NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting (the "**Meeting**") of shareholders of Northland Power Inc. (the "**Corporation**") will be held at the TSX Conference Centre, Exchange Tower, 130 King Street West, Toronto, Ontario, on May 22, 2019 at 11:00 a.m. (Eastern Time), for the following purposes:

(a) to receive the consolidated financial statements of the Corporation for the fiscal year ended December 31, 2018, together with the report of the auditors thereon;

(b) to elect the directors of the Corporation;

(c) to re-appoint the auditors of the Corporation and authorize the directors to fix their remuneration;

(d) to consider an advisory resolution on the Corporation's approach to executive compensation; and

(e) to transact such other business as may properly come before the Meeting or any adjournment thereof.

A copy of the Management Information Circular and a form of proxy for use at the Meeting accompany this notice.

Holders of Common Shares and Class A Shares are entitled to vote at the Meeting either in person (if appointed as proxy in the case of holders of Common Shares) or by proxy. Please exercise your right to vote by completing and signing the enclosed form of proxy or voting instruction form and returning it by mailing or delivering it to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 or voting online at www.proxyvote.com. **Proxies to be used at the meeting must be received by Computershare Trust Company of Canada no later than 11:00 a.m. on Friday, May 17, 2019.**

DATED at Toronto, Ontario this 15th day of April, 2019.

BY ORDER OF THE BOARD

Mike Crawley
President and Chief Executive Officer
Northland Power Inc.

30 St. Clair Avenue West, 12th Floor, Toronto, Ontario, Canada M4V 3A1

northlandpower.com

MANAGEMENT INFORMATION CIRCULAR

APRIL 5, 2019

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INTRODUCTION

This Management Information Circular is issued in connection with the solicitation of proxies by the management of Northland Power Inc. (the "**Corporation**" or "**Northland**") for the annual meeting of shareholders of the Corporation to be held at the TSX Conference Centre, Exchange Tower, 130 King Street West, Toronto, Ontario, on Wednesday, May 22, 2019 at 11:00 a.m. (all times are Eastern Time).

Except where otherwise indicated, this Management Information Circular contains information as of the close of business on **April 5, 2019**.

The solicitation, by the management of the Corporation, will be made primarily by mail, supplemented possibly by telephone or other personal contact by regular employees of the Corporation or its Subsidiaries. The cost of the solicitation will be borne by the Corporation.

The accompanying form of proxy is for use at the Meeting and for the purposes set forth in the accompanying Notice of Meeting.

All capitalized terms used in this Management Information Circular but not otherwise defined herein shall have the meanings set forth under the heading "**Glossary of Terms**" which follows at page 24.

NON-IFRS FINANCIAL MEASURES

This Management Information Circular includes references to Northland's adjusted earnings before interest, income taxes, depreciation and amortization ("**adjusted EBITDA**"), a measure not prescribed by International Financial Reporting Standards ("**IFRS"**), and therefore does not have a standardized meaning under IFRS and may not be comparable to similar measures presented by other companies. The measure should not be considered an alternative to net income (loss) or other measures of financial performance calculated in accordance with IFRS. Rather, the measure is provided to complement IFRS measures in the analysis of Northland's results of operations from management's perspective. Management believes that adjusted EBITDA is amongst widely accepted financial indicators used by investors and securities analysts to assess the performance of a company. For a reconciliation of adjusted EBITDA to net income (loss), its nearest IFRS measure, refer to *SECTION 5.4 Adjusted EBITDA* in Northland's Management's Discussion & Analysis ("**MD&A"**) included in the 2018 Annual Report.

GENERAL PROXY MATTERS

Appointment, Time for Deposit and Revocability of Proxy

The persons named in the enclosed form of proxy are officers of the Corporation. **A Voting Shareholder who wishes to appoint some other person (who need not be a Voting Shareholder) to represent such Voting Shareholder at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy and striking out the names of the persons specified, or by completing another proper form of proxy.** A proxy to be used at the Meeting must be delivered or mailed to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 and received no later than 11:00 a.m. on Friday, May 17, 2019. A Voting Shareholder who has given a proxy may revoke the proxy by an instrument in writing executed by the Voting Shareholder or by his, her or its attorney authorized in writing or, if the Voting Shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited at such office of Computershare, at any time up to 11:00 a.m. on Friday, May 17, 2019 or two business days preceding the time of any adjournment of the Meeting, at which the proxy is to be used, or in any other manner permitted by law. **All Common Shares are held by Beneficial Common Shareholders under the book-based system. Accordingly, Beneficial Common Shareholders should refer to the directions for voting at "Voting of Common Shares - Advice to Beneficial Common Shareholders".**

Exercise of Discretion by Holders of Proxies

The form of proxy forwarded to Voting Shareholders with the Notice of Meeting and this Management Information Circular provides the Voting Shareholder with an opportunity to specify that the Voting Shares registered in his, her or its name shall be voted for or withheld from voting in respect of the matters to be considered at the Meeting. On any ballot that may be called for, the Voting Shares represented by proxies in favour of the Board of Directors' nominees will be voted for or withheld from voting, in accordance with the specifications made by Voting Shareholders in the manner referred to above. **In respect of proxies in which Voting Shareholders have not specified the manner of voting, the Voting Shares represented by proxies in favour of the persons named in the enclosed form of proxy will be voted in favour of the resolutions.**

The form of proxy confers discretionary authority upon the proxy nominees with respect to amendments or variations of matters identified in the Notice of Meeting or other matters which may properly come before the Meeting. The Board of Directors knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters that are not now known to the Board of Directors should properly come before the Meeting, the Voting Shares represented by proxies in favour of the Board of Directors' nominees will be voted on such matter in the discretion of the proxy nominees.

Voting of Common Shares - Advice to Beneficial Common Shareholders

The information set forth in this section is of significant importance to holders of Common Shares, as none of such persons hold Common Shares in their own name. Beneficial Common Shareholders should note that only proxies deposited by Common Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. All of the Common Shares are registered under the name of CDS & CO. (the registration name for CDS Clearing and Depository Services Inc.). CDS maintains books showing through which of its participants, such as investment dealers or brokers, the Common Shares are owned. Investment dealers and brokers maintain their own records showing the beneficial ownership of such Common Shares by the Beneficial Common Shareholders. Common Shares held by CDS can be voted only upon the instructions of the Beneficial Common Shareholders. Without specific instructions, CDS and its participants are prohibited from voting the Common Shares on behalf of the Beneficial Common Shareholders. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS are held. Therefore, Beneficial Common Shareholders cannot be recognized at the Meeting for purposes of voting their Common Shares in person or by proxy unless they comply with the procedure described below.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Common Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Common Shareholders in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions (**"Broadridge"**). Broadridge typically prepares the Voting Form which it mails to the Beneficial Common Shareholders and asks Beneficial Common Shareholders to return the Voting Form directly to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Common Shareholder receiving a Voting Form cannot use that Voting Form to vote their Common Shares directly at the Meeting; the Voting Form must be returned to Broadridge well in advance of the Meeting in order for a Beneficial Common Shareholder to have its Common Shares voted.

If you wish to vote in person at the Meeting, you must insert your own name in the space provided for the appointment of a proxy holder on the enclosed Voting Form provided to you. By doing so, you are instructing CDS to appoint you as proxy holder. Then follow the signing and return instructions provided on the enclosed Voting Form. You do not need to complete the remainder of the form of proxy or Voting Form, as you will be voting at the Meeting. Please present yourself at the Meeting to a representative of Computershare in order to obtain further instructions on how to vote.

Voting Securities

As of the close of business on April 5, 2019, the Corporation had outstanding 179,210,536 Common Shares and 1,000,000 Class A Shares each of which carries the right to one vote at meetings of the Voting Shareholders. Except in limited circumstances prescribed in the Articles, the outstanding Series 1 Preferred Shares, Series 2 Preferred Shares and Series 3 Preferred Shares do not carry the right to vote at meetings of Voting Shareholders and, consequently the holders thereof are not entitled to notice of the Meeting. The Board of Directors has fixed a record date of April 15, 2019 for the purpose of determining Voting Shareholders entitled to receive notice of the Meeting. Only persons registered as holders of Common Shares or Class A Shares on the books of the Corporation or Beneficial Common Shareholders as of the close of business on April 15, 2019 are entitled to receive notice of and to vote at the Meeting. The failure of any Voting Shareholder to receive notice of the Meeting does not deprive the Voting Shareholder of the right to vote at the Meeting.

Principal Holders of Voting Securities

As of the close of business on April 5, 2019, all of the Common Shares were registered in the name of CDS, which holds such Common Shares on behalf of the Beneficial Common Shareholders, and all of the Class A Shares were registered in the name of NPHI. To the knowledge of the Directors, no person or company beneficially owns, directly or indirectly, or controls or directs 10% or more of the voting securities of the Corporation, except for Mr. James C. Temerty C.M., the Chair of the Corporation, who indirectly beneficially owns, or has control or direction over, 20,687,884 Common Shares, and 1,000,000 Class A Shares, collectively representing approximately 12.0% of the outstanding Voting Shares.

The above holdings and percentages reflect the sale, on April 5, 2019, by Northland Power Holdings Inc. ("**NPHI**"), JCT Management Inc., and 1911627 Ontario Inc. (collectively, the "**Selling Shareholders**") pursuant to a secondary offering ("**Secondary Offering**") of an aggregate of 36,938,000 Common Shares for aggregate gross proceeds of $862,502,300. All of the Selling Shareholders are companies controlled by Mr. James C. Temerty. Northland did not issue or sell any securities under the Secondary Offering and did not receive any proceeds from the Secondary Offering.

Quorum for the Meeting

At the Meeting, a quorum shall consist of two or more individuals present in person either holding personally or representing as proxies not less than 10% of the issued and outstanding Voting Shares. If a quorum is not present at the Meeting within one half hour after the time fixed for the holding of the Meeting, it shall stand adjourned to such day being not less than fourteen days later and to such place and time as may be appointed by the Chairman of the Meeting. At such meeting, the Voting Shareholders present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original Meeting in accordance with the accompanying Notice of Meeting.

