No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

*This prospectus supplement, together with the accompanying short form base shelf prospectus dated April 17, 2014 to which it relates, as amended or supplemented (the "**Prospectus**"), and each document incorporated by reference into the Prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. See "Plan of Distribution".*

The Prospectus, as supplemented by this prospectus supplement, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and thereby only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws. Accordingly, subject to certain exceptions, these securities may not be offered or sold in the United States of America or to, or for the benefit of, U.S. persons. See "Plan of Distribution".

***Information has been incorporated by reference in this prospectus supplement from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Manager, Investor Relations of Northland Power Inc. at 30 St. Clair Avenue West, 17th Floor, Toronto, Ontario, Canada, M4V 3A1, Telephone: (647) 288-1438 and Fax: (416) 962-6266, and are also available electronically at www.sedar.com.*

PROSPECTUS SUPPLEMENT
TO THE SHORT FORM BASE SHELF PROSPECTUS DATED APRIL 17, 2014

New Issue — February 26, 2015

NORTHLAND POWER

NORTHLAND POWER INC.

$220,000,000
13,750,000 Common Shares

Price: $16.00 per Common Share

The Prospectus, as supplemented by this prospectus supplement, qualifies for distribution (the "**Offering**") 13,750,000 common shares ("**Common Shares**") of Northland Power Inc. ("**Northland**") at a price of $16.00 (the "**Offering Price**") per Common Share for aggregate gross proceeds of $220,000,000.

	Offering Price to the Public	Underwriters' Fee	Net Proceeds to Northland(2)
Per Common Share	$16.00	$0.64 (1)	$15.36
Total Common Shares (3)	$220,000,000	$8,800,000	$211,200,000

Notes:

(1) The fee payable to the Underwriters (as defined below) in respect of the Offering is 4.0% of the gross proceeds of the Offering. The Underwriters' fee is payable upon closing of the Offering.

(2) Before deducting expenses of the Offering, estimated to be $300,000 (exclusive of HST).

(3) Northland has granted to the Underwriters an over-allotment option (the "**Over-Allotment Option**") to purchase up to an additional 687,500 Common Shares at the Offering Price on the same terms and conditions as the Offering, exercisable in whole or in part, at any time and from time to time within 30 days of the closing of the Offering at the sole discretion of the Underwriters. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' fee and net proceeds to Northland (before deducting expenses of the Offering) will be $231,000,000, $9,240,000 and $221,760,000 respectively. This prospectus supplement also qualifies for distribution the grant of the Over-Allotment Option and the issuance of the Common Shares pursuant to the exercise of the Over-Allotment Option. See "*Plan of Distribution*". The following table sets forth the number of Common Shares that may be issued by Northland pursuant to the Over-Allotment Option.

Underwriters' Position	Maximum number of Common Shares	Exercise period	Exercise price
Over-Allotment Option	687,500 Common Shares	Exercisable within 30 days of the closing of the Offering	$16.00 per Common Share

(continued on next page)

CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Desjardins Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., Cormark Securities Inc. and FirstEnergy Capital Corp. are acting as underwriters (collectively, the "**Underwriters**") of this Offering.

The Underwriters, as principals, conditionally offer the Common Shares qualified for distribution by the Prospectus, as supplemented by this prospectus supplement (the "**Offered Shares**"), subject to prior sale, if, as and when issued by Northland and delivered and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*" and subject to approval of certain legal matters relating to the Offering on behalf of Northland by Borden Ladner Gervais LLP, and on behalf of the Underwriters by McCarthy Tétrault LLP. The terms of the Offering were determined by negotiation between: (i) Northland, and (ii) CIBC World Markets Inc., BMO Nesbitt Burns Inc., and National Bank Financial Inc. on behalf of the Underwriters. See "*Plan of Distribution*".

The issued and outstanding Common Shares are listed on the Toronto Stock Exchange ("**TSX**") under the trading symbol "NPI". On February 24, 2015, the last completed trading day prior to the public announcement of the Offering, the closing price of the Common Shares on the TSX was $16.42. On February 25, 2015, the last trading day before the filing of this prospectus supplement, the closing price of the Common Shares on the TSX was $17.11. The TSX has conditionally approved the listing of the Offered Shares. Listing will be subject to Northland fulfilling all of the listing requirements of the TSX on or before May 25, 2015.

Subscriptions for Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that closing of the Offering will occur on or about March 5, 2015 (the "**Closing Date**") or such other date not later than April 6, 2015 as Northland and the Underwriters may agree upon. Except as described below, at the closing of the Offering, the Common Shares qualified for distribution under the Offering will be available for delivery in book-entry form through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee, and will be deposited with CDS. Subject to certain exceptions, purchasers of the Offered Shares issued hereunder will receive only a customer confirmation from the registered dealer that is a participant in CDS and from or through which such Common Shares are purchased and shall not have the right to receive physical certificates evidencing their ownership of such Common Shares. Subject to applicable laws, the Underwriters may, in connection with the Offering, over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those that might otherwise prevail on the open market in accordance with applicable stabilization rules. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

After the Underwriters have made a *bona fide* effort to sell all of the Common Shares offered pursuant to this Offering, at the Offering Price fixed in this prospectus supplement, the Underwriters may reduce the Offering Price or otherwise change the selling terms from time to time. Any such reduction will not affect the proceeds received by Northland. See "*Plan of Distribution*".

There are certain risks inherent in an investment in Northland. Prospective investors should carefully consider these risks before purchasing the Offered Shares. See "*Risk Factors*".

Concurrently with the closing of the Offering, Northland will issue 3,125,000 Common Shares to Northland Power Holdings Inc. ("**NPHI**"), a company controlled by Mr. James C. Temerty, or an affiliate of NPHI, on a private placement basis, at a price of $16.00 per Common Share, being the same as the Offering Price, and issued pursuant to the partial exercise of a pre-emptive right in favour of NPHI, as further described below under "*Retained Interest*" (the "**Concurrent Private Placement**"). No commission or other fee will be paid to the Underwriters in connection with the Common Shares sold pursuant to the Concurrent Private Placement.

Each of CIBC World Markets Inc. BMO Nesbitt Burns Inc., National Bank Financial Inc., Desjardins Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc. and TD Securities Inc. is a wholly-owned subsidiary of a Canadian chartered bank which has provided certain credit facilities to Northland. Accordingly, Northland could be considered a "connected issuer" of each such Underwriter for purposes of the securities legislation of certain Canadian provinces. See "*Plan of Distribution*".

Northland's registered and head office is at 30 St. Clair Avenue West, 17th Floor, Toronto, Ontario, Canada M4V 3A1.

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IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the common shares (the "**Common Shares**") of Northland Power Inc. ("**Northland**") being offered and also adds to and updates certain information contained in the Prospectus (as defined below) and the documents incorporated by reference therein. The second part, the accompanying short form base shelf prospectus dated April 17, 2014, gives more general information, some of which may not apply to the Common Shares offered hereunder. The accompanying short form base shelf prospectus is referred to as the "**Prospectus**" in this prospectus supplement.

Northland is not, and the Underwriters are not, making an offer to sell the Common Shares qualified for distribution by the Prospectus, as supplemented by this prospectus supplement (the "Offered Shares"), in any jurisdiction where the offer or sale is not permitted.

In this prospectus supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars, and references to "**dollars**" or "**$**" are to Canadian dollars.

DOCUMENTS INCORPORATED BY REFERENCE

This prospectus supplement is deemed to be incorporated by reference into the Prospectus solely for the purpose of the offering of the Common Shares described in this prospectus supplement (the "**Offering**"). Other documents are also incorporated or deemed to be incorporated by reference into the Prospectus. The following documents of Northland, as filed with the securities commission or similar authority in each of the provinces of Canada, are also specifically incorporated by reference in, and form an integral part of, the Prospectus and this prospectus supplement:

(a) annual information form of Northland dated February 23, 2015 for the year ended December 31, 2014 (the "**AIF**");

(b) audited consolidated financial statements of Northland for the year ended December 31, 2014, including the consolidated balance sheets as at December 31, 2014 and 2013 and the consolidated statements of income (loss), comprehensive income (loss), changes in equity and cash flows for the years ended December 31, 2014 and 2013 and related notes, together with the auditors' report thereon dated February 23, 2015 (the "**Annual Financial Statements**");

(c) management's discussion and analysis related to the Annual Financial Statements;

(d) management information circular dated April 17, 2014 prepared in connection with the annual meeting of shareholders held on May 21, 2014; and

(e) template version (as defined in National Instrument 41-101 – *General Prospectus Requirements*) of the term sheet (the "**Term Sheet**") dated February 24, 2015 in respect of the Offered Shares prepared for potential investors in connection with the Offering. See "*Marketing Materials*".

Copies of the documents incorporated herein by reference may be obtained on request without charge from the Manager, Investor Relations of Northland Power Inc. at 30 St. Clair Avenue West, 17th Floor, Toronto, Ontario M4V 3A1, telephone (647) 288-1438 and fax (416) 962-6266, and are also available electronically at www.sedar.com under Northland's profile.

Any documents of the type described in Section 11.1 of Form 44-101F1 – *Short Form Prospectus* filed by Northland with the securities commission or similar authority in each of the provinces of Canada after the date of this prospectus supplement and prior to the termination of the distribution of the Offered Shares shall be deemed to be incorporated by reference in the Prospectus and this prospectus supplement.

