

Algonquin Power Income Fund

April 5, 2001

Toronto, Ontario - Algonquin Power Income Fund (the "Fund") announces today that it has completed an investment in seven facilities in Ontario, Quebec, New York, Vermont and Arizona.

The Fund has made an investment in the Campbellford Generating Station which is a 4.0 MW hydroelectric generating station located on the Trent River near the Town of Campbellford, Ontario. The Fund has made this investment by acquiring the outstanding project debt and a 50% equity interest from Algonquin Power Corporation Inc. ("Algonquin"), the original developer of the Generating Station.

The Fund has completed the acquisition of the shares of the companies that own Phoenix Hydro, Kings Falls, Otter Creek and Worcester Hydro Generating Stations. The Phoenix Generating Station is a 3.5 MW hydroelectric generating station located on the Oswego River in New York State approximately 50 km north of Syracuse. The Kings Falls Generating Station is a 1.6 MW hydroelectric generating station located on the Deer River near the Town of Denmark, New York. The Otter Creek Generating Station is a 575 kW hydroelectric generating station located on Otter Creek near the Town of Denmark, New York. The Worcester Generating Station is a 175 kW hydroelectric generating station located on the North Branch of the Winnooskie River near the Town of Worcester, Vermont. Algonquin assigned its interest in the purchase agreement for these four Generating Stations to the Fund, which completed the acquisitions.

The Fund has completed the acquisition of the shares of the corporation that owns the St. Raphael de Bellechasse Generating Station. This is a 550 kW hydroelectric generating station located on the Riviere du Sud near the town of St. Raphael, Quebec. Algonquin assigned its interest in the purchase agreement for the Generating Station to the Fund, which completed the acquisition.

While the primary avenue of growth for the Fund will be the continued acquisition of hydroelectric generating facilities, the Fund will consider acquisitions which are accretive and will provide a stable income flow to balance fluctuations resulting from natural, hydrologic conditions. In this regard the Fund has acquired the Boulders Carefree Sewer Company ("Boulders") located in Carefree, Arizona. The Boulders facility treats the wastewater from approximately 1,500 homes located within a utility area regulated by the Arizona Corporation Commission. While this is the first regulated wastewater treatment facility acquired by the Fund, the Boulders facility will provide a stable cash flow to our Unitholders. A partnership partially owned by the shareholders of Algonquin Management Inc. (the "Manager") assigned its interest in the purchase agreement for Boulders to the Fund, which completed the acquisition. To ensure stable operations of this business unit, the Manager has entered into a strategic partnership with a third party that has specific expertise in wastewater treatment.

By completing these seven investments, the Fund has utilized approximately \$28.3 million of proceeds from its latest public offering, of which \$7.5 million was invested in Boulders. This increases the Fund's portfolio of facilities to 48, of which 47 are hydroelectric generating stations having an installed capacity of approximately 136 MW and one wastewater treatment facility.

The Manager provides executive management and other services to the Fund. The principals of the Manager have over a half-century of collective experience in the development and operation of independent hydroelectric power generating facilities in Canada and the United States. The Manager is wholly owned by the shareholders of Algonquin.

The Fund's units are listed on The Toronto Stock Exchange under the symbol "APF.UN".

For more information please contact:

John M.H. Huxley or Peter Kampian
Algonquin Management Inc.
2085 Hurontario Street, Suite 210
Mississauga, Ontario
L5A 4G1

Telephone: (905) 273-8900
E-mail: APIF@algonquinpower.com
Web Page: www.algonquinpower.com