BUSINESS OF THE MEETING

Consolidated Financial Statements

The consolidated financial statements of the Corporation for the fiscal year ended December 31, 2018, together with the report of the auditors thereon will be submitted to the Meeting. The consolidated financial statements are included in the 2018 Annual Report. These documents are filed on SEDAR and can be reviewed and obtained from the website *www.sedar.com* under Northland's profile. Upon request, the Corporation will promptly provide a copy of the 2018 Annual Report free of charge to a Voting Shareholder.

Election of Directors

The Articles provide that the Corporation shall have between three and nine Directors. The Voting Shareholders have empowered the Directors to determine the number of Directors (within the range of three and nine Directors) by resolution of the Directors.

The Board of Directors is presently composed of seven directors, consisting of James C. Temerty, John N. Turner, John W. Brace, Marie Bountrogianni, Linda L. Bertoldi, Barry Gilmour and Russell Goodman. After many years of valuable service to Northland, Mr. Turner has advised that he will not stand for re-election as a director at the Meeting. In considering the need for a new director to replace Mr. Turner, the Directors also considered the appropriate size of the Board and determined that the number of directors to be elected at the Meeting is eight. Based on the recommendation of the Governance and Nominating Committee, the Directors have nominated Mr. Keith Halbert and Mr. Michael Lord to be elected as new members of the Board of Directors. Additional information in respect of these individuals is included in the table set out below.

Although NPHI has the right to appoint two of the Directors, it has advised that it does not intend to exercise this right at the Meeting.

It is proposed that each of the persons mentioned below to be elected as a Director will serve until the close of the next annual meeting of the Corporation or until his or her successor is elected or appointed. Voting Shares represented by proxies in favour of the individuals named in the enclosed form of proxy will be voted in favour of the election of these nominees as Directors, unless a Voting Shareholder has specified in his, her or its proxy that his, her or its Voting Shares are to be withheld from voting in respect of any particular Director or Directors. The Corporation does not contemplate that any of the said nominees for election as Director will be unable to serve if elected, but should that occur prior to the Meeting, the persons named in the enclosed form of proxy may vote for another person nominated by the Directors at their discretion.

Pursuant to the Corporation's Majority Voting Policy, as required by the TSX, if a director nominee has more votes withheld than are voted in favour of him or her, such nominee must forthwith submit his or her resignation to the Board of Directors, effective on acceptance by the Board of Directors. The Board of Directors will refer the resignation to the Governance and Nominating Committee for consideration. The Board of Directors will promptly accept the resignation unless the Governance and Nominating Committee determines that there are extraordinary circumstances relating to the composition of the Board of Directors or the voting results that should delay the acceptance of the resignation or justify rejecting it. In any event, the resignation will be accepted (or in rare cases rejected) within 90 days of the meeting. The Majority Voting Policy does not apply to an election that is contested.

The following table shows the names and province of residence of all persons nominated for election as Directors at the Meeting, the number of each class of shares owned beneficially, directly or indirectly, by them, or over which they exercise control or direction, their principal occupations, and the year they first became a Director or a member of the governing body of the public predecessor of the Corporation, where applicable, as well as information concerning committee membership. Mr. Turner has advised the Board that he is not standing for re-election at the meeting.

Pursuant to a guideline adopted by the Board**,** Directors were required to acquire, over time, a number of Common Shares or DSUs equivalent in value to their annual retainer. In November 2018, this guideline was amended to provide that Directors must acquire, within five years of the amendment, Common Shares or DSUs equivalent in value to three times their annual retainer.

Name and Residence	Positions and Offices held	Principal Occupation	Director Since	Number of Shares Beneficially Owned Directly or Indirectly (1)
James C. Temerty C.M. (2) Ontario, Canada	Chairman and Director	Chairman of Northland	1997	20,687,884 Common Shares (2) 1,000,000 Class A Shares (3)
Linda L. Bertoldi Ontario, Canada	Director and Secretary	Senior Counsel (*formerly*, Partner), Borden Ladner	2011	13,000 Common Shares
Dr. Marie Bountrogianni Ontario, Canada	Director	Dean of the Chang School of Continuing Education at Ryerson University	2009	3,794 Common Shares
John W. Brace (4) Ontario, Canada	Director	Corporate Director (*formerly*, Chief Executive Officer of Northland)	2018	1,302,026 Common Shares 75,575 RSUs
Barry Gilmour Ontario, Canada	Director	Corporate Director	2014	15,157 Common Shares 32,943 DSUs
Russell Goodman Québec, Canada	Director	Corporate Director	2014	5,600 Common Shares 15,370 DSUs
Keith Halbert (5) Ontario, Canada	Nominee	Consultant (Financial and Management)	—	700 Common Shares
Michael Lord (6) Ontario, Canada	Nominee	Wealth Management - JCT Inc/Temerty Group	—	123,068 Common Shares (7)

(1) This information, not being within the knowledge of the Corporation, has been provided by the respective nominees individually, as of April 5, 2019.

(2) Of these 20,687,884 Common Shares, 18,636,138 Common Shares are held directly or indirectly (through holding companies) by Mr. Temerty, 944,857 Common Shares are held by Mr. Temerty's spouse, 135,099 Common Shares are held by Mr. Temerty's family members, 534,215 Common Shares are held by the Temerty Foundation which Mr. Temerty directs and 437,575 are held by a trust controlled by Mr. Temerty.

(3) The Class A Shares are held indirectly by Mr. Temerty through NPHI.

(4) Mr. Brace retired as Chief Executive Officer in August 2018.

(5) Prior to January 2016, Mr. Halbert was Chief Financial Officer of Clearstream Energy Services Inc.

(6) During the past five years, Mr. Lord has also held the following positions: Interim President at Zirkova Vodka (spirits production and distribution); Senior Director, Corporate Services and, prior thereto, General Manager at Northland.

(7) Such shares are held by Mr. Lord and/or his spouse and are also considered to be under the control or direction of Mr. Temerty and are also included in the total set out opposite Mr. Temerty's name.

The following table summarizes committee membership for each Director during the year ended December 31, 2018.

		Committee Members			
Director	**Board**	**Audit Committee**	**Governance and Nominating Committee**	**Compensation Committee**	**Independent Directors**
James C. Temerty C.M.	Chair	n/a	n/a	Member	n/a
The Right Honourable John N. Turner, Q.C.	Lead	Member	Chair	n/a	Chair
Linda L. Bertoldi	Member	n/a	Member	n/a	n/a
Marie Bountrogianni	Member	Member	Member	Member	Member
John W. Brace (1)	Member	n/a	n/a	n/a	n/a
Barry Gilmour	Member	n/a	n/a	Chair	Member
Russell Goodman	Member	Chair	n/a	Member	Member

The following table summarizes, for each Director, the number of board and committee meetings attended in the year ended December 31, 2018.

		NUMBER OF MEETINGS ATTENDED BY THE DIRECTORS			
Director	**Board**	**Audit Committee**	**Governance and Nominating Committee**	**Compensation Committee**	**Independent Directors**
James C. Temerty C.M.	16 of 16	n/a	n/a	3 of 3	n/a
The Right Honourable John N. Turner, Q.C.	15 of 16	5 of 5	3 of 3	n/a	5 of 5
Linda L. Bertoldi	16 of 16	n/a	3 of 3	n/a	n/a
Marie Bountrogianni	16 of 16	5 of 5	3 of 3	3 of 3	5 of 5
John W. Brace (1)	9 of 9	n/a	n/a	n/a	n/a
Barry Gilmour	16 of 16	n/a	n/a	3 of 3	5 of 5
Russell Goodman	16 of 16	5 of 5	n/a	3 of 3	5 of 5

(1) Mr. Brace joined the Board in April 2018.

Mr. Goodman is a director of the following other reporting issuers:

Director	**Name of Reporting Issuer**	**Name of Exchange/Market**
Russell Goodman	Gildan Activewear Inc.	TSX, NYSE
	Metro Inc.	TSX

No other nominee for election as Director is a director of another reporting issuer.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, none of the persons nominated for election as Directors at the Meeting: (a) is, as at the date of this Management Information Circular, or has been, within the 10 years before the date of this Management Information Circular, a director, chief executive officer or chief financial officer of any company that: (i) was subject to an Order that was issued while the person was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; (b) is, as at the date of this Management Information Circular, or has been within 10 years before the date of this Management Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) has, within the 10 years before the date of this Management Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person.

To the knowledge of the Corporation, none of the persons nominated for election as Directors at the Meeting, nor any personal holding company thereof owned or controlled by them: (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Appointment of Auditors

It is intended that the Voting Shares represented by proxies in favour of the persons shown in the enclosed form of proxy will be voted in favour of the reappointment of Ernst & Young LLP, Chartered Accountants, Licensed Public Accountants, of Toronto, Ontario, as auditors of the Corporation, and authorizing the directors to fix the auditors' remuneration, unless a Voting Shareholder has specified in his, her or its proxy that his, her or its Voting Shares are to be withheld from voting in the appointment of auditors for the Corporation. Ernst & Young LLP is currently the auditor of the Corporation and has served as the auditor of Northland and its predecessors since 1997.

Advisory Vote on Executive Compensation

At the Meeting, Voting Shareholders will be asked to vote in favour of or against, on an advisory basis, a non-binding resolution on the Corporation's approach to executive compensation. The purpose of this advisory vote is to allow shareholders to give their opinion annually on the Corporation's approach to the compensation of its executive officers as disclosed in the section entitled "Statement of Executive Compensation" below.

As a shareholder, you will be asked to vote on the following non-binding advisory resolution:

> **BE IT RESOLVED**, on an advisory basis, and not to diminish the role and responsibilities of the Board of Directors, that the shareholders accept the approach to executive compensation disclosed in Northland's Management Information Circular delivered in advance of the 2019 annual meeting of shareholders.

As this is an advisory vote, its results will not bind the Board of Directors. However, the Board of Directors, together with the Compensation Committee, will take the result of the vote into account when considering its review of executive compensation. For information on our approach to executive compensation, see pages 10 to 18 of this Management Information Circular.

The Board of Directors recommends that shareholders vote **FOR** this resolution.