Any statement contained in the Prospectus, in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference therein or herein shall be deemed to be modified or superseded, for the purposes of this prospectus supplement, to the extent that a statement contained in this prospectus supplement or in the Prospectus or in any other subsequently filed document that also is, or is

deemed to be, incorporated by reference herein or in the Prospectus modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this prospectus supplement or the Prospectus.

MARKETING MATERIALS

Any template version of any marketing materials filed with the securities commission or similar authority in each of the provinces of Canada in connection with the Offering after the date of this prospectus supplement but prior to the termination of the distribution of the securities under this prospectus supplement (including any amendments to, or an amended version of, any template version of marketing materials) is deemed to be incorporated by reference in this prospectus supplement.

NON-IFRS MEASURES

This prospectus supplement, the Prospectus and the documents incorporated by reference herein include references to Northland's adjusted earnings before interest, taxes, depreciation and amortization ("**EBITDA**") and free cash flow, measures not prescribed by International Financial Reporting Standards ("**IFRS**"). Adjusted EBITDA and free cash flow, as presented, may not be comparable to similar measures presented by other companies. These measures should not be considered alternatives to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. Rather, these measures are provided to complement IFRS measures in the analysis of Northland's results of operations from management's perspective. Management believes that adjusted EBITDA and free cash flow are widely accepted financial indicators used by investors to assess the performance of a company, including its ability to generate cash through operations.

Readers should refer to: (i) Section 5: Consolidated Results, in Northland's management's discussion & analysis, related to the Annual Financial Statements for an explanation of adjusted EBITDA and free cash flow and a reconciliation of Northland's reported adjusted EBITDA to its consolidated income (loss) before taxes; and (ii) Section 6: Equity, Liquidity and Capital Resources, in Northland's management's discussion & analysis related to the Annual Financial Statements for a reconciliation of Northland's free cash flow to its cash provided by operating activities.

FORWARD-LOOKING STATEMENTS

This prospectus supplement, the Prospectus and the documents incorporated by reference herein contain certain forward-looking statements which are provided for the purpose of presenting information about management's current expectations and plans. Readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could". These statements may include, without limitation, statements regarding the use of proceeds of the Offering and Concurrent Private Placement (as defined below), future adjusted EBITDA, cash flows and dividend payments, the construction, completion, attainment of commercial operations, cost and output of development projects (including Nordsee One), plans for raising capital, and the operations, business, financial condition, priorities, ongoing objectives, strategies and outlook of Northland and its subsidiaries. This information is based upon certain material factors or assumptions that were applied in developing the forward-looking statements, including the design specifications of development projects, the provisions of contracts to which Northland or a subsidiary is a party, management's current plans, its perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances.

Although these forward-looking statements are based upon management's current reasonable expectations and assumptions, they are subject to numerous risks and uncertainties. Some of the factors that could cause results or events to differ from current expectations include, but are not limited to, construction risks, counterparty risks, operational risks, the variability of revenues from generating facilities powered by intermittent renewable resources and the other factors described in the "Risks and Uncertainties" section of the AIF, which can be found at www.sedar.com under Northland's profile and on Northland's website www.northlandpower.ca. Northland's actual results could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur.

The foregoing does not constitute an exhaustive list of the factors that may affect Northland's forward-looking statements. Other risks and uncertainties not presently known to Northland or that Northland presently believes are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements.

The forward-looking statements contained in this prospectus supplement, the Prospectus and the documents incorporated by reference herein are based on assumptions that were considered reasonable as of the date of this prospectus supplement. Readers are cautioned not to place undue reliance on the forward-looking statements, which reflect Northland's expectations only as of the date of this prospectus supplement. Other than as specifically required by law, Northland undertakes no obligation to update any forward-looking statements to reflect events or circumstances after such date or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

EXCHANGE RATE INFORMATION

The following table sets forth, for the periods indicated, the high, low, average and period-end noon spot rates of exchange for one Euro ("**€**"), expressed in Canadian dollars, as published by the Bank of Canada.

	Year Ended December 31		
	2014 ($)	2013 ($)	2012 ($)
Highest noon rate during the period	1.5549	1.4724	1.3446
Lowest noon rate during the period	1.3927	1.2859	1.2153
Average noon spot rate for the period	1.4671	1.3681	1.2850
Rate at the end of the period	1.4038	1.4655	1.3118

On February 25, 2015, the noon rate of exchange posted by the Bank of Canada for conversion of Euros into Canadian dollars was €1.00 equals $1.4111.

NORDSEE ONE

In September 2014, Northland acquired an indirect 85% equity stake in a 332 megawatt ("**MW**") offshore wind development project located approximately 40 kilometres north of Juist Island in German territorial waters in the North Sea ("**Nordsee One**"). As part of the transaction, Northland also acquired an 85% stake in two earlier-stage offshore wind projects. Once operational, Nordsee One is expected to generate over 1,200 gigawatt hours of electricity per year from 54 wind turbines, enough to meet the needs of approximately 400,000 German households. The net proceeds of the Offering and the proceeds from the Concurrent Private Placement (as defined below) will be utilized primarily to fund a portion of Northland's investments in the Nordsee One project. See "*Use of Proceeds*". Nordsee One and Northland's participation therein are described in greater detail below.

Overview

On September 4, 2014, Northland, through its wholly-owned Luxembourg subsidiary NPEW North S.à r.l., ("**NPEW North**"), acquired 85% of the issued share capital in Nordsee One GmbH (the "**Company**"), the owner of three offshore wind development projects, from RWE Innogy GmbH ("**RWE**"). The remaining 15% of the issued share capital continues to be held by RWE. The three projects included the advanced development project Nordsee One, as well as development rights for two additional early-stage development projects, Nordsee Two and Nordsee Three. When constructed, the three projects combined would represent approximately one gigawatt of capacity. Nordsee Two and Nordsee Three are expected to be developed by separate companies (to be 85% owned by Northland) over the next decade as tariffs to construct offshore wind projects are granted and the onshore grid infrastructure is built out.

Nordsee One will consist of 54 Senvion wind turbine generators ("**WTGs**"), each with a capacity of 6.15MW. The WTGs will be installed on foundations consisting of monopiles and transition pieces, together with associated infrastructure, including one offshore substation platform and inter-array cables. There are five principal contracts for the construction of Nordsee One, which are signed or in the course of being signed or finalized with the associated preferred bidders and are designed to transfer a substantial portion of cost and schedule risk to the suppliers.

Nordsee One qualifies for a revenue subsidy from the German government for approximately 9.6 years under the German Renewable Energy Act ("**EEG**").

The total Nordsee One capital costs are expected to be approximately €1.2 billion. Funding for these costs is expected to be provided by non-recourse term debt, equity from the Sponsors (defined below), and pre-completion revenues. Financial closing for Nordsee One, the point at which all project debt and Sponsor equity for Nordsee One have been contributed or fully committed ("**Financial Close**"), is expected to occur in the first half of 2015, with in-water construction anticipated to begin in 2016. The commercial operations date ("**COD**") is expected to occur by the end of 2017.

Nordsee One Ownership and Governance

Pursuant to the Shareholders and Investment Agreement ("**SHIA**") for Nordsee One between Northland, NPEW North and RWE (Northland and RWE each a "**Sponsor**" and collectively, the "**Sponsors**") dated September 4, 2014, the Sponsors' respective voting and equity interests in the Company are held as to 85% by Northland and as to 15% by RWE. Governance of the Company will be generally undertaken on behalf of the shareholders by the Investors' Committee (the "**IC**"), which is composed of two members appointed by Northland and two members appointed by RWE. Northland's appointees to the IC currently consist of its Chief Executive Officer, who will act as Chair, and its Chief Financial Officer. The IC meets on a monthly basis during the development and construction phases of Nordsee One and on a quarterly basis thereafter unless the IC agrees otherwise. Voting is generally proportionate to the equity interests that the members represent.

The SHIA provides for the Sponsors' rights and governance arrangements before and after Financial Close and contains provisions for certain super-majority shareholder and IC approvals which have the effect of requiring RWE consent to certain decisions. In particular, prior to Financial Close, this super-majority approval is required for all material deviations from Nordsee One's development plan and the project financing. After Financial Close, the SHIA provides for customary minority shareholder protections, as well as specific super-majority votes in the event of amendments that would have a material and disproportionately adverse effect on any of the Sponsors or any material amendment to the financing agreements prior to the end of construction.

Pursuant to the SHIA, the Sponsors have agreed to share development expenses in proportion to their respective ownership interests, and jointly manage all development activities required to achieve Financial Close for Nordsee One.

Day-to-day project management and operating activities will be executed by two project managing directors who will lead the Nordsee One team which will be comprised of direct industry hires, RWE personnel provided through secondments and service level agreements, Northland personnel, and additional contractors.

ENOVA Energiessysteme GmbH & Co. KG ("**ENOVA**"), the original shareholder and proponent of the Company and Nordsee One, has a call option to acquire 1.5% of the shares in the Company from RWE. The call option is triggered by the commissioning of the first turbine of Nordsee One. The shares received upon exercise of the option do not entitle ENOVA to any specific rights or decision power in the management of the Company other than minority shareholder rights under applicable law.

Construction

All material contracts with major suppliers for construction of Nordsee One have been executed. Construction and commissioning of Nordsee One is scheduled to be completed by the end of 2017.

