

Algonquin Power Income Fund

August 3, 2001

Algonquin Power Income Fund Announces Sale of Biomass-Fired Facilities

Toronto, Ontario - Algonquin Power Income Fund (the "Fund") announced today that it has sold certain biomass-fired electric generating facilities that it indirectly acquired as a result of the recent takeover bid made by its indirect wholly-owned subsidiary, Algonquin Acquisition Inc., for Drayton Valley Power Income Fund. As a result of the takeover bid, the Fund indirectly acquired a 15.0 megawatt (MW) hydroelectric facility located near Innisfail, Alberta; a 17.0 MW biomass-fired facility located near Westlock, Alberta (the "Westlock Facility"); a 7.5 MW biomass-fired facility located near White River, Ontario (the "White River Facility"); and a 12.0 MW biomass-fired facility located near Drayton Valley, Alberta (the "Drayton Valley Facility"). The Fund has completed the sale of the Westlock Facility and the White River Facility and a 50% interest in the Drayton Valley Facility to Primary Power of Western Canada Company.

The Fund currently holds equity interests, directly and indirectly, in 48 hydroelectric generating facilities located in Alberta (1), Ontario (6), Quebec (12), Newfoundland (1), New York State (12), New Hampshire (13), Vermont (2) and New Jersey (1), having a total installed capacity of approximately 142 megawatts. The Fund also holds an equity interest one biomass-fired facility located in Alberta and two wastewater treatment facilities located near Phoenix, Arizona.

Algonquin Management Inc. ("Algonquin") is the manager of the Fund and provides executive management and other services to the Fund.

The Fund's units are listed and posted for trading on The Toronto Stock Exchange Inc. under the symbol "APF.UN".

Primary Power of Western Canada Company is an affiliate of Primary Power of Canada Company and a subsidiary of Primary Power International.

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