The persons named in the accompanying form of proxy intend to vote FOR the advisory resolution on the Corporation's approach to executive compensation, unless the shareholder who has given the proxy has directed that the Voting Shares represented thereby be voted against the Corporation's approach to executive compensation.

COMPENSATION OF DIRECTORS

The objectives of the director compensation arrangements are to attract and retain qualified individuals with the experience and ability to serve as directors and to align the interests of the directors with that of the Corporation through long-term share ownership. Director compensation includes annual retainers and meeting fees and is paid in cash or Deferred Share Units (**DSUs**) under the DSU Plan (as described below) at the election of each individual director. DSUs are intended to promote share ownership and alignment of interests of directors of Northland and its shareholders.

Director compensation is regularly benchmarked relative to a comparator group comprised of the constituents of the S&P/TSX Capped Utilities Index. Director compensation is reviewed by the Compensation Committee.

The following table sets out the fee schedule for 2018:

Component	Amount
Annual Chair retainer	$250,000
Annual Director retainer (1)	$70,000
Annual Committee retainers	
Audit Committee Chair	$20,000
Governance and Nominating and Compensation Committee Chairs (2)	$10,000
Audit, Governance and Nominating and Compensation Committee members	$5,000
Lead Director retainer	$50,000
Attendance fees (3)	
Board and Committee meetings - in person	$1,500 / meeting
Board and Committee meetings - teleconference	$1,000 / meeting

(1) Increased to $100,000 effective January 1, 2019.
(2) Retainer for Chair of Compensation Committee increased to $15,000 effective January 1, 2019.
(3) Each Director who served as an Independent Director was paid an additional in person or teleconference meeting fee in respect of each meeting of the Independent Directors attended where the meetings required lengthy proceedings. Where such meetings were associated with a board meeting and were relatively short, no compensation was paid. Directors are reimbursed for their respective out-of-pocket expenses in relation to their attendance at Directors' and committee meetings.

The following table sets out all amounts of compensation provided to the Directors for 2018 in their capacity as Directors:

Director	Fees Earned	DSUs (1)(2)	Total
James C. Temerty C.M.	$250,000	$0	$250,000
The Right Honourable John N. Turner, Q.C.(1)	178,500	—	178,500
Linda L. Bertoldi	105,500	—	105,500
Marie Bountrogianni	128,000	—	128,000
John W. Brace	46,500	—	46,500
Barry Gilmour(1)	—	117,500	117,500
Russell Goodman(1)	83,400	56,500	139,900

(1) Fee amounts do not include the dividend equivalent in the form of additional DSUs paid in accordance with the DSU Plan.
(2) Calculated based on the 5-day volume weighted average price of the Common Shares on the day of the grant.

DSU Plan

The DSU Plan was established to promote a greater alignment of interests between Directors and Northland shareholders, by providing a means for Directors to accumulate a meaningful financial interest in Northland, commensurate with the responsibility, commitment and risk of directors; and to enhance Northland's ability to attract and retain qualified individuals with the experience and ability to serve as directors. The DSU Plan was amended effective December 19, 2018, to permit executive officers to participate.

Pursuant to the DSU Plan, a Director or an executive officer (each, a "**Participant**") is entitled to elect to receive all or any part of his or her annual compensation in the form of DSUs (in the case of a Director) or earned cash incentive compensation (in the case of an executive officer). The number of DSUs credited to a Participant's account is determined by dividing the amount of the deferred annual compensation by the market value of the Common Shares less a discount (the "**Discount**") of up to five percent on such market value, as may be approved at the discretion of the Board and equal to the same percentage and calculated in the same manner as the discount in effect pursuant to Northland's dividend reinvestment plan ("**DRIP**"), if any (currently set at no discount). The DSUs are credited on the date that the Participant's compensation would otherwise be payable and vest immediately upon being so credited. When dividends are paid on Common Shares, additional DSUs are credited to the Participant as of the dividend payable date, based on multiplying the aggregate number of DSUs credited to the Participant by the amount of the dividend per Common Share and dividing such product by the market value of the Common Shares less the Discount.

Upon a Participant ceasing, for any reason, to hold any positions with Northland and any Subsidiary of Northland (the "**Termination Date**"), all DSUs will be redeemed by the Corporation. A Participant is not entitled to receive any amount prior to such date. A Participant may elect, by providing a notice in writing to the Corporation prior to the Termination Date, that all earned DSUs be redeemed at a time subsequent to the Termination Date and prior to the end of the year following the year in which the Participant's Termination Date occurs. Upon redemption, the Participant is entitled to receive a cash payment equal in value to the number of earned DSUs as of the Termination Date multiplied by the market value per Common Share determined as at the Termination Date, less applicable withholding taxes.

The DSU Plan is administered by the Compensation Committee.

Certain Directors have elected to receive DSUs in lieu of the cash compensation payable to them. The chart below shows the number of DSUs held by each Director, valued at the share price for the Common Shares, as at December 31, 2018.

Director	**Number of DSUs held**	**Market Value of DSUs**
The Right Honourable John N. Turner, Q.C.	15,011	$ 325,739
Barry Gilmour	31,938	693,055
Russell Goodman	14,709	319,185

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The guiding principles of Northland's compensation arrangements for executives are:

- To align the interests of executives with those of shareholders,
- To sensibly reward performance and leadership, and
- To attract and retain highly qualified talent with the requisite skills, industry knowledge and experience to achieve Northland's strategic objectives and create sustainable value for shareholders.

As part of the Compensation Committee's review process, the Committee also considers pay levels relative to benchmarking comparator groups, including the constituents of the S&P/TSX Capped Utilities Index. Northland is positioned within the middle of this group based on total enterprise value and this group is seen to represent the broad labour market of executives that have a range of comparable skills and experiences. Other market reference points may also be considered, when appropriate.

Pay is linked to performance and is comprised of a mix of components with pay at risk aligned with corporate performance in the short-term and value creation over the medium- and long-term.

The Compensation Committee takes into account risk inherent in the compensation components and performance measures and mitigates these risks by providing a mix of short-, medium and long-term compensation components, setting performance targets aligned with market guidance and bonus payout levels with specific performance thresholds and maximums. The Compensation Committee can exercise discretion to ensure the bonus and equity compensation payouts are sensible by adjusting the corporate targets and results to account for extenuating circumstances and/or one-time items in the context of the overall assessment of performance for the Corporation and the operating environment and/or by holding back or cancelling payout of deferred rights related to development projects if satisfactory project performance is not substantiated.

Recommendations are developed by the Chief Executive Officer for senior management and presented to the Compensation Committee for its review and recommendation to the Board of Directors. Compensation for the Chief Executive Officer is determined by the Compensation Committee and recommended to the Board of Directors.

Compensation for the Named Executive Officers as determined by the Compensation Committee primarily consists of salary, annual cash bonuses, Deferred Rights and RSUs. In December 2018, the Board approved an amendment to the DSU Plan to permit executives to participate in the plan and to elect to receive any or all of their earned cash incentive compensation in DSUs. In 2018, the compensation decisions made by the Compensation Committee considered a variety of factors, including the Corporation's financial performance, winning new business, performance relative to peers and the on-schedule and on-budget construction of the Deutsche Bucht project.

Salaries

Base salaries provide annual earnings that are reasonably competitive to support the attraction and retention of key executives and to reflect the knowledge, skills and responsibilities of the role. For 2018, the Compensation Committee determined that a market-based salary for the new Chief Executive Officer and market-based salary increase for the Named Executive Officers was appropriate.

Bonuses

Annual cash bonuses for the Named Executive Officers provide focus on the achievement of annual targets and are based on performance against the following factors: (i) specific short-term financial performance targets; (ii) advancements made in the development pipeline to execute new projects; (iii) total shareholder return relative to peer performance; (iv) measures for the construction of new power facilities; and (v) a discretionary evaluation of personal performance and contribution.

The annual bonus targets as a percentage of annual salary for the Named Executive Officers are:

NEO	Target
John W. Brace [(1)]	100.0%
Mike Crawley [(2)]	100.0%
Paul Bradley	50.0%
Troy Patton	50.0%
Morten Melin	50.0%
Michael Shadbolt	30.0%

(1) Mr. Brace retired as Chief Executive Officer effective August 4, 2018.

(2) Mr. Crawley's annual bonus target increased from 50% to 100% upon his appointment as Chief Executive Officer on August 4, 2018.

For 2018, 85% of the bonus targets was assessed on financial, development and operational factors and 15% was discretionary and based on personal performance. The specific financial, development and operational factors were allocated based on meeting the following targets: (a) the 2018 adjusted EBITDA financial guidance; (b) the 2018 free cash flow per share financial guidance; (c) total annual shareholder return as compared to the median for the peer group of companies; and (d) qualitative assessments of project development pipeline progress in achieving commitments to sign new power purchase agreements and construction project progress and/or completion on-schedule and on-budget while meeting quality standards. The peer group of companies with similar businesses includes: Algonquin Power & Utilities Corporation, Boralex Inc., Brookfield Renewable Partners LP, Capital Power Corporation, Innergex Renewable Energy Inc. and TransAlta Corporation. While these corporate measures are common amongst the executives, the relative weightings for these corporate measures vary by executive to reflect their respective areas of focus.

The Compensation Committee evaluated overall results for 2018 and determined the appropriate bonuses for the Named Executive Officers. For 2018, the following bonuses were awarded as a percentage of annual salary:

NEO	2018 Annual Bonus
John W. Brace [(1)]	103.8%
Mike Crawley	76.9%
Paul Bradley	55.3%
Troy Patton	53.4%
Morten Melin	53.4%
Michael Shadbolt	32.1%

(1) Mr. Brace retired as Chief Executive Officer effective August 4, 2018.

Equity Compensation

Equity compensation provides focus on the achievement of sustained shareholder value and is comprised of two equity vehicles:

- Deferred Rights align the executives with value creation through new power project development and are granted by project based on relative contribution and vary each year, and
- RSUs align the executives' interests with overall total shareholder returns; RSUs are discretionary and are granted annually in the context of total compensation relative to performance and market competitiveness.