Permits

Nordsee One has obtained all required material permits other than approvals which must be obtained at various stages of the construction process itself. The authorizing permits for Nordsee One were granted in April 2012 by the Bundesamt für Seeschifffahrt und Hydrographie (Federal Maritime and Hydrographic Agency ("**BSH**"). All permits granted by the BSH contain standard provisions which are intended to address environmental concerns. The deadline for commencement of construction pursuant to the permits is scheduled for July 1, 2016.

The European Union has previously approved the German Government program under which Nordsee One's tariff was awarded. A second European Union approval is required for the energy tariffs for renewable energy projects over 250 MW, including Nordsee One. This approval is expected to be received prior to project completion.

As required under certain permit conditions, the Company will post security in favour of the relevant authorities for future decommissioning costs of Nordsee One. All expected decommissioning obligations will be funded within the project financial structure and/or during the contracted period from project revenues.

Turbine Supply and Installation

Senvion SE ("**Senvion**") is responsible for the supply and installation of the turbines. Senvion, formerly known as RePower, is a leading manufacturer of turbines for onshore and offshore applications. The scope of work under the contract will consist of the design, certification, manufacture, supply, storage, transport, installation, commissioning and testing of all the turbines. The turbine supply and installation agreement ("**TSA**") is priced on a fixed-price basis and provides for Senvion to incur full-weather risk for all its activities.

Foundation Supply and Installation

Ambau GmBH ("**Ambau**") will be responsible for the detailed design, fabrication, testing, transport, supply, storage and delivery of the monopiles and transition pieces. Ambau is an experienced manufacturer of offshore towers and foundation structures. This contract is on a fixed-price basis. GeoSea NV ("**GeoSea**") will be responsible for transporting the monopiles to the site and the erection, installation, and testing at the offshore site of the monopiles and turbine transition pieces. GeoSea operates around the world and has extensive experience in offshore works including installation of offshore structures. The contract with GeoSea is on a fixed-price basis, and includes the cost for full-weather risk for all GeoSea's activities.

Offshore Substation Platform

Bladt Industries A/S ("**Bladt**") will design, procure, manufacture, test and commission (onshore), install, test and commission the offshore substation platform including the foundation, substructure and topside. Bladt is a leading manufacturer of offshore substations around the world. The contract is on a fixed-price basis and includes the cost for full-weather risk for all its activities.

Inter-array Cable

Siem Offshore Contractors GmbH ("**Siem**") is responsible for the design, engineering, construction, fabrication, storage, supply, installation, testing and commissioning of the inter-array cables to connect the 54 turbines and the offshore substation platform. Siem is an experienced submarine cable installation, repair and maintenance contractor with a focus on Europe and North America. The contract includes the cost for full-weather risk for all Siem's activities, and is currently being amended to, among other things, extend the time period during which Nordsee One may authorize commencement of work.

Power Export

Under the EEG, the Transmission System Operator ("**TSO**") responsible for the area where an offshore wind farm is to be erected is required to construct and operate the grid connection between the wind farm's transformer platform and the mainland grid and to bear all related costs. In the case of Nordsee One, TenneT GmbH ("**TenneT**") is the designated TSO and will design, construct, own and operate the entire grid connection infrastructure which will connect to Nordsee One's offshore platform. For its part, the Company will be responsible for the turbines, turbine foundations, the array cables, and the offshore substation. Nordsee One will be connected by TenneT to TenneT's DolWin 2 offshore converter station, which is scheduled to be installed in mid-2015, well in advance of Nordsee One's timing requirements.

Operations

Feed-in Tariff

The EEG establishes the compensation received by offshore wind farms for power delivered into the grid. The most recently-approved law, EEG 2014, implements an equivalent to a feed-in tariff ("**FiT**") designed to allow offshore wind farms to earn a fixed price per MWh generated through a "contract for differences" structure. As a result, Nordsee One is entitled to an initial FiT tariff of €194/MWh for the first eight years of operations and a FiT tariff of €154/MWh for approximately 1.54 years thereafter. The FiT tariff is composed of two parts: (i) the monthly market price based on the weighted-average day-ahead market ("**Market Price**"), and; (ii) the FiT adder paid by the grid operator under the EEG, to bring the total price received to the FiT tariff. The price per MWh for the period after 9.6 years to 20 years is the higher of the market price and €39/MWh. The initial FiT tariff of €194/MWh is subject to reduction by €10/MWh in respect of any turbine of Nordsee One which is commissioned on or after January 1, 2018 and is based on a compression model that will not be available for turbines commissioned on or after January 1, 2020. All turbines of Nordsee One are currently expected to be commissioned by the end of 2017.

Power Off-Take Balancing and Services Agreement

In order for Nordsee One to earn the market based component of revenue, a power off-take balancing and services agreement (the "**OBSA**") is expected to be entered into with a power marketer, and negotiations are at an advanced stage with two qualified finalist counterparties. The marketer is expected to assume responsibilities for the mechanics of selling the electricity generated by Nordsee One into the market and complying with all market rules, regulations and provisions.

Under the terms of the OBSA, the marketer will have the obligation to purchase 100% of the net electricity generated by Nordsee One on a take-and-pay basis, without any responsibility on Nordsee One to deliver a minimum or set quantity of electricity. The price payable will be based on the monthly market price based on the weighted-average day-ahead market (the same reference price used under the EEG), less a fixed annual fee per MWh to cover the marketer's balancing costs, access-to-market fees and other costs and risks.

Nordsee One has been awarded up to €70 million (via a premium of €15.4/MWh to be paid for the first 4,500 MWh generated) as part of the "new entrants reserve 300" subsidy provision set up by the European Commission. Nordsee One qualified based on turbine and foundation technology advancements and innovation. The funds are expected to be disbursed over the first five years of operation. As a requirement, Nordsee One must share knowledge on certain topics with the European Commission and provide an annual report on the project's progress during operation.

Operations and Maintenance - General

The Company will manage all operations and maintenance ("**O&M**") activities internally for Nordsee One facility prior to the commissioning of the first WTG. Key operational agreements are described below.

Turbine Service and Maintenance Agreement

The scheduled maintenance of the turbines and all additional equipment supplied by Senvion is covered under a long term, service and maintenance agreement (the "**SMA**"). Senvion will be responsible for all scheduled and unscheduled maintenance and all associated costs, including spare parts and any heavy lift vessels required.

Any unscheduled maintenance for the first five years, including the provision of spares, tools, dedicated site technicians, helicopter transfer and heavy lift logistics to remedy any defects, is the responsibility of Senvion under the TSA. Thereafter, the SMA will provide an additional five years of coverage (fixed initial duration of ten years after COD with extension options at the Company's sole discretion).

Other O&M Services

It is intended that Nordsee One will enter into service agreements with qualified contractors for the maintenance of electrical equipment and the balance of plant including regular routine inspection, maintenance and emergency response services. The required maintenance and inspection activities will be split into two or more separate service contracts. Operation & maintenance contracts will be finalized for each asset prior to COD. It is intended to have extension options (exercisable at the Company's discretion) to retain flexibility to adapting market conditions whilst giving Nordsee One a price floor.

Insurance

The Company with advice from Aon UK Limited, a global provider of risk management, insurance and reinsurance brokerage services, has established an insurance program to provide Nordsee One with industry standard insurance coverage for the construction and operational phases of Nordsee One. The structure of the insurance package is widely used in the offshore wind industry and is designed to provide cover for both the offshore wind assets and loss of revenue.

Financial Structure

Total capital costs of Nordsee One are estimated to be approximately €1.2 billion (the "**Project Budget**"), and will be financed by: (i) Sponsor equity in the form of upfront cash and pre-completion revenues partly backed by Sponsor guarantees; and (ii) non-recourse debt in the form of a long-term, senior, secured loan facility (the "**Term Loan Facility**"). The Project Budget includes €35 million of base contingency for unexpected costs or project delays.

The expected sources and estimated amounts of funding are summarized in the following table:

Sources of Funding	**Amount (**€ billion)	**%**
Equity	€0.3	25%
Pre-Completion Revenues	€0.1	8%
Term Loan Facility	€0.8	67%
Total Sources of Funding	**€1.2**	100**%**

In the event of unexpected project cost overruns or delays costing in excess of €35 million, an additional budget (the "**Contingent Budget**") of €90 million is also to be committed. The Contingent Budget is to be funded on a pro-rata basis with debt (the "**Contingent Loan Facility**") in the amount of €63 million and equity (the "**Contingent Equity**") in the amount of €27 million. The Contingent Loan Facility will be committed at Financial Close. Northland's *pro rata* share of the Contingent Equity is €23 million.

In order to meet the project scheduling requirements, major contractors on the Nordsee One project are required to initiate supply and other sub-contracts in the first half of 2015. In the event that the Nordsee One project is terminated prior to Financial Close having occurred, Northland would have estimated liabilities payable to such major contractors of €25.1 million ($36.1 million) as of the date of this prospectus supplement. The total pre-Financial Close exposure of Northland could range between approximately €33.2 million ($47.7 million) assuming the project were to be terminated as of the date of this prospectus supplement and increasing to €135.8 million ($195.3 million) assuming the project were to be terminated on June 30, 2015. These amounts are prior to any recovery that may occur from the value of materials owned by the Nordsee One project that can be resold and other reductions pursuant to the contractors' duty to mitigate losses. The Sponsors have indemnified the contractors from losses up to the amounts above, secured by letters of credit and corporate guarantees.

