with Algonquin, including the Strategic Investment Agreement, Emera has agreed to certain restrictions on the voting and transfer of common shares held by Emera, and the acquisition of additional securities of Algonquin.

Forward Looking Information

This news release contains forward-looking information with respect to Emera. By its nature, forward-looking information requires Emera to make assumptions and is subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions and projections that constitute forward-looking information will not prove to be accurate, that Emera's assumptions may not be correct and that actual results may differ materially from such forward-looking information. Detailed information about these assumptions, risks and uncertainties is included in Emera's securities regulatory filings, which can be found on SEDAR at www.sedar.com.

About Emera

Emera Inc. is a geographically diverse energy and services company headquartered in Halifax, Nova Scotia with \$9.07 billion in assets and 2013 revenues of \$2.2 billion. The company invests in electricity generation, transmission and distribution, as well as gas transmission and utility energy services. Emera's strategy is focused on the transformation of the electricity industry to cleaner generation and the delivery of that clean energy to market. Emera has investments throughout northeastern North America, and in four Caribbean countries. Approximately 80% of the company's reported net income in 2013 came from regulated investments. Emera common and preferred shares are listed on the Toronto Stock Exchange and trade respectively under the symbol EMA, EMA.PR.A, EMA.PR.C, EMA.PR.E, and EMA.PR.F. Additional Information can be accessed at www.emera.com or at www.sedar.com.

SOURCE: Emera Inc.

Emera Inc.
Scott LaFleur, 902-428-6375
Acting Manager, Investor Relations

Copyright Business Wire 2014