Deferred Rights

Long term compensation through the award of Deferred Rights to the Named Executive Officers and other qualifying employees under the LTIP is intended to reward the creation of long term shareholder value from Qualifying Projects by assessing the profit created through the development, financing, construction and operation of electricity generation facilities which, when operational, will deliver the long-term stable cash flows necessary to support both further development activities and Northland's annual dividend and to closely align management and shareholder interests.

The current program provides that Common Shares or cash payments may be awarded based on Development Profits which arise from new projects or acquisitions which are developed or acquired by Northland. Awards may be granted partly at each milestone such as financial close of the project financing, commercial operations date and proof of performance approximately a year after commercial operations begin. The total number of Common Shares available for distribution in respect of a particular project is, generally, based upon the price of the Common Shares, as at the date the power purchase agreement for the project is signed, and the development profit determined for the project or acquisition. Development Profits are calculated based on the net present value of the projected cash flows, including the capital costs incurred to develop and construct that project and certain non-recoverable development costs of the particular project or acquisition at the relevant milestone.

The Compensation Committee and the Board of Directors consider the risk that unprofitable projects might be pursued and through the Board of Directors' oversight and approval of projects under development once expenditures and commitments are expected to exceed pre-determined levels. Furthermore, Deferred Rights only vest, or are awarded, once approved projects achieve key milestones. The number of Deferred Rights that vest and the realized value is based on the specific and actual Development Profit attributable to each project once actual project costs and performance are known. This vesting provides a holdback until satisfactory performance is determined.

The Compensation Committee also has discretion to grant Deferred Rights and set the vesting criteria over a maximum three-year period for such Deferred Rights to recognize specific value creating achievements or attract and retain executives.

RSU Plan

The RSU plan was established to promote a greater alignment with shareholder interests and creation of sustainable shareholder value, and facilitate recruitment, motivation and retention of executives and key talent. RSUs track the price of the Common Shares of the Corporation and receive dividend equivalents in the form of additional units based on the dividends declared on the Common Shares less the discount applied in respect of the Corporation's DRIP, if any. The number of RSUs granted is determined by dividing the value of the award on the day of grant by the volume-weighted five (5) day average trading price of the Common Shares on the TSX immediately preceding the grant date.

Under the terms of the RSU plan, the RSUs cliff vest on the third annual anniversary of the grant date, although the Compensation Committee has discretion to approve an alternative vesting period provided that the vesting period and payment of awards is no later than the end of the third calendar year after the grant date. Vested awards are paid in cash after the vesting date, less applicable statutory deductions and subject to active employment on the vesting dates. Unvested awards are forfeited upon the termination or resignation of an employee although the Board has discretion to determine any vested entitlements. Awards vest immediately and the maturity value is paid if employment is terminated without cause within 12 months following a change in control of the Corporation. Upon retirement of a participant, the RSUs shall continue to vest following retirement provided that the participant agrees to enter into a non-competition and non-solicit agreement with the Corporation. Upon the death of a participant, all granted RSUs vest and are paid out within three months of the participant's death. The maturity value of the award on the vesting date is based on the volume-weighted five (5) day average trading price of the Common Shares on the TSX immediately preceding this date.

Independent Compensation Consultant

Northland engaged Willis Towers Watson in 2018 to provide independent advice to the Compensation Committee on executive compensation matters, including market benchmarking and other strategic matters. Willis Towers Watson has a number of protocols in place to preserve its independence and objectivity. The Compensation Committee will continue to regularly review the executive compensation programs to determine if any changes are warranted to support Northland's business and talent strategies.

A separate Willis Towers Watson team continued their engagement to provide compensation advice and other related services to management as part of an ongoing benchmarking review of the employee compensation programs.

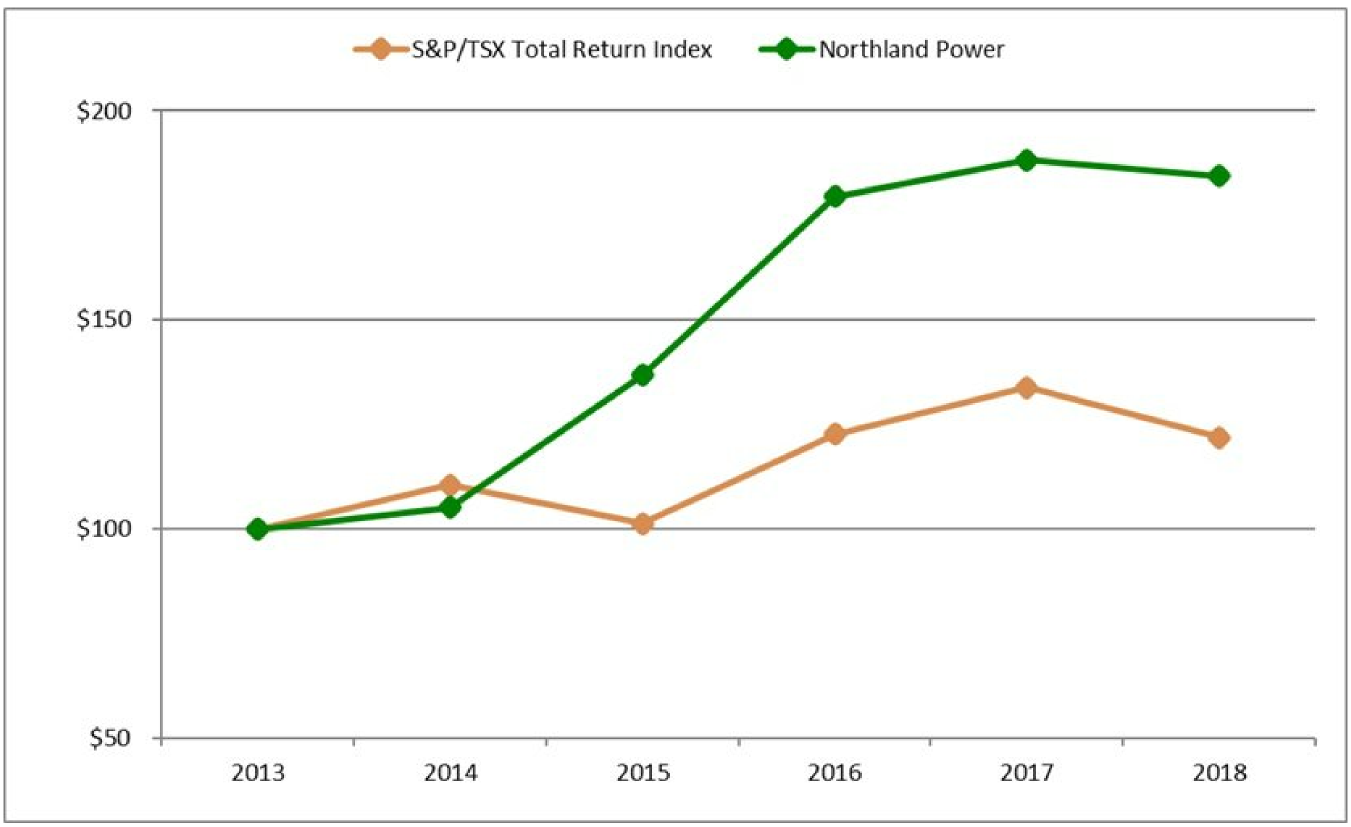
The information and advice provided by Willis Towers Watson are factors considered when making decisions regarding executive compensation; however, the Compensation Committee and Board do not rely exclusively on this information and their decisions can reflect a number of factors and considerations.

Compensation Consultant Fees

Consultant	Type of Work	2018 Fees	2017 Fees
Willis Towers Watson	Executive Compensation-Related Fees	$ 176,009	$ 90,930
Willis Towers Watson	Employee Compensation-Related Fees	78,465	53,969

Performance Graph

The following graph compares the cumulative total return over the five years ended December 31, 2018 of the Common Shares against the cumulative total return of the S&P/TSX Total Return Index (assuming a $100 investment was made on December 31, 2013 and the reinvestment of any dividends).



The Compensation Committee believes that the positive performance of Northland as compared to the S&P/TSX Total Return Index is reflected in Executive Compensation.

Summary Compensation Table

The following table sets forth the annual, long-term and other compensation for each of Northland's Named Executive Officers for the past three years.

NEO	Year	Salary	Share-based awards [1]	Non-equity incentive compensation	All other compensation [2]	Total compensation
Mike Crawley [3] President and Chief Executive Officer	2018	$ **441,972**	$ **400,000** [5]	$ **339,876**	$ **13,334**	$ **1,195,182**
	2017	393,159	521,257	230,934	16,459	1,161,809
	2016	377,378	300,000	237,006	9,133	923,517
John W. Brace [4] Chief Executive Officer (retired)	2018	**345,693**	**1,613,033** [5]	**337,966**	**10,708**	**2,307,400**
	2017	523,090	2,519,782	619,448	10,661	3,672,981
	2016	473,387	1,017,353	419,425	9,012	1,919,177
Paul Bradley Chief Financial Officer	2018	**408,905**	**1,312,826** [5]	**226,617**	**3,300**	**1,951,648**
	2017	393,765	1,396,507	247,443	2,956	2,040,671
	2016	393,102	560,412	246,763	2,795	1,203,072
Troy Patton [6] Chief Operations Officer	2018	**403,140**	**400,000** [5]	**215,549**	**12,250**	**1,030,939**
	2017	97,500	—	64,233	191	161,924
	2016	—	—	—	—	—
Morten Melin [7] Executive Vice President, Construction	2018	**419,531**	**100,000** [5]	**223,842**	**17,433**	**760,806**
	2017	161,805	34,647	90,006	18,318	304,776
	2016	—	—	—	—	—
Michael Shadbolt Vice President, General Counsel	2018	**345,621**	**201,386** [5]	**111,170**	**9,230**	**667,407**
	2017	337,501	287,237	118,024	11,104	753,866
	2016	337,224	53,471	112,725	9,012	512,432

(1) Includes Deferred Rights that vest based on the Development Profits from new projects developed or acquisitions completed. Common Shares or cash payments may be awarded at vesting milestones. Award value is determined based on the price of the Common Shares, such as at the date the power purchase agreement for the project is signed, and the Development Profit is determined for the project or acquisition. Amounts included above reflect awards granted and settled during the year.