Equity

Equity will be provided in cash on Financial Close, and is currently estimated to be approximately €293 million. Northland's pro-rata portion of the equity, plus the cost to purchase its initial interest in Nordsee One and transaction costs, is estimated to be approximately €288 million and is intended to be funded from the proceeds of this Offering, the Concurrent Private Placement (as defined below), cash on hand, Northland's credit facility, and/or additional capital raised from the capital markets, including the net proceeds from Northland's issuance of 4.75% convertible unsecured subordinated debentures, series C (the "**Series C Debentures**") in the gross amount of $157,500,000, completed in January 2015.

Pre-Completion Revenues

Pre-completion revenues are revenues generated during the installation and commissioning period for the 54 WTGs following grid connection and prior to COD. These revenues will depend on the actual construction schedule, as well as the wind resources available during the relevant time period. The pre-completion revenues for Nordsee One are estimated to be €70 million.

Term Loan Facility

The Term Loan Facility commitments, to be determined at Financial Close, will be the lower of: (i) €900 million; (ii) the amount such that the debt-to-equity ratio for Nordsee One at Financial Close is not more than 70:30; and (iii) the amount of debt such that the forecast minimum debt service coverage ratio is no less than 1.30x**.**

USE OF PROCEEDS

After deducting the Underwriters' fee of $8,800,000 and estimated expenses of the Offering of $300,000, the net proceeds to Northland from the sale of the Common Shares distributed under the Offering will be $210,900,000. Gross proceeds to Northland from the concurrent private placement of 3,125,000 Common Shares to Northland Power Holdings Inc. ("**NPHI**") or an affiliate thereof (the "**Concurrent Private Placement**") will be approximately $50,000,000. The expenses associated with the Concurrent Private Placement are *de minimus*. No commission or other fee will be paid to the Underwriters in connection with the issuance of Common Shares pursuant to the Concurrent Private Placement. If the Over-Allotment Option (as defined below) is exercised in full, the net proceeds to Northland from the sale of the Common Shares distributed under the Offering, after deducting the Underwriters' fee of $9,240,000, will be $221,760,000. Accordingly, the aggregate net proceeds of the Offering, the Concurrent Private Placement and assuming the exercise in full of the Over-Allotment Option, will be $271,460,000, after deducting the Underwriters' fee of $9,240,000 and the estimated expenses of the Offering of $300,000.

The net proceeds of the Offering and the proceeds from the Concurrent Private Placement will be utilized primarily to fund a portion of Northland's investments in Nordsee One with the balance of the net proceeds of the Offering utilized to fund a portion of the Grand Bend wind farm in Ontario, to replenish working capital and for general corporate purposes. The balance of the investment in Nordsee One and the Grand Bend wind farm in Ontario will be funded by the net proceeds from the January 2015 offering of Series C Debentures, drawing down additional bank debt under the Credit Facility (as defined below) and/or using cash resources on hand. See "*Plan of Distribution*".

While Northland intends to use the net proceeds of the Offering and the Concurrent Private Placement together with the net proceeds from the exercise of the Over-Allotment Option, if any, as stated above, there may be circumstances, such as the failure to achieve Financial Close or circumstances that are not otherwise known or foreseeable at this time, where a reallocation of such proceeds may be advisable for business reasons that Northland believes are in its best interests, including investing in other projects, the repayment of debt and for general corporate purposes. See "*Risk Factors*".

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of Northland as at December 31, 2014, as adjusted to give effect to the issuance of the Series C Debentures, the Offering and the Concurrent Private Placement but without giving effect to the exercise of the Over-Allotment Option and should be read in conjunction with the Annual Financial Statements.

	As at December 31, 2014[(1)]	**As at December 31, 2014 after giving effect to the Series C Debentures, the Offering and Concurrent Private Placement[(1)]**
Indebtedness		
Bank Indebtedness	-	-
Interest Bearing Loans and Borrowings	$2,794,561	$2,794,561
Corporate Term Loan Facility	$246,048	$246,048
Convertible Debentures	$75,307	$226,007[(2)]
Total Indebtedness	$3,115,916	$3,266,616
Shareholders' Equity		
Preferred Shares	$261,279	$261,279
Common Shares	$1,904,906	$2,165,806[(3)]
Convertible Shares	$14,615	$14,615
Total Shareholders' Equity [(4)]	$1,102,220	$1,363,120
Total Capitalization[(5)]	**$4,218,136**	**$4,629,736**

Notes:
1. In thousands of dollars.
2. Includes $150,700,000 (being the net amount after exercise of the over-allotment option, underwriting fees and estimated issue costs of $500,000) of the Series C Debentures issued in January 2015.
3. Includes $260,900,000 (being the net amount after underwriting fees and estimated issue costs of $300,000) of the Offering and Concurrent Private Placement.
4. Total Shareholders' Equity represents the following components: preferred shares of Northland, Common Shares, long-term incentive plan reserve, contributed surplus, convertible shares (Class A Shares (as defined below)), accumulated other comprehensive income, accumulated deficit, and non-controlling interests (as described in the Annual Financial Statements).
5. Represents the sum of Total Indebtedness plus Total Shareholders' Equity.

DETAILS OF THE OFFERING

Northland is authorized to issue an unlimited number of Common Shares. As at February 25, 2015, Northland had outstanding 149,959,567 Common Shares.

Holders of Common Shares ("**Shareholders**") are entitled to one vote in respect of each Common Share held at any meeting of the shareholders of Northland except meetings at which only the holders of a specified class or series of shares of Northland are entitled to vote. Subject to the rights of holders of preferred shares in the capital of Northland or any series thereof, and other shares of Northland ranking in priority to the Common Shares, Shareholders are entitled to receive dividends as and when declared by the board of directors of Northland (the "**Board of Directors**") in its discretion from time to time. In addition, subject to the prior rights of holders of preferred shares or any series thereof, and other shares of Northland ranking in priority to the Common Shares, Shareholders are entitled to that portion of the balance of the assets of Northland equal to the ratio that the outstanding number of Common Shares is to the aggregate of the number of Common Shares outstanding and the product of the number of class A shares of Northland ("**Class A Shares**") outstanding and the Class A Conversion Rate (as defined in Northland's articles) upon the liquidation, dissolution or winding-up of Northland or other distribution of the assets of Northland among its shareholders.

Northland pays a monthly dividend of $0.09 per Common Share. The first dividend which purchasers under the Offering would be eligible to receive is the dividend expected to be payable on or about April 15, 2015 to shareholders of record on or about March 31, 2015.

BOOK-ENTRY ONLY SYSTEM

Except in limited circumstances, the Offered Shares will be issued in "book-entry only" form and must be purchased or transferred through a participant (a "**Participant**") in the depository services of CDS Clearing and Depository Services Inc. ("**CDS**"). On the closing of the Offering, one or more certificates representing each of such Offered Shares will be issued in registered form to CDS or its nominee, CDS & Co., and will be deposited with CDS pursuant to the book-entry only system.

Unless the book-entry only system is terminated as described below, a purchaser acquiring a beneficial interest in the Offered Shares issued in "book-entry only" form (a "**Beneficial Owner**") will not be entitled to receive a certificate for the Offered Shares. Purchasers of the Offered Shares will not be shown on the records maintained by CDS, except through a Participant.

Beneficial interests in the Offered Shares issued in "book-entry only" form will be represented solely through the book-entry only system and such interests will be evidenced by customer confirmations of purchase from the registered dealer from which the applicable Offered Shares are purchased in accordance with the practices and procedures of that registered dealer. In addition, registration of interests in and transfers of the Offered Shares issued in "book-entry only" form will be made only through the depository service of CDS.

As indirect holders of the Offered Shares issued in "book-entry only" form, investors should be aware that they (subject to the situations described below): (a) may not have the Offered Shares registered in their name; (b) may not have physical certificates representing their interest in the Offered Shares; (c) may not be able to sell the Offered Shares to institutions required by law to hold physical certificates for securities they own; and (d) may be unable to pledge the Offered Shares as security.

The Offered Shares issued in "book-entry only" form will be issued to beneficial owners thereof in fully registered and certificated form only if: (a) required by applicable law, including where a security certificate requires the addition of a legend under applicable securities laws in the United States; (b) the book-entry only system ceases to exist; (c) Northland or CDS advises Computershare Trust Company of Canada (the "**Transfer Agent**"), as transfer agent for the Offered Shares, that CDS is no longer willing or able to properly discharge its responsibilities as depository with respect to the Offered Shares and Northland is unable to locate a qualified successor; or (d) Northland, at its option, decides to terminate the book-entry only system through CDS.

Upon the occurrence of any of the events described in the immediately preceding paragraph, the Transfer Agent must notify CDS, for and on behalf of Participants and Beneficial Owners, of the availability through CDS of certificates for the Common Shares. Upon surrender by CDS of the global certificates representing the Offered Shares and receipt of instructions from CDS for the new registrations, the Transfer Agent will deliver the Offered Shares in the form of certificates for the Common Shares and thereafter Northland will recognize the holders of such certificates as holders of Common Shares.

Neither Northland nor the Underwriters will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Offered Shares held by CDS or any payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Offered Shares; or (c) any advice or representation made by or with respect to CDS and contained in this prospectus supplement and relating to the rules governing CDS or any action to be taken by CDS or at the direction of a Participant. The rules governing CDS provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS and Beneficial Owners must look solely to Participants for any payments relating to the Offered Shares paid by or on behalf of Northland to CDS.