(2) Includes parking, transportation, spousal travel, RRSP contributions, medical and life insurance premiums, service recognition gifts, legal fees.

(3) Mr. Crawley was Executive Vice President, Development until August 4, 2018 at which time he was appointed President and Chief Executive Officer.

(4) Mr. Brace retired as Chief Executive Officer on August 4, 2018.

(5) Includes RSUs granted during 2018 that will be paid in cash on the three-year anniversary of the grant date based on Northland's share price on the vesting dates. The number of RSUs granted were based on the five-day volume weighted-average trading price of the Common Shares preceding the grant date of $23.47.

(6) Mr. Patton joined Northland effective September 18, 2017.

(7) Mr. Melin joined Northland effective August 1, 2017.

Outstanding Share-based Awards

The following table shows for each Named Executive Officer all share-based awards outstanding as at December 31, 2018.

NEO	Number of shares or units of shares that have not vested — Deferred Rights and/or RSUs	Market or payout value of share-based awards that have not vested	Market or payout value of vested share-based award not paid out or distributed
Mike Crawley	53,832 (1)(2)	$1,168,154	—
John W. Brace	90,186 (1)	1,957,036	—
Paul Bradley	59,886 (1)	1,299,526	—
Troy Patton	47,634	1,033,658	—
Morten Melin	4,420	95,914	—
Michael Shadbolt	9,876	214,309	—

(1) RSUs include the dividend equivalent in the form of additional units based on the dividends declared on the Common Shares less the discount applied, if any, in respect of the Corporation's DRIP and cliff vest on the third anniversary subject to active employment on the vesting dates, if any.
(2) Deferred Rights awarded as a one-time grant include the dividend equivalent in the form of additional units based on the dividends declared on the Common Shares less the discount applied in respect of the Corporation's DRIP and vest over three years subject to active employment on the vesting date.

Incentive Plan Awards Earned

The following table shows for each Named Executive Officer the aggregate dollar value realized upon vesting of share-based awards and the non-equity incentive compensation earned during the year ended December 31, 2018.

NEO	Share-based awards -— Value vested	Non-equity incentive compensation earned
Mike Crawley	$583,425	$339,876
John W. Brace	1,363,033	337,966
Paul Bradley	912,826	226,617
Troy Patton	335,817	215,549
Morten Melin	—	223,842
Michael Shadbolt	201,386	111,170

The following table shows for each Named Executive Officer, the number of Common Shares owned beneficially, directly or indirectly, by them, or over which they exercise control or direction as of April 5, 2019.

NEO	Common Shares Beneficially Owned Directly or Indirectly (1)(2)
Mike Crawley	66,893
John W. Brace (3)	1,302,026
Paul Bradley	62,351
Troy Patton	—
Morten Melin	—
Michael Shadbolt (4)	4,774

(1) This information, not being within the knowledge of the Corporation, has been provided by the respective officers individually, as of April 5, 2019.
(2) In addition to the shares listed above, as of April 5, 2019, Mr. Crawley owns 67,036 Deferred Rights, Mr. Brace owns 45,342 Deferred Rights, Mr. Bradley owns 52,607 Deferred Rights, Mr. Patton owns 64,718 Deferred Rights, Mr. Melin owns 8,598 Deferred Rights and Mr. Shadbolt owns 9,876 Deferred Rights.
(3) Mr. Brace retired effective August 4, 2018 and is no longer required to disclose his holdings.
(4) Of these 4,774 Common Shares, 4,037 are held by Mr. Shadbolt and 737 are held by Mr. Shadbolt's spouse.

Effective February 22, 2018, the Board of Directors adopted a policy pursuant to which officers and directors are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the officer or director.

Termination and Change of Control Benefits

The Corporation maintains employment and change of control agreements with each of Messrs. Crawley, Bradley, Patton, Melin and Shadbolt that provide for compensation in the event of a termination of employment without cause or a change of control of the Corporation and, for Mr. Bradley, a change of control of the shares owned by the Temerty Group (meaning an acquisition of a majority of the voting shares of the Corporation beneficially owned or controlled by Mr. Temerty and NPHI). Under the RSU plan and the LTIP, in the event of employment termination without cause or resignation for good reason (each as defined in the applicable plan) within twelve (12) months of a change of control (of the Corporation in the case of the LTIP and of the Temerty Group in the case of the RSU plan), unvested awards (including the equivalent of accumulated dividends in the case of the RSUs) will vest immediately and be paid in cash to participants, including the Named Executive Officers, based on the change of control share price.

Mr. Crawley. On August 4, 2018, Northland entered into a new employment agreement with Mr. Crawley. Under his new employment agreement, Mr. Crawley is entitled to a lump sum payment equal to twenty four (24) months base salary and bonus together with a bonus payment to the date of termination if employment is terminated without just cause. Mr. Crawley is entitled to a pro-rated portion of the Deferred Rights granted to him under his employment agreement (including the equivalent of accumulated dividends) that would have vested on the next vesting date after employment termination. Unvested RSUs and unvested Deferred Rights under the LTIP are forfeited subject to Compensation Committee discretion to determine any vested entitlements. Health and Dental benefit coverage will be extended as permitted by the carriers and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If Mr. Crawley had been terminated without cause on the last day of 2018, he would have been entitled to receive $1,878,420 in severance.

Under his change of control agreement, Mr. Crawley is entitled to a lump sum payment equal to twenty four (24) months base salary and bonus together with a bonus payment to the date of termination or resignation if his employment is terminated without just cause or he resigns for good reason within twelve (12) months of a change of control of the Corporation. Health and Dental benefit coverage will be extended as permitted by the carriers for twelve (12) months and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If there had been a change in control of the Corporation and Mr. Crawley had been terminated without cause on the last day of 2018, he would have been entitled to receive $2,179,752. In addition, in the event of a termination without cause or resignation for good reason within twelve (12) months of a change of control of the Corporation (in the case of the Deferred Rights) or of the Temerty Group (in the case of the RSUs), unvested Deferred Rights granted to him under his employment agreement and unvested RSUs (including the equivalent of accumulated dividends) will vest immediately and be paid based on the change of control share price. If Mr. Crawley had been terminated without cause and there had been a transaction that was a change of control of both the Corporation and Temerty Group on the last day of 2018, he would have been entitled to receive $1,168,154.

Mr. Bradley. Under his employment agreement, Mr. Bradley is entitled to a lump sum payment equal to twelve (12) months base salary and bonus together with a bonus payment to the date of termination if employment is terminated without just cause. Such payment is subject to reduction based upon the commencement date of alternative employment. Any entitlement under the LTIP which has accrued up to the date of termination will be paid, although there are no vested entitlements which have accrued as of the last day of 2018. Unvested RSUs and unvested Deferred Rights under the LTIP are forfeited subject to Compensation Committee discretion to determine any vested entitlements. Health and Dental benefit coverage will be extended as permitted by the carriers and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If Mr. Bradley had been terminated without cause on the last day of 2018, he would have been entitled to receive $876,388.

In the event of a change of control of the Temerty Group, Mr. Bradley is entitled to receive under his employment agreement, as amended in 2015, a lump sum cash payment if such a change of control of the Temerty Group occurred prior to October 21, 2019, provided that he is actively employed on the closing date of such transaction. This payment is payable on closing and is calculated based on the increased aggregate value of the issued and outstanding Common Shares from October 21, 2014 to the closing date of this transaction. If such transaction occurred on the last day of 2018, it is estimated that Mr. Bradley would have been entitled to receive $2,699,008. In addition, Mr. Bradley is entitled to receive, in the event of a termination without cause or resignation for good reason within twelve (12) months of a change of control of the Temerty Group, payment for unvested RSUs (including the equivalent of accumulated dividends) which will vest immediately and be paid based on the change of control share price. If Mr. Bradley had been terminated without cause on the last day of 2018 and there had been a change in control of the Temerty Group, he would have been entitled to receive $1,299,526.

Under his change of control agreement Mr. Bradley is entitled to a lump sum payment equal to eighteen (18) months base salary and bonus together with a bonus payment to the date of termination or resignation if his employment is terminated without just cause or he resigns for good reason within twelve (12) months of a change of control of the Corporation. Health and Dental benefit coverage will be extended as permitted by the carriers for twelve (12) months and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If there had been a change in control of the Corporation and Mr. Bradley had been terminated without cause or resigned for good reason on the last day of 2018, he would have been entitled to receive $1,179,407.

Mr. Patton. Under his employment agreement, Mr. Patton is entitled to a lump sum payment equal to twelve (12) months base salary and bonus together with a bonus payment to the date of termination if employment is terminated without just cause. Such payment is subject to reduction based upon the commencement date of alternative employment. Unvested Deferred Rights under the LTIP are forfeited subject to Compensation Committee discretion to determine any vested entitlements. Health and Dental benefit coverage will be extended as permitted by the carriers and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If Mr. Patton had been terminated without cause on the last day of 2018, he would have been entitled to receive $759,090 in severance and $325,001 in Deferred Rights.

Under his change of control agreement, Mr. Patton is entitled to a lump sum payment equal to eighteen (18) months base salary and bonus together with a bonus payment to the date of termination or resignation if his employment is terminated without just cause or he resigns for good reason within twelve (12) months of a change of control of the Corporation. Health and Dental benefit coverage will be extended as permitted by the carriers for twelve (12) months and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If there had been a change of control of the Corporation and Mr. Patton had been terminated without cause on the last day of 2018, he would have been entitled to receive $1,017,137. In addition, in the event of a termination without cause or resignation for good reason within twelve (12) months of a change of control of the Corporation (in the case of the Deferred Rights) or of the Temerty Group (in the case of the RSUs), unvested Deferred Rights granted to him under his employment agreement and unvested RSUs (including the equivalent of accumulated dividends) will vest immediately and be paid based on the change of control share price. If Mr. Patton had been terminated without cause and there had been a transaction that was a change of control of both the Corporation and Temerty Group on the last day of 2018, he would have been entitled to receive $1,112,254.

Mr. Melin. Under his employment agreement, Mr. Melin is entitled to a lump sum payment equal to twelve (12) months base salary and bonus together with a bonus payment to the date of termination if employment is terminated without just cause. Such payment is subject to reduction based upon the commencement date of alternative employment. Unvested Deferred Rights under the LTIP are forfeited subject to Compensation Committee discretion to determine any vested entitlements. Health and Dental benefit coverage will be extended as permitted by the carriers and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If Mr. Melin had been terminated without cause on the last day of 2018, he would have been entitled to receive $800,297.

Under his change of control agreement, Mr. Melin is entitled to a lump sum payment equal to eighteen (18) months base salary and bonus together with a bonus payment to the date of termination or resignation if his employment is terminated without just cause or he resigns for good reason within twelve (12) months of a change of control of the Corporation. Health and Dental benefit coverage will be extended as permitted by the carriers for twelve (12) months and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If there had been a change of control of the Corporation and Mr. Melin had been terminated without cause on the last day of 2018, he would have been entitled to receive $1,074,448. In addition, in the event of a termination without cause or resignation for good reason within twelve (12) months of a change of control of the Corporation (in the case of the Deferred Rights) or of the Temerty Group (in the case of the RSUs), unvested Deferred Rights granted to him under his employment agreement and unvested RSUs (including the equivalent of accumulated dividends) will vest immediately and be paid based on the change of control share price. If Mr. Melin had been terminated without cause and there had been a transaction that was a change of control of both the Corporation and Temerty Group on the last day of 2018, he would have been entitled to receive $103,207.

Mr. Shadbolt. Under his employment agreement, Mr. Shadbolt is entitled to a lump sum payment equal to twelve (12) months base salary and bonus together with a bonus payment to the date of termination if employment is terminated without just cause. Such payment is subject to reduction based upon the commencement date of alternative employment. Unvested Deferred Rights under the Northland LTIP are forfeited subject to Compensation Committee discretion to determine any vested entitlements. Health and Dental benefit coverage will be extended as permitted by the carriers and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If Mr. Shadbolt had been terminated without cause on the last day of 2018, he would have been entitled to receive $571,081.

Under his change of control agreement, Mr. Shadbolt is entitled to a lump sum payment equal to eighteen (18) months base salary and bonus together with a bonus payment to the date of termination or resignation if his employment is terminated without just cause or he resigns for good reason within twelve (12) months of a change of control of the Corporation. Health and Dental benefit coverage will be extended as permitted by the carriers for twelve (12) months and will cease earlier in the event of alternative employment. All other benefits and perquisites cease upon employment termination. If there had been a change of control of the Corporation and Mr. Shadbolt had been terminated without cause on the last day of 2018, he would have been entitled to receive $793,648.

Under the RSU plan, in the event of employment termination without cause or resignation for good reason within twelve (12) months of a change of control of the Temerty Group, unvested RSUs (including the equivalent of accumulated dividends) will vest immediately paid in cash based on the change of control share price.

Pension Plans

The Corporation does not have defined benefit or defined contribution pension plans for the Named Executive Officers.

Indebtedness of Directors and Executive Officers

None of the Directors or executive officers of the Corporation is indebted to the Corporation.

Interest of Informed Persons and Others in Material Transactions

No proposed director of the Corporation, informed person of the Corporation or any associate or affiliate of a proposed director or informed person of the Corporation has any material interest, direct or indirect, in any transaction in which the Corporation has participated since the commencement of the Corporation's most recently completed financial year, or in any proposed transaction which has materially affected or will materially affect the Corporation or any of its Subsidiaries.

GOVERNANCE DISCLOSURE

The following summary has been approved by the Governance and Nominating Committee and describes the Corporation's approach to corporate governance in relation to the CSA Guidelines and as required by the Disclosure Rule. Since Mr. Turner is not standing for re-election, it is expected that following the Meeting a new Lead Director will be appointed and changes made to the membership of the committee that Mr. Turner is on.

Role of the Board of Directors

The Board of Directors is the central governing body of the Corporation with full, absolute and exclusive power, control and authority over, and management of, the property, assets, affairs and undertakings of the Corporation.

The Articles provide that the Corporation shall have a minimum of three and a maximum of nine directors.

Director Independence

The CSA Guidelines recommend that boards be made up of a majority of independent directors. Each member of the Board of Directors, except Mr. Temerty, Mr. Brace and Ms. Bertoldi, is independent for purposes of the Disclosure Rule. Mr. Temerty is not independent as he acts as Chair of the Board of Directors on more than a part-time basis. Mr. Brace is not independent as he acted as the Chief Executive Officer of the Corporation on a full-time basis until August 4, 2018. Ms. Bertoldi is not independent as she was a partner and is now senior counsel in a law firm which receives fees from the Corporation. Mr. Lord, one of the new nominees of the Board, is not independent since he is a former employee of Northland and he is the son-in-law of Mr. Temerty.

The Independent Directors, each of whom is independent of management, hold regularly scheduled meetings following each Board of Directors meeting and other meetings as required at which Mr. Temerty and management of the Corporation are not in attendance. The Independent Directors held five such meetings in 2018.

Chair and Lead Director

The CSA Guidelines recommend that boards have either a chair or a lead director who is independent for the purposes of the Disclosure Rule.

The Chair of the Board of Directors, Mr. Temerty, is not an Independent Director. Mr. Turner, an Independent Director, serves as Lead Director and Chair of the Governance and Nominating Committee. The responsibilities of the Chair and the Lead Director are set out in the Board Mandate, which is attached as Schedule A.

Board Mandate

The CSA Guidelines recommend that boards adopt a written mandate in which, among other things, they explicitly acknowledge responsibility for the stewardship of reporting issuers.

The Board of Directors adopted the Board Mandate based on the recommendation of the Governance and Nominating Committee. The full text of the Board Mandate is attached at Schedule A.

Position Descriptions

The CSA Guidelines recommend that boards develop position descriptions for the Chair of the Board of Directors, chairs of each committee and the Chief Executive Officer as well as to approve corporate goals and objectives that the Chief Executive Officer is responsible for meeting. The Directors' duties are outlined in the Board Mandate.

Mr. Brace was the Chief Executive Officer until his retirement on August 4, 2018, at which time Mr. Crawley was appointed Chief Executive Officer. Mr. Brace was and Mr. Crawley is responsible for the overall financial performance of Northland, setting the vision, strategy, objectives, allocating human and financial capital and providing direction for the leadership and management to achieve the strategic objectives, as outlined in his position description. The Chief Executive Officer is also responsible for fostering a culture of integrity throughout the organization and setting the tone for the standards and guiding principles that determine how Northland conducts business.

Mr. Temerty, the Chair of the Board of Directors, provides advice and counsel to management of the Corporation on issues of importance to the Chief Executive Officer or the Board of Directors.

The Board of Directors adopted position descriptions for the Chair of the Board of Directors and the Chair of the Audit Committee, the Chair of the Governance and Nominating Committee and the Chair of the Compensation Committee which are incorporated into the Board Mandate and the Audit Committee Charter, the Governance and Nominating Committee Charter and the Compensation Committee Charter, respectively.

Orientation and Continuing Education

The CSA Guidelines recommend that comprehensive orientation programs for new directors and continuing education opportunities for all directors be instituted by reporting issuers.

The Corporation's management regularly provides information and copies of published reports concerning relevant industry and regulatory developments to the Directors as continuing education for the Directors and presentations are made at each meeting on key aspects of the Corporation's businesses and operations.

Code of Business Conduct and Ethics

The CSA Guidelines recommend the adoption of a written code of business conduct and ethics, applicable to directors, officers and employees of a reporting issuer.

The Board of Directors has adopted the Code which applies to all representatives, officers and Directors of each of the Corporation and all other entities established by the Corporation.

The Code is filed on SEDAR and can be reviewed and obtained from the SEDAR website, *www.sedar.com* under the Corporation's profile. Upon request, the Corporation will promptly provide a copy of the Code free of charge to a Voting Shareholder.

The Board of Directors appointed Mr. Goodman, an Independent Director and Chair of the Audit Committee, as its representative with respect to the reporting of contraventions of the Code. Individuals who contravene, or deviate from, the Code, or who are aware of contraventions of or deviations from the Code, are required to report the matter to management of the Corporation or Mr. Goodman. The Code provides for the anonymous reporting of information and a prohibition on any retaliation with respect to reporting, in order to encourage ethical conduct. The Corporation has also established a Financial Integrity Policy with respect to the reporting of questionable auditing or accounting practices.

The Code requires individuals, including Directors, to advise management of the Corporation or Mr. Goodman if they believe that they might have a personal interest that may put them in a position of conflict. A Director who has a material interest in a matter before the Board of Directors is required to abstain from voting on the matter and may be required to absent himself from the meeting while discussion of the issue takes place.

No waivers of, or departures from, compliance with the Code have occurred or been granted.

Nomination of Directors

The CSA Guidelines recommend the institution of a nominating committee composed entirely of independent directors as well as a written charter with respect to the committee. The CSA Guidelines make recommendations with respect to the process that should be followed prior to nominating or appointing individuals as directors.

Mr. Turner, Ms. Bountrogianni and Ms. Bertoldi are the current members of the Governance and Nominating Committee with Mr. Turner, Lead Director, serving as Chair of that Committee. Each member of the Governance and Nominating Committee, except Ms. Bertoldi, is an Independent Director. The Governance and Nominating Committee is responsible for identifying all proposed candidates for nomination as Directors having regard to the skills, competencies and experience that it considers appropriate for the Board of Directors to possess in order to effectively guide the long term strategy and ongoing business of the Corporation.

Compensation Committee

The CSA Guidelines recommend the institution of a compensation committee composed entirely of independent directors as well as a written charter with respect to the committee. The CSA Guidelines make recommendations with respect to the responsibilities of a compensation committee.