RETAINED INTEREST

Pursuant to the pre-emptive rights, tendering and voting agreement dated December 8, 2010 (the "**NPHI Agreement**") between Northland and NPHI, a company controlled by James C. Temerty, the Chairman of Northland, NPHI was granted certain pre-emptive rights in respect of Northland. Under the NPHI Agreement, for so long as NPHI, Mr. Temerty and/or the Temerty Family Foundation, or the spouse or child of, or the estate of, Mr. Temerty (collectively, the "**NPHI Group**") continue to hold at least 20% of the Common Shares, Class A Shares and Class C common shares of Northland, upon the issuance of Common Shares and/or securities convertible or exchangeable into Common Shares, NPHI has the right to purchase Common Shares and/or securities convertible or exchangeable into Common Shares so as to maintain its *pro rata* ownership interest in Northland.

As of the date hereof, the NPHI Group holds, collectively, 1,000,000 Class A Shares and 51,497,712 Common Shares, representing an approximately 34% interest in Northland on a fully-diluted basis. Each Class A Share entitles the holder to one vote per Class A Share. Each Class A Share is exchangeable into one

Common Share. Pursuant to certain appointment rights in respect of the Class A Shares, so long as NPHI is controlled directly or indirectly by James C. Temerty and the aggregate number of votes attributed to the Class A Shares and the Common Shares held by the NPHI Group represents at least 15% of the votes attributed to all of the outstanding shares entitled to vote, the holders of the Class A Shares will have the right to elect 49% of the Board of Directors.

In connection with the Offering, NPHI, through a wholly-owned subsidiary, has agreed to subscribe for 3,125,000 Common Shares on a private placement basis and waive its pre-emptive right to purchase any additional Common Shares. Consequently, concurrently with the closing of the Offering, pursuant to the Concurrent Private Placement, a wholly-owned subsidiary of NPHI will subscribe for, and Northland will issue to such subsidiary, 3,125,000 Common Shares, at a price of $16.00 per Common Share, being equal to the Offering Price (as defined below) under the Offering. The Concurrent Private Placement will be completed by way of an exemption from the prospectus requirements under applicable securities laws.

After giving effect to the Concurrent Private Placement and the Offering (but before giving effect to the exercise of the Over-Allotment Option), the NPHI Group will hold, collectively, 1,000,000 Class A Shares in the capital of Northland and 54,622,712 Common Shares, representing an approximately 33% interest in Northland on a fully-diluted basis. Should all outstanding 5.00% extendible convertible unsecured subordinated debentures of Northland ("**Series B Debentures**") and Series C Debentures be converted into Common Shares in accordance with their terms, the NPHI Group's interest in Northland could be decreased to approximately 31%.

PLAN OF DISTRIBUTION

Pursuant to the underwriting agreement dated as of February 26, 2015 (the "**Underwriting Agreement**") between CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Desjardins Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., Cormark Securities Inc. and FirstEnergy Capital Corp. (collectively, the "**Underwriters**") and Northland in respect of the Offering, Northland has agreed to issue and sell to the Underwriters, and the Underwriters have severally agreed to purchase on the date of closing of the Offering (the "**Closing Date**"), an aggregate of 13,750,000 Common Shares at a price of $16.00 per Common Share (the "**Offering Price**") payable in cash against delivery, subject to the terms and conditions contained in the Underwriting Agreement. Delivery of the Offered Shares is conditional upon payment at closing of $16.00 per Common Share by the Underwriters to Northland. The Underwriting Agreement provides that Northland will pay the Underwriters a fee of 4.0% of the gross proceeds of the Offering, being a fee of $0.64 per Common Share, for an aggregate fee payable by Northland of $8,800,000, in consideration for their services in connection with the Offering. The Underwriters' fee in respect of the Offering is payable upon the closing of the Offering. The terms of the Offering, including the price of the securities offered, were determined by negotiation between: (i) Northland, and (ii) CIBC World Markets Inc., BMO Nesbitt Burns Inc. and National Bank Financial Inc. on behalf of the Underwriters.

Under the terms of the Underwriting Agreement, Northland has granted an over-allotment option (the "**Over-Allotment Option**") to the Underwriters. Pursuant to the Over-Allotment Option, the Underwriters may purchase up to an additional 687,500 Common Shares at the Offering Price. The Over-Allotment Option is exercisable by the Underwriters at their sole discretion at any time and from time to time up to 30 days following the Closing Date. If the Over-Allotment Option is exercised in full, the gross proceeds of the Offering (before deducting expenses of the Offering and the Underwriters' fee) will be $231,000,000.

This prospectus supplement also qualifies for distribution the grant of the Over-Allotment Option and the issuance of the Common Shares pursuant to the exercise of the Over-Allotment Option.

Concurrently with, and conditional upon, the closing of the Offering, Northland will issue and sell 3,125,000 Common Shares to a wholly-owned subsidiary of NPHI, on a private placement basis at the Offering Price pursuant to the Concurrent Private Placement for gross proceeds of $50,000,000. No commission or other fee will be paid to the Underwriters in connection with the sale of Common Shares pursuant to the Concurrent Private Placement. This prospectus supplement does not qualify the distribution of Common Shares pursuant to the Concurrent Private Placement. The Common Shares issued pursuant to the Concurrent Private Placement will be subject to a minimum statutory hold period of four months from the Closing Date.

The Underwriters propose to offer the Common Shares distributed under this prospectus supplement initially at the Offering Price. After a reasonable effort has been made to sell all of the Offered Shares distributed under this prospectus supplement at the price specified, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of such Common Shares remaining unsold. In the event the offering price of the Offered Shares is reduced, the compensation received by the Underwriters will be decreased by the amount by which the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to Northland for the Offered Shares. Any such reduction will not affect the proceeds received by Northland.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint, and may be terminated upon the occurrence of certain stated events. Subject to certain exceptions contained in the Underwriting Agreement, if an Underwriter fails to purchase the Offered Shares which it has agreed to purchase, the other Underwriters may, but are not obligated to, purchase such Offered Shares. The Underwriters are, however, obligated to take up and pay for all Offered Shares if any are purchased under the Underwriting Agreement. The Underwriting Agreement also provides that Northland will indemnify the Underwriters and their directors, officers, agents, shareholders and employees against certain liabilities and expenses.

Subscriptions for the Offered Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that closing of the Offering will occur on or about March 5, 2015 or such other date not later than April 6, 2015 as Northland and the Underwriters may agree upon. Except as described below, at the closing, the Common Shares qualified for distribution under this prospectus supplement will be available for delivery in book-entry form through CDS or its nominee, and will be deposited with CDS. Subject to certain exceptions, purchasers of the Common Shares issued hereunder will receive only a customer confirmation from the registered dealer that is a Participant and from or through which such Common Shares are purchased and shall not have the right to receive physical certificates evidencing their ownership of the Common Shares.

Northland has been advised by the Underwriters that, in connection with the Offering, the Underwriters may, subject to applicable laws, effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Northland has agreed with the Underwriters that, subject to certain exceptions (including with respect to the Concurrent Private Placement and certain share-based plans existing on the date hereof), it will not offer or issue, or enter into an agreement to offer or issue, equity securities or any securities convertible or exchangeable into equity securities for a period of 90 days subsequent to the closing date of the Offering without the prior written consent of CIBC World Markets Inc., on behalf of the Underwriters, which consent may not be unreasonably withheld.

Northland has applied to list the Offered Shares and the Common Shares issued pursuant to the Concurrent Private Placement on the Toronto Stock Exchange ("**TSX**"). The TSX has conditionally approved such listing. Listing will be subject to Northland fulfilling all of the listing requirements of the TSX on or before May 25, 2015.

The Offering is being made in each of the provinces of Canada. The Offered Shares have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**") or any state securities laws, and may not be offered or sold within the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriting Agreement permits the Underwriters, either directly or through their U.S. registered broker-dealer affiliates, to offer and resell the Offered Shares that they purchase pursuant to the Underwriting Agreement to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in the United States in transactions in accordance with the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A under the U.S. Securities Act and similar exemptions under applicable state securities laws. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Offered Shares outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of Offered Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act. This prospectus supplement does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Common Shares in the United States or for the account or benefit of a person in the United States.

Each of CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., Desjardins Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc. and TD Securities Inc. is a wholly owned subsidiary of a Canadian chartered bank (collectively, the "**Banks**") which are lenders to Northland pursuant to Northland's existing credit facility in the aggregate amount of $700 million (the "**Credit Facility**"). Accordingly, Northland could be considered a connected issuer of each such Underwriter for purposes of the securities legislation of certain Canadian provinces. The Credit Facility is comprised of a $250 million term facility and a $450 million revolving facility. As at the date hereof (i) the $250 million term portion is fully drawn by way of cash, and (ii) there are no cash drawings and $218 million of letters of credit outstanding to the Banks under the revolving portion. Northland is in compliance with the terms of the Credit Facility and its financial position has not changed substantially and adversely since the indebtedness under the Credit Facility was incurred and no breach thereunder has been waived by the Banks under the Credit Facility. The decision to distribute the Offered Shares was made by Northland and the terms and conditions of the Offering were determined through negotiations between: (i) Northland, and (ii) BMO Nesbitt Burns Inc., CIBC World Markets Inc. and National Bank Financial Inc. on behalf of the Underwriters. The Banks did not have any involvement in such decision or determination. In addition, none of the Banks nor their affiliate lenders will receive any benefit from the Offering, other than these Underwriters' respective portion of the Underwriters' fee payable by Northland as described above under "*Plan of Distribution*".

Certain of the Underwriters and/or their affiliates have performed investment banking and advisory services for Northland and its affiliates from time to time for which they have received customary fees and expenses. The Underwriters and/or their affiliates may, from time to time, engage in transactions with, or perform services for, Northland and its affiliates in the ordinary course of business and receive fees in connection therewith.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Borden Ladner Gervais LLP, counsel to Northland and McCarthy Tétrault LLP, counsel to the Underwriters (collectively "**Counsel**"), the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable under the *Income Tax Act* (Canada) and the regulations promulgated thereunder (the "**Tax Act**") to a subscriber (the "**Holder**") who acquires, as beneficial owner, Common Shares pursuant to the Offering (the "**Securities**") and who, for purposes of the Tax Act and at all relevant times, holds the Securities as capital property and deals at arm's length with, and is not affiliated with, Northland or the Underwriters. Generally, the Securities will be considered to be capital property to a Holder provided the Holder does not hold the Securities in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based upon the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly and officially announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and Counsels' understanding of the current administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**") published in writing by it prior to the date hereof. This summary assumes the Proposed Amendments will be enacted in the form proposed. However, no assurance can be given that the Proposed Amendments will be enacted in their current form, or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law or any changes in the CRA's administrative policies or assessing practices, whether by legislative, governmental or judicial action or decision, nor does it take into account or anticipate any other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is not applicable to a Holder: (i) that is a "financial institution", as defined in the Tax Act for purposes of the mark-to-market rules; (ii) an interest in which would be a "tax shelter investment"; (iii) that is a "specified financial institution"; (iv) who makes or has made a "functional currency" reporting election; or (v) that has entered or enters into a "derivative forward agreement" with respect to the Securities (each as defined in the Tax Act). **Any such Holder should consult its own tax advisor with respect to an investment in the Securities.**

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any prospective purchaser or holder of Securities, and no representations with respect to the income tax consequences to any prospective purchaser or holder are made. Consequently, prospective purchasers or holders of Securities should consult their own tax advisors with respect to their particular circumstances.

Residents of Canada

The following portion of the summary applies to Holders of Securities who at all relevant times are resident or deemed to be resident in Canada for the purposes of the Tax Act and any applicable income tax treaties or conventions (a "**Resident Holder**"). Certain Resident Holders of Common Shares who might not otherwise be considered to hold such Common Shares as capital property may, in certain circumstances, be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which may be to deem to be capital property any Common Share and every other "Canadian security" (as defined in the Tax Act) owned by such Resident Holder in the taxation year in which the election is made and in all subsequent taxation years. **Resident Holders of Common Shares contemplating making the election permitted by subsection 39(4) of the Tax Act should consult their own independent tax advisors as such an election would affect the income tax treatment of dispositions by the Resident Holder of other Canadian securities.**

Dispositions of Common Shares

On the disposition or deemed disposition of a Common Share, the Resident Holder will realize a capital gain (or capital loss) equal to the amount by which the Resident Holder's proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base of the Common Share and any reasonable costs of disposition. Proceeds of disposition will not include an amount payable by Northland that is otherwise required to be included in the Resident Holder's income.

Capital Gains and Capital Losses

One-half of any capital gain realized by a Resident Holder will be included in the Resident Holder's income as a taxable capital gain and one-half of any capital loss realized by a Resident Holder may generally be deducted only from taxable capital gains in accordance with the provisions of the Tax Act. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

Where a Resident Holder that is a corporation or trust (other than a mutual fund trust) disposes of a Common Share, the Resident Holder's capital loss from the disposition will generally be reduced by the amount of dividends previously designated by Northland to have been received by the Resident Holder except to the extent that a loss on a previous disposition of a Common Share has been reduced by those dividends. Analogous rules apply where a corporation or trust (other than a mutual fund trust) is a member of a partnership that disposes of Common Shares.

Dividends on Common Shares

A Resident Holder that is an individual (other than certain trusts), will be required to include in income the dividends received or deemed to be received on the Common Shares, which will be subject to the normal gross-up and dividend tax credit rules applicable to dividends paid by taxable Canadian corporations under the Tax Act, including the enhanced gross-up and dividend tax credit applicable to any dividend designated by Northland as an "eligible dividend" in accordance with the provisions of the Tax Act. There may be limitations on Northland's ability to designate dividends as "eligible dividends".

A Resident Holder that is a corporation will be required to include in income any dividend received or deemed to be received on the Common Shares and generally will be entitled to deduct an equivalent amount in computing its taxable income.

Private corporations (as defined in the Tax Act) and or certain other corporations controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts) generally will be liable to pay a 33 ⅓% refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Common Shares to the extent such dividends are deductible in computing Northland's taxable income.

Alternative Minimum Tax

Capital gains realized or dividends received, or deemed to be received, by a Resident Holder that is an individual or a trust, other than certain specified trusts, may give rise to alternative minimum tax under the Tax Act.

Additional Refundable Tax

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a refundable tax of 6 ⅔%, on its "aggregate investment income", which is defined in the Tax Act to include taxable capital gains.

Taxation of Non-Residents

The following portion of the summary applies to a Holder of Securities who, at all relevant times, for purposes of the Tax Act and any relevant income tax treaty or convention: (i) is not, and is not deemed to be resident in Canada; and (ii) does not use or hold and will not be deemed to use or hold, the Securities in a business carried on in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Holder that is an insurer that carries on an insurance business in Canada. Such Holders should consult their own tax advisors. **Non-Resident Holders of Common Shares should seek advice from their own tax advisors**.

Disposition of Common Shares

A Non-Resident Holder will not generally be subject to tax under the Tax Act on a disposition of a Common Share, unless the Common Share constitutes "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Disposition of Taxable Canadian Property

Provided the Common Shares are listed on a "designated stock exchange", as defined in the Tax Act (which currently includes the TSX) at the time of disposition, the Securities will generally not constitute taxable Canadian property of a Non-Resident Holder at that time, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are satisfied concurrently: (i) (a) the Non-Resident Holder; (b) persons with whom the Non- Resident Holder did not deal at arm's length; (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships; or (d) any combination of the persons and partnerships described in (a) through (c), owned 25% or more of the issued shares of any class or series of the shares of Northland; and (ii) more than 50% of the fair market value of the shares of Northland was derived directly or indirectly from one or any combination of: real or immovable property situated in Canada, "Canadian resource properties", "timber resource properties" (each as defined in the Tax Act), and options in respect of, or interests in or for civil law rights in, such properties. **A Non-Resident Holder contemplating a disposition of Securities that may constitute taxable Canadian property should consult a tax advisor prior to such disposition.**

Receipt of Dividends on Common Shares

Dividends received or deemed to be received by a Non-Resident Holder on the Common Shares will be subject to Canadian withholding tax under the Tax Act. The general rate of withholding tax is 25%, although such rate may be reduced under the provisions of an applicable income tax convention between Canada and the Non-Resident Holder's country of residence, for example, under the *Canada-United States Income Tax Convention (1980)* as amended, the rate is generally reduced to 15%.

ELIGIBILITY FOR INVESTMENT

In the opinion of Borden Ladner Gervais LLP, counsel to Northland, and McCarthy Tétrault LLP, counsel to the Underwriters, if issued on the date hereof, the Common Shares would be qualified investments for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), registered disability savings plans, deferred profit sharing plans, tax-free savings accounts ("**TFSAs**") and registered education savings plans (collectively, the "**Plans**"), provided that the Common Shares are listed on a designated stock exchange (which includes the TSX).

Notwithstanding that the Common Shares may be a "qualified investment" for a trust governed by a TFSA, RRSP or RRIF, the holder of a TFSA or the annuitant under a RRSP or RRIF, as the case may be, who holds the Common Shares will be subject to a penalty tax if such Common Shares are a "prohibited investment" for purposes of the Tax Act. The Common Shares will generally be a "prohibited investment" if the Holder or annuitant, as the case may be: (i) does not deal at arm's length with Northland for the purposes of the Tax Act; or (ii) has a "significant interest" in Northland, within the meaning of the Tax Act. In addition, the Common Shares will not be a prohibited investment if they are "excluded property" as defined in the Tax Act for trusts governed by a TFSA, RRSP or RRIF. **Holders and annuitants should consult their own tax advisors to ensure that the Common Shares would not be a prohibited investment for a trust governed by a TFSA, RRSP or RRIF in their particular circumstances.**

RISK FACTORS

An investment in Common Shares is subject to a number of risks described below and in the documents incorporated by reference herein. Before deciding whether to invest in the Common Shares, prospective investors should consider carefully the risks relating to Northland described below as well as those described at page 15 of the Prospectus and at pages 46 to 56 of the AIF.

Risks Related to the Gemini and Nordsee Projects

Failure to Achieve Financial Close or Failure to Complete the Offshore Projects

The Nordsee One project and the 600 MW Gemini offshore wind project ("**Gemini**", and collectively with the Nordsee One project, the "**Offshore Projects**" or individually, an "**Offshore Project**") are subject to normal commercial risks that they may not be completed on the terms negotiated or at all. If Nordsee One fails to reach Financial Close and Northland is unable to sell its interests in Nordsee One for at least the amount invested at that time, Northland may incur losses in respect of the development expenditures related to Nordsee One incurred by Northland and such losses could have a significant adverse impact on Northland's financial results. See *"Norsdee One – Financial Structure"*. In addition, Northland would have to find alternative uses for deploying the net proceeds of the Offering, Concurrent Private Placement and the Series C Debentures, which may be less favourable to Northland than the investment in Nordsee One. After Financial Close, if either of the Offshore Projects fails to be completed and cannot be sold for at least the amount invested at the time of sale, Northland will incur losses from the total investments in and commitments made to the relevant Offshore Project at the time of failure, which could be substantial and have a significant adverse impact on Northland's financial results and financial position, and may impair Northland's ability to maintain its current level of dividend payments.