The Board of Directors adopted the Compensation Committee Charter based on the recommendation of the Compensation Committee. The Charter sets out procedures, responsibilities, composition and authority of the Compensation Committee. Messrs. Gilmour, Goodman, and Temerty and Dr. Bountrogianni are the current members of the Compensation Committee with Mr. Gilmour serving as Chair of that Committee. Each member of the Compensation Committee, except Mr. Temerty, is an Independent Director. Meetings of the Compensation Committee are held at such times as it deems necessary to fulfill its responsibilities. The Compensation Committee is responsible for reviewing and approving Northland's compensation strategy, evaluating the activities of the Chief Executive Officer and determining his or her compensation, monitoring the compensation of Directors and senior officers of the Corporation, the approval of grants under the LTIP, and RSU Plan, reviewing and approving employment agreements, severance agreements and retirement agreements and other compensation arrangements.

As a former senior executive from the Bank of Montreal Financial Group, including Group Head, Technology and Operations, Mr. Gilmour has extensive business, management and senior executive experience. His responsibilities included, but were not limited to, development of all information technology solutions and applications, as well as the operation of computer systems and communications networks.

Through her roles as a former cabinet minister and the former President and Executive Director of the Royal Ontario Museum's Board of Governors, Dr. Bountrogianni has extensive managerial experience and executive experience with an emphasis on public accountability.

Mr. Temerty founded Northland Power Inc. in 1987 as the chief executive officer and subsequently became the Chair of Northland Power Inc. with direct responsibility for determining compensation of senior management and other employees. Mr. Temerty has an in-depth knowledge of the company, its personnel and the electricity industry.

As Mr. Temerty is not independent, the Independent Directors who are members of the Compensation Committee, make final recommendations concerning Mr. Temerty's compensation in order to ensure an objective process for determining compensation.

Regular Board Assessments

The CSA Guidelines require that boards, committees and individual directors should be regularly assessed regarding their effectiveness and contribution.

The Governance and Nominating Committee, under the direction of Mr. Turner, the Lead Director and Chair of the Governance and Nominating Committee, is responsible for assessing the performance of the Board of Directors, its committees and individual Directors.

Mr. Turner as Lead Director has typically reviewed with each individual Director that Director's individual performance on the Board of Directors and his evaluation of the performance of the Board of Directors as a whole. The Governance and Nominating Committee then reviews the assessments conducted by the Lead Director of the performance of individual Directors and of the Board of Directors as a whole.

Other Board Committees

Upon the dissolution of the former NorBu Special Committee in 2018, the Board of Directors currently has no standing committees other than the Audit Committee, the Governance and Nominating Committee and the Compensation Committee.

Given the small size of the Board of Directors, the Directors have decided not to establish any additional separate committees at this time and the Directors generally operate as a committee of the whole. However, where it is appropriate to operate through a committee other than the Audit Committee, the Governance and Nominating Committee or the Compensation Committee, the committee will be composed of a majority of Independent Directors.

Audit Committee

The Audit Committee is comprised entirely of Independent Directors. Details regarding the Audit Committee, its members and their responsibilities are provided in the Corporation's AIF. The text of the Audit Committee Charter is contained at Schedule "A" to the AIF. The AIF is available on the SEDAR website at *www.sedar.com* under the Corporation's profile. Upon request, the Corporation will provide a copy of the AIF free of charge to a shareholder.

Director Tenure

It is proposed that each of the persons elected as a Director at the Meeting will serve until the close of the next annual meeting of the Corporation or until his or her successor is elected or appointed. The Board has not adopted a term limit for directors. The Board believes that the imposition of director term limits on a board may discount the value of experience and continuity amongst board members and runs the risk of excluding experienced and potentially valuable board members. The Board relies on an annual director assessment procedure in evaluating Board members and believes that it can best strike the right balance between continuity and fresh perspectives without mandated term limits.

Diversity

The Governance and Nominating Committee's Charter encourages diversity in the composition of the Board and requires periodic review of the composition of the Board as a whole to recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of diversity, knowledge, experience, skills and expertise required for the Board as a whole. Accordingly, while the Board has not adopted a written policy nor targets relating to the identification and nomination of women directors, the Board does take into consideration a nominee's potential to contribute to diversity within the Board.

The Governance and Nominating Committee recognizes the value of diversity. Currently, the Board is comprised of two female directors (29%) and five male directors (71%). If all of the nominees named in the Circular are elected at the Meeting there will be two female (25%) and six male directors (75%).

The Corporation ensures the most talented and strongest leaders are recruited, developed and retained to achieve its business objectives and recognizes the value of diversity, including knowledge, experience, skills, expertise, gender and background in making its decisions. Women are represented in senior management of the Corporation, although none of the current executive officer positions are held by women. The Corporation does not have a target number of women executive officers given the relatively small size of its executive team and the need to consider a balance of criteria in each executive appointment to make hire and appointment decisions based on merit and the Corporation's needs and circumstances at the time.

LONG TERM INCENTIVE PLAN

Pursuant to the LTIP, employees, officers and consultants are eligible for awards of contingent Deferred Rights, at the discretion of the Compensation Committee. Deferred Rights may be granted for services provided by the recipient in the year of grant and for prior or subsequent years of service. Awards of Deferred Rights may vest, as determined by the Compensation Committee, over a period of time contingent on the achievement of pre-established performance criteria for vesting and the participant's continued employment. Deferred Rights may also be granted and vest simultaneously, provided that criteria for the achievement of development profits on projects developed or acquired by the Corporation have been met. Upon vesting, each vested Deferred Right represents the right to receive one Common Share or a cash payment equal to the market value of one Common Share.

Performance criteria for vesting may include return to Common Shareholders, successful project development activities, development profits of a project, financial performance or results of the Corporation or a business unit, operations results, market price of the Common Shares, or other criteria as determined by the Compensation Committee from time to time. The conditions for vesting may relate to all or a portion of the Deferred Rights in a grant and may be graduated such that different percentages of the Deferred Rights will become vested depending on the extent of satisfaction of one or more such conditions.

Deferred Rights granted under the LTIP are evidenced by a grant agreement, specifying the number of Deferred Rights and, as applicable, any vesting terms, performance periods and expiration of such Deferred Rights. The grant agreements will also specify any other terms and conditions which the Compensation Committee may in its discretion determine.

The LTIP provides that up to 3,100,000 Common Shares will be issuable under the LTIP. The maximum number of 3,100,000 Common Shares potentially issuable to insiders or any individual person under the LTIP (and any other security based compensation arrangements of the Corporation) represents 1.7% of the total number of outstanding Common Shares and Class A Shares as of April 5, 2019. Subject to the foregoing limits, the Compensation Committee will have the discretion to impose limitations on grants to any particular individual in any given year and on aggregate grants to insiders in any given year.

The LTIP provides that, in the event of the participant's termination of employment or service for reasons other than cause, all unvested Deferred Rights are forfeited, unless the Compensation Committee determines otherwise in its discretion, and all vested Deferred Rights will be settled as at the time of the participant's resignation, termination, retirement, death or permanent disability. The Compensation Committee will have the discretion to determine if, in the event of termination of employment or service for reasons other than cause, any or all of the participant's unvested Deferred Rights will not be forfeited and instead will become automatically vested or will vest pursuant to a vesting schedule determined by the Compensation Committee, or as the Compensation Committee may otherwise determine. In the event of termination for cause, all outstanding Deferred Rights will be forfeited.

The Compensation Committee will have the discretion to determine, on the occurrence of certain specified change of control events, if any or all unvested Deferred Rights will become immediately vested and, if applicable, if any unvested Deferred Rights will be converted into an acquiror's securities offered on terms substantially equivalent to those then applicable to such unvested Deferred Rights.

The LTIP provides that the Compensation Committee will have the discretion to grant additional Deferred Rights to participants to reflect cash dividends paid by the Corporation on its Common Shares. In the event of a subdivision or consolidation of Common Shares or the declaration of a dividend payable in Common Shares or other change to the Common Shares, the number of Deferred Rights will be adjusted to reflect such subdivision, consolidation, dividend or change.

Deferred Rights granted under the LTIP are not transferable or assignable, other than by operation of law.

The LTIP provides that the prior approval of Common Shareholders is required for any amendment to the LTIP that: (i) increases the maximum number of Common Shares issuable pursuant to the LTIP; (ii) extends the last date on which Common Shares may be issued to insiders under the LTIP; (iii) adds additional categories of participants to the LTIP; (iv) extends the term of Deferred Rights beyond their original expiry date; (v) permits Deferred Rights to be assignable or transferable (other than by operation of law); and (vi) amends the amending provisions.

The LTIP also provides that, on the settlement of vested Deferred Rights, the Corporation has the discretion to either issue Common Shares or pay the holder a cash amount equal to the market value (determined based on the 5-day weighted volume average trading price) and that vesting and settlement of the Deferred Rights pursuant to the LTIP must occur by no later than December 31 of the third calendar year following the year of service for which such Deferred Rights were granted.

The table below sets out the total number of Deferred Rights authorized for issuance pursuant to the LTIP as at December 31, 2018 and the percentage this represents of the outstanding Voting Shares.

	Deferred Rights Granted to be Issued Pursuant to the LTIP		**Weighted Average Purchase Price of Deferred Rights**	**Number of Common Shares Remaining Available for Future Issuance Under LTIP**	
Plan Category	**Number (a)**	**% of Voting Shares Outstanding**	**(b)**	**Number (excluding (a)) (c)**	**% of Voting Shares Outstanding**
Equity Compensation plans not approved by Shareholders	—	—%	—	—	—%
Equity Compensation plans approved by Shareholders	29,954	0.02%	(1)	1,200,270	0.67%
Total	29,954	0.02%	(1)	1,200,270	0.67%

(1) There is no exercise or purchase price applicable in respect of Deferred Rights because on the settlement of vested Deferred Rights, the Corporation either issues Common Shares or pays to the holder a cash amount equal to the market value (determined based on the five-day weighted volume average trading price). There is no amount a recipient of Deferred Rights is required to pay to receive or otherwise exercise vested Deferred Rights.

The following table sets out the burn rate of the Deferred Rights granted under the LTIP for the last three fiscal years. The burn rate is calculated by dividing the number of Deferred Rights granted under the LTIP during the relevant fiscal year by the weighted average number of securities of the Corporation outstanding for the applicable fiscal year.