Inability of Northland to Secure Remaining Funds for Nordsee One

Should Northland be unable to secure funds for Nordsee One from various sources including but not limited to cash on hand, its credit facilities, private placements, and the capital markets, or if Northland experiences an operational or other loss prior to Financial Close, Northland may not have sufficient funds to satisfy its required contributions with the result that Financial Close may not occur.

Risks Related to Evaluation of the Offshore Projects

Northland's decision to pursue the Offshore Projects is based in large part on engineering, environmental and economic assessments made by Northland and by independent engineers and consultants. Many factors underlying these assessments are subject to change and are beyond the control of Northland. All such assessments involve a measure of geologic, engineering, environmental and regulatory uncertainty that could result in the costs of the Offshore Projects being higher than anticipated or revenues or returns being lower than anticipated.

Risks Related to Co-Ownership

For Nordsee One, both Sponsors are required to approve the project financing. There can be no assurance that RWE will obtain the required approval to allow Nordsee One to reach Financial Close as planned. A failure of RWE to fulfill its funding commitments could result in a failure to reach Financial Close. After Financial Close, Northland will also be relying on RWE to fulfill its commitments and obligations under the SHIA and the other contracts in respect of Nordsee One to which such Sponsor is a party. There is a risk that RWE will be unable or unwilling to fulfill its obligations under the SHIA and the other contracts in respect of Nordsee One to which it is a party. In such a case, Nordsee One's operations may be adversely impacted and therefore Northland's cash flows from Nordsee One could be adversely impacted.

Similarly, Northland is reliant upon the other sponsors of the Gemini project to fulfill their obligations and undertakings pursuant to the various ownership and other agreements and, to the extent they fail to do so, the Gemini Project and Northland may be adversely impacted.

Risks Related to Significant Capital Expenditures, Construction, Budget and Schedule

Achieving the full benefits of the Offshore Projects will depend, in part, on successfully completing the construction of the Offshore Projects in accordance with the construction schedules and budgets. Failure to meet the applicable schedule or budget could result in the Offshore Projects not achieving the expected financial results, which may lead to a diversion of management's time and attention from Northland's other strategic opportunities and from operational matters. The expected Offshore Projects' construction costs may not be sufficient to adequately complete the Offshore Projects. In addition, issues could be discovered during the construction process that would cause the Offshore Projects, and indirectly Northland, to incur additional and unexpected costs. The pre-completion revenues are also impacted by construction risk as well as energy yield risk. In particular, a delay in installation and operations of the wind turbine generators or electrical infrastructure could imperil existing permits and grid connection commitments, could reduce the FiT tariff and would prevent revenue from being generated by the Offshore Projects.

Nordsee One uses a multi-contracting approach that is common in Germany for offshore wind projects, instead of a turbine supply and installation contract coupled with a balance of plant engineering, procurement and construction contract approach commonly used in Canada for wind projects. There may be increased risks to the Company from overall project management and coordination, compatibility errors, liability caps and warranties on an individual work package basis and issues of delays, cost overruns, performance failures and litigation from multiple physical and contractual interfaces as a result of the planned use of five principal contracts for construction of Nordsee One.

Risk of Default under Project Loan Agreements

The Offshore Projects are financed by highly structured term loans that contain provisions related to, among other things, operations, financial results, project contracts, sponsor obligations, covenants, representations and warranties, and sponsor undertakings that if not met, could cause the Offshore Projects to default on the loans if the event of default cannot be cured during prescribed periods. Upon occurrence of a loan default, Northland could lose operational control of the Offshore Projects and some or all of its expected cash flows from the Offshore Projects.

Risks Related to Environmental Health and Safety Laws and Regulations

If the Offshore Projects do not comply with applicable laws, regulations or permit requirements, they may be required to pay penalties or fines or curtail or cease operations. Violations of environmental and other laws, regulations and permit requirements, including certain violations of laws protecting migratory birds and endangered species, may also result in criminal sanctions or injunctions.

Environmental, health and safety laws, regulations and permit requirements may change or become more stringent. Any such changes could require the Offshore Projects to incur materially higher costs or curtail or cease the development or operation of the Offshore Projects. The costs of complying with current and future environmental, health and safety laws, regulations and permit requirements, and any liabilities, fines or other sanctions resulting from violations of them, could adversely affect the Offshore Projects and Northland.

Risks Related to Natural Events

Off-shore wind projects, including their turbines and collection systems, are exposed to the elements such as wind, water, and movement of the sea floor. They are also susceptible to weather and other natural events such as hurricanes, tornadoes, lightning storms, and icing events that can cause construction delays and production losses and damage to construction equipment, wind turbine generators, wind turbine generator blades or other project equipment. Natural events may also make it impossible for operations and maintenance crews to access disabled turbines to deliver parts and provide services. During times of unavailability, turbines will not produce energy.

Risks Related to Technical Breakdowns and Operational Disruptions

The Offshore Projects are exposed to risks in connection with disruptions to operations, which may be caused by technical breakdowns, system failures, aged or defective facility components, insufficient maintenance, failed repairs, power outages, adverse weather conditions, natural disasters, labour disputes, ill-intentioned acts or other accidents or incidents. Availability of wind turbine generators may suffer because wind turbine generators requiring service cannot be accessed by air or water during inclement conditions that would not inhibit such servicing of a land based project. These disruptions could result in shutdowns, delays, or long term decommissioning in production or distribution of power. This may materially and adversely affect the Offshore Projects' operations or financial condition and cause harm to the Offshore Projects' and Northland's reputation.

Risks Related to Events from Human Activity

The movement and/or anchoring of water craft through areas surrounding the Offshore Projects, including near the collection systems or export cables, could cause damage to the construction equipment, wind turbine generators, wind turbine generator blades or other project equipment, which could cause delays and/or losses.

Similar losses could result from human activity near the Offshore Projects' on-shore assets. Although the Offshore Projects will be insured for such events, and liability could accrue to others in control of the events causing such damage, there can be no assurance that the insurance will provide coverage for any particular event, that coverage provided will be sufficient to account for the losses suffered by the Offshore Projects, that claims will be paid on a timely basis, that the making of claims will be justified given applicable deductibles, or that damages can be collected from third parties liable for such events.

Energy Yield Risks

Despite the data for offshore wind projects in the North Sea and the separate yield studies conducted by consultants to the Offshore Projects and the senior lenders in connection with the Offshore Projects, the Offshore Projects may experience lower than expected energy yields. Wind resource projections do not predict the wind at any specific period of time in the future and turbine performance expectations may not be met. Therefore, even in the event where prediction of a wind farm's wind resources becomes validated over time, the wind farm will experience hours, days, months and even years that are below wind resource predictions. Wind resource projections may not predict the actual wind resources observed by the wind farm over a long period of time. Assumptions included in wind resource projections, such as the interference between turbines, may not be accurate.

Risk of Increased Operating Costs during the Operating Period

Operating costs of the Offshore Projects could be higher than expected, thereby reducing the cash flows available to Northland and the other sponsors. Higher operating costs could also cause interruptions in distributions to Northland pursuant to the terms of the financing agreements, and could result in a default under the relevant Offshore Project loan agreements.

Power Market Risks

The Offshore Projects will receive revenue in accordance with their power contracts pursuant to applicable renewable energy legislation. There is no guarantee that this legislation will not be changed, which may reduce the amount of cash flow received. The Offshore Projects are also subject to a certain degree of variable price risk in excess of their respective fixed-price tariffs.

Risks Applicable to Northland's International Activities

Northland's operations in Europe and elsewhere are subject to special risks inherent in doing business outside Canada. These risks can involve matters arising out of the policies of foreign governments, imposition of special taxes or similar charges by government bodies, restrictions on carrying on business or the revocation or non-issuance of licenses to carry on business by a foreign government, foreign exchange fluctuations and controls, civil disturbances and deprivation or unenforceability of contract rights or the taking of property without fair compensation. Foreign properties, operations and investments may be adversely affected by local political and economic developments, including nationalization, laws affecting foreign ownership, government participation, royalties, duties, rates of exchange, exchange controls, currency fluctuation, taxation and new laws or policies as well as by laws and policies of Canada affecting foreign trade, investment and taxation.

Foreign Exchange Risk

Northland's corporate capital providers generally expect interest, dividends, principal repayments, and other compensation for providing capital to be settled in Canadian dollars. After all obligations of the Offshore Projects are paid from the respective Offshore Project's cash flows, any cash distributions from Gemini and Nordsee One to Northland will be paid in Euros. Although Northland has implemented financial hedges between the Euro and Canadian dollar for a material portion of the expected Gemini project's cash flows, and expects to do so for Nordsee One, there is no assurance that financial hedges will be available at all or available upon commercially reasonable economics, or will match the amounts or duration of the Offshore Projects' cash flows. Any interruption in cash flows to Northland from the Offshore Projects could cause existing or future hedging arrangements to be terminated or settled at a financial loss. Any financial hedges could be subject to a failure of a financial hedge counterparty.