Year ended	**December 31, 2018**	**December 31, 2017**	**December 31, 2016**
Weighted average number of outstanding Voting Shares for the fiscal year	176,757,190	174,382,516	172,910,421
Annual burn rate	0.01%	0.02%	—%

ADDITIONAL INFORMATION

Current financial information for the Corporation is provided in the 2018 Annual Report. This information and additional information relating to the Corporation can be found on SEDAR and on northlandpower.com.

Copies of Northland's most recent AIF, Annual Report and this Management Information Circular may be obtained upon request to the Corporation's investor relations team. The Corporation may require the payment of a reasonable charge if the request is made by a person who is not a shareholder.

DIRECTORS' APPROVAL

The contents and the distribution of this Management Information Circular have been approved by the Board of Directors.

DATED at Toronto, Ontario, on April 15, 2019.

Mike Crawley
President and Chief Executive Officer
Northland Power Inc.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Management Information Circular:

"**$**" means Canadian dollars, unless otherwise specified.

"**2018 Annual Report**" means Northland's annual report for the year ended December 31, 2018.

"**Annual Information Form**" or "**AIF**" means the annual information form of Northland dated February 22, 2018.

"**Articles**" means the articles of amalgamation of Northland, dated January 1, 2013.

"**Beneficial Common Shareholders**" means persons who hold their Common Shares through their investment dealer, broker or other intermediary.

"**Board**" or "**Board of Directors**" means the board of directors of Northland.

"**Board Mandate**" means the written mandate of the Board of Directors.

"Broadridge" means Broadridge Investor Communications Solutions.

"**CDS**" means CDS Clearing and Depository Services Inc.

"**Class A Shares**" means the Class A shares in the capital of the Corporation.

"**Code**" means the written Code of Business Conduct and Ethics of the Board of Directors.

"**Common Shareholders**" means the holders of the Common Shares.

"**Common Shares**" means the common shares in the capital of the Corporation.

"**Computershare**" means Computershare Trust Company of Canada.

"**Corporation**" or "**Northland**" means Northland Power Inc.

"**CSA**" means Canadian Securities Administrators.

"**CSA Guidelines**" means National Policy 58-201 - *Corporate Governance Guidelines*.

"**Deferred Rights**" means the deferred rights issued under the LTIP.

"**Deutsche Bucht**" or "**DeBu**" means the 269 MW offshore wind project under construction located in German territorial waters.

"**Development Profit**" has the meaning given to it in the Articles.

"**Director**" means, at any time, an individual who is a director of the Corporation at such time.

"**Disclosure Rule**" means National Instrument 58-101 - *Disclosure of Corporate Governance Practices*.

"**DRIP**" means the dividend reinvestment plan.

"**DSU**" means a deferred share unit issued under the DSU Plan.

"**DSU Plan**" means the deferred share unit plan for directors of Northland, dated August 8, 2012, as most recently amended November 6, 2018.

"**form of proxy**" means the form of proxy distributed by the Corporation in connection with the Meeting.

"**Independent Director**" means a Director that meets the requirements for independence under applicable securities regulations and is a director who has no direct or indirect material relationship with the Corporation or the entities controlled by the Corporation, as applicable, other than interests and relationships arising from the holding of shares of the Corporation.

"**IFRS**" means the International Financial Reporting Standards.

"**LTIP**" means the equity-settled share-based compensation program available to officers, consultants and employees when Northland projects achieve certain milestones.

"**Management Information Circular**" means this management information circular of the Corporation to be distributed to Voting Shareholders in respect of the Meeting.

"**Meeting**" means the annual meeting of shareholders of the Corporation to be held on May 22, 2019 and any adjournment(s) or postponement(s) thereof.

"**MW**" means megawatts.

"**Named Executive Officers**" or "**NEOs**" means the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers of the Corporation (or its Subsidiaries) as specified in Form 51-102F6 - *Statement of Executive Compensation*.

"**NorBu Special Committee**" means the a special committee of Directors formed in August 2017 to oversee Nordsee One and Deutsche Bucht following its acquisition by Northland in August 2017, and subsequently dissolved in 2018.

"**Nordsee One**" means the 332 MW (282 MW net interest to Northland) offshore wind farm located in the North Sea, in German territorial waters.

"**Notice of Meeting**" means the notice of the Meeting that accompanies this Management Information Circular.

"**NPHI**" means Northland Power Holdings Inc., a corporation incorporated under the laws of the Province of Ontario.

"**Order**" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

"**Qualifying Project**" has the meaning given to it in the Articles.

"RSU" means the restricted share units issued pursuant to the Northland Restricted Share Unit Plan.

"**Series 1 Preferred Shares**" means the cumulative rate reset preferred shares, series 1 of the Corporation.

"**Series 2 Preferred Shares**" means the cumulative rate reset preferred shares, series 2 of the Corporation.

"**Series 3 Preferred Shares**" means the cumulative rate reset preferred shares, series 3 of the Corporation.

"**Subsidiary**" has the meaning specified in Section 1.1 of National Instrument 45-106 - *Prospectus and Registration Exemptions*, as it exists on the date hereof.

"**TSX**" means the Toronto Stock Exchange.

"**Voting Form**" means a voting instruction form.

"**Voting Shareholders**" means the holders of Common Shares and Class A Shares.

"**Voting Shares**" means Common Shares and Class A Shares.

Words importing the singular include the plural and vice versa and words importing any gender include all genders.

SCHEDULE "A"

NORTHLAND POWER INC.

MANDATE FOR THE BOARD OF DIRECTORS

As provided in its articles, Northland Power Inc. (the "**Corporation**") shall have a board of directors (the "**Board**") consisting of a minimum of three and a maximum of nine directors.

DUTIES OF DIRECTORS

The Board is responsible for the stewardship of the affairs of the Corporation and all of the corporations, trusts, partnerships and other entities, which may be owned or controlled by the Corporation (the "**Entities**"). The Board seeks to discharge such responsibility by supervising the actions of the management of the Corporation and the Entities.

The Board discharges its responsibilities both directly and through its committees, the Audit Committee, the Governance and Nominating Committee and the Compensation Committee. In addition to these standing committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. The Board's primary role is to oversee the performance of management in order to meet the Corporation's strategic objectives to enhance and preserve the business of the Corporation and, in this regard, shall include oversight of the Corporation's succession planning process. Other principal duties include, but are not limited to, the following matters:

Board Organization

The Board will respond to recommendations received from the Governance and Nominating Committee, but retains responsibility for managing its own affairs, the selection of the Chair of the Board, candidates nominated for election to the Board (other than those elected by the Class A shareholders), committee and committee chair appointments, committee charters and director compensation.

The Board may delegate to Board committees matters for which it is responsible, including the approval of compensation of the Board, the conduct of performance evaluations of directors and oversight of internal controls systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

Strategic Planning, Acquisitions and Investments

The Board has responsibility to oversee a management-driven strategic planning process consistent with the investment objectives of the Corporation and the Board is responsible for approving on at least an annual basis, a strategic plan which takes into account the opportunities and risks of the business.

The Board is responsible for reviewing, discussing and approving all material contracts, transactions, acquisitions and investments.

The Board is responsible for providing input to management on emerging trends and issues and on management objectives and goals.

Monitoring of Financial Performance and Financial Statements

The Board is responsible for monitoring the financial performance of the Corporation and for approving the level of distributions paid by the Corporation.

The Board is responsible for approving the Corporation's audited consolidated financial statements, interim financial reports and the notes and Management's Discussion and Analysis accompanying such financial statements.

Risk Management

The Board is responsible for the identification of the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to effectively monitor and manage such risks with a view to the long-term viability of the Corporation and achieving a proper balance between the risks incurred and the potential return to the Corporation.

Policies and Procedures

The Board is responsible for:

- approving and monitoring compliance with all significant policies and procedures by which the business of the Corporation is operated: and
- approving policies and procedures designated to ensure that the Corporation and all Entities operate at all times within applicable laws and regulations and in accordance with ethical and moral standards.

Communications and Reporting

The Board has approved and will revise from time to time as circumstances warrant a disclosure policy to address communications with shareholders, employees, financial analysts, investors, governments and regulatory authorities, the media and the Canadian and international communities.

The Board is responsible for:

- overseeing the accurate reporting of the financial performance of the Corporation to shareholders, other security holders and regulators on a timely and regular basis;
- overseeing that the financial results of the Corporation are reported fairly and in accordance with generally accepted accounting standards and related legal disclosure requirements;
- taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Corporation; and
- approving all prospectuses, financial statements, the Corporation's annual information form and management information circular.

CHAIR OF THE BOARD

Introduction

The Board selects its chair (the "**Chair**") from among its members to lead the Board in the course of its work. The Chair is responsible for the overall process involved in the work of the Board, as well as the development and effective performance of the Board.

The Chair provides advice and counsel to senior management of the Corporation on issues of importance to senior management or the Board.

Key Responsibilities of the Chair

The Chair shall:

- review the preparation of the agendas for all Board and, if required, shareholder meetings;
- preside at all Board and shareholder meetings;
- ensure that the Board receives regular updates on all issues important to the Corporation
- ensure that Board members understand major issues, strategy and risks;
- work closely with the chairs of the Board's committees to ensure that all of the committees' responsibilities are carried out; and
- work collectively and individually with members of the Board to ensure optimum performance of the Board.

LEAD DIRECTOR

Appointment

The lead director (the "**Lead Director**") is appointed by the Board annually. The Lead Director must always be an independent director within the meaning of National Instrument 58-101, as amended from time to time.

Responsibilities

The Lead Director shall:

- ensure that the Board functions independently of management;
- ensure that independent directors have adequate opportunities to meet to discuss issues without representatives of management present;
- chair separate meetings of the independent directors;
- be available to Board members who have concerns that cannot be addressed through the Chair or meetings of the Board;
- chair meetings of the Board in the absence of the Chair;
- as requested by the Board act as a liaison between the Board and management;

- in consultation with the Chair and management set the agenda for Board meetings;
- ensure the Board has the requisite resources to support its work effectively;
- ensure a process is in place to monitor legislated and best practices which relate to the responsibilities of the Board; and
- ensure the process is in place to regularly assess the effectiveness of the Board, its committees and individual Board members.