Interest Rate Risk

The financial hedges secured in respect of each of the Offshore Projects may vary from the actual profile of debt outstanding, and losses could be incurred at the Offshore Projects from under or over hedged EURIBOR exposure during the term of the loan. Despite the use of suitable financial derivatives products, some residual risks remain, particularly in connection with the process of terminating and reinstating hedges at the refinancing point, possible failure of a hedge counterparty, and uncertainties around future debt quantum.

Inflation Risk

The power contracts of the Offshore Projects are not subject to an inflation rate escalation. Inflation beyond initial estimates could impact both Offshore Projects' economics and, in extreme cases, the Offshore Projects' ability to meet debt service coverage ratios or other obligations.

Refinancing Risks

The maturity date of Gemini's senior debt is in 2031; however, starting in 2023, if a refinancing has not occurred, Gemini will be required to apply amounts otherwise available for Sponsor distributions to the mandatory repayment of the then outstanding senior loans. The Sponsors intend to refinance Gemini's senior debt prior to 2023, but Gemini's ability to refinance all of its senior debt on favourable terms will be dependent on, among other factors, the operating performance of Gemini, future debt market conditions, the level of future interest rate spreads, the effectiveness of the interest rate hedges and the ability to terminate the hedges efficiently if required, the state of the Dutch electricity market, future electricity market prices, and prospective lenders' assessment of Gemini's credit risk at such time. Nordsee One is not expected to be subject to similar refinancing risks because its loan is scheduled to be repaid fully during the loan term.

Risks Related to the Offering

Use of Proceeds of the Offering

As set out under "*Use of Proceeds*" in this prospectus supplement, Northland intends to use the net proceeds of the Offering to fund a portion of Northland's investment in Nordsee One and the Grand Bend wind farm in Ontario, replenish working capital and for general corporate purposes. There may be circumstances that are not known at this time where a reallocation of the net proceeds of the Offering may be advisable for business reasons that the Board of Directors and management believe are in Northland's best interests.

Market for Securities

Northland has applied to list the Offered Shares and the Common Shares to be issued pursuant to the Concurrent Private Placement on the TSX. Listing is subject to Northland fulfilling all of the listing requirements of the TSX. There can be no assurance that an active trading market will develop for the Offered Shares after the Offering, or if developed, that such a market will be sustained at the price level of the Offering. The price paid for each Offered Share may bear no relationship to the price at which the Common Shares will trade in the public market subsequent to the Offering. Northland cannot predict at what price the Common Shares will trade and there can be no assurance that an active trading market will develop for the Common Shares or, if developed, that such market will be sustained.

Market Conditions

The market price of the Common Shares could be subject to significant fluctuations in response to a variety of factors, including variations in Northland's operating results, financial condition, announcements of new developments, changes in credit ratings, liquidity and other internal factors. Factors that could affect the market price of the Common Shares that are unrelated to Northland's performance include domestic and global energy prices and market perceptions of the attractiveness of particular industries. The price at which the Common Shares will trade cannot be accurately predicted.

Dividends on Common Shares

Notwithstanding anything contained in this prospectus supplement, the payment and the amount of dividends declared on the Common Shares, if any, will be subject to the discretion of the Board of Directors and will depend on the Board of Directors' assessment of Northland's outlook for growth, capital expenditure requirements, funds from operations, potential opportunities, debt position and other conditions that the Board of Directors may consider relevant at such future time, including applicable restrictions that may be imposed under the Credit Facility and on the ability of Northland to pay dividends. The amount of future cash dividends, if any, may also vary depending on a variety of factors, including fluctuations in energy prices, capital expenditure requirements, debt service requirements, operating costs and foreign exchange rates. In addition, the market value of the Common

Shares may decline if Northland’s cash dividends decline in the future, and that market value decline may be material.

Forward-Looking Information May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

PRIOR SALES

On January 22, 2015, Northland issued $150,000,000 aggregate principal amount of Series C Debentures at a price of $1,000 per Series C Debenture. An additional $7,500,000 principal amount of Series C Debentures were issued on January 28, 2015 pursuant to the exercise of an over-allotment option.

On March 5, 2014, Northland issued 9,843,750 Common Shares at $16.00 per Common Share for gross proceeds of $157,500,000.

On March 5, 2014, Northland issued $75,000,000 aggregate principal amount of Series B Debentures at a price of $1,000 per Series B Debenture. An additional $3,750,000 principal amount of Series B Debentures were issued on March 11, 2014 pursuant to the exercise of an over-allotment option.

Dividend Reinvestment Plan

Pursuant to Northland's Dividend Reinvestment Plan (the "**DRIP**"), eligible shareholders may elect to reinvest the cash dividends they are entitled to receive on Common Shares at up to a 5% discount to the volume weighted average of the trading prices of the Common Shares on the TSX for the five trading days immediately preceding the dividend payment date. Since February 1, 2014, Northland has issued 2,811,861 Common Shares under the DRIP at a volume-weighted average price of $16.99 per Common Share.

Long-Term Incentive Plan

Pursuant to Northland's Long-Term Incentive Plan (the "**LTIP**"), eligible employees, officers and consultants are eligible for awards of contingent deferred rights ("**Deferred Rights**"), at the discretion of the Compensation Committee of the Board of Directors. Deferred Rights are granted for services provided by the recipient in the year of grant and 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. 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. Since, February 1, 2014, Northland has issued 53,499 in Deferred Rights and issued 675,493 Common Shares under the LTIP. See details of Common Shares issued under the LTIP in the table below.

Date	Security Description	Price per Security($)	Number of Securities Issued under the LTIP[(1)]
April 14, 2014	Common Shares	17.39	166,561
May 16, 2014	Common Shares	18.04	17,666
June 10, 2014	Common Shares	17.86	327,043
October 3, 2014	Common Shares	16.43	46,834
December 17, 2014	Common Shares	15.33	74,597
January 8, 2015	Common Shares	15.85	42,792
January 22, 2015	Common Shares	16.40	53,499

1. Number of securities issued under LTIP since February 1, 2014.

TRADING PRICE AND VOLUME OF COMMON SHARES

The outstanding Common Shares of Northland are listed and posted for trading on the TSX under the trading symbol "NPI". The following table sets forth, for the period indicated, the monthly high and low trading prices and the trading volumes of the Common Shares as reported by the TSX:

Period	High	Low	Volume
2015			
February (February 1 to 25)	$17.34	$16.14	6,699,317
January	$17.37	$15.20	6,704,790
2014			
December	$16.77	$14.55	7,173,736
November	$17.43	$16.02	3,963,151
October	$17.30	$15.44	5,994,671
September	$18.25	$16.76	5,199,063
August	$18.39	$17.34	2,804,257
July	$18.69	$17.42	5,016,294
June	$18.33	$17.54	4,966,042
May	$18.24	$17.04	4,032,431
April	$17.67	$17.05	2,779,726
March	$17.42	$16.30	4,824,967
February	$16.90	$15.66	7,136,493

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of Northland are Ernst & Young LLP, Chartered Accountants, Toronto, Ontario. To the knowledge of Northland, Ernst & Young LLP is independent of Northland in accordance with the rules of professional conduct of the Institute of Chartered Accountants of Ontario.

The transfer agent and registrar for the Common Shares is Computershare Trust Company of Canada at its principal office in Toronto, Ontario.

LEGAL MATTERS

Certain legal matters relating to Canadian law in connection with the Common Shares offered hereby will be passed upon on behalf of Northland by Borden Ladner Gervais LLP, Toronto, Ontario and on behalf of the Underwriters by McCarthy Tétrault LLP, Toronto, Ontario.

As of the date hereof, the partners and associates of each of Borden Ladner Gervais LLP and McCarthy Tétrault LLP beneficially own, directly or indirectly, less than 1% of the outstanding securities of Northland. Linda Bertoldi, a partner of Borden Ladner Gervais LLP, is a director of Northland.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may only be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, or revision of the price or damages are exercised by the purchaser within the time limit prescribed by the applicable provisions of the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF NORTHLAND

Dated: February 26, 2015

The short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

NORTHLAND POWER INC.

(Signed) "*JOHN W. BRACE*" Chief Executive Officer	(Signed) "*PAUL J. BRADLEY*" Chief Financial Officer

On Behalf of the Board of Directors

(Signed) "*JAMES C. TEMERTY*" Director	(Signed) "*LINDA L. BERTOLDI*" Director

CERTIFICATE OF THE UNDERWRITERS

Dated: February 26, 2015

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces of Canada.

CIBC WORLD MARKETS INC.

By: (signed) "*David H. Williams*"

BMO NESBITT BURNS INC.

By: (signed) "*Pierre-Olivier Perras*"

NATIONAL BANK FINANCIAL INC.

By: (signed) "*Iain Watson*"

DESJARDINS SECURITIES INC.

By: (signed) "*Francois Carrier*"

RBC DOMINION SECURITIES INC.

By: (signed) "*Robert Nicholson*"

SCOTIA CAPITAL INC.

By: (signed) "*Thomas I. Kurfurst*"

TD SECURITIES INC.

By: (signed) "*John Kroeker*"

CORMARK SECURITIES INC.

By: (signed) "*Stefan Coolican*"

FIRSTENERGY CAPITAL CORP.

By: (signed) "*Erik B. Bakke*"