

JUST ENERGY GROUP INC.

(the “Corporation”)

DIVIDEND POLICY

(a) **Decision**

All decisions with respect to dividends on common shares of the Corporation will be made by the Board of Directors of the Corporation (pursuant to a resolution of the Board at a duly constituted meeting or by resolution in writing of the Board signed by all directors), based on the recommendation of the Audit Committee.

(b) **Policy**

It is the current intention of the Board of Directors that, subject to applicable laws, to pay monthly dividends on the Corporation’s outstanding common shares.

The amount of cash dividends, if any, to be paid on the Corporation’s common shares, subject to (a) and (b) above, will be subject to the discretion of the Board of Directors and may vary depending on a variety of factors, including:

- the prevailing economic and competitive environment;
- the Corporation’s results of operations and earnings;
- financial requirements for the operations and growth of the Corporation and its subsidiaries;
- the satisfaction of solvency tests imposed by the Canada Business Corporations Act (the “CBCA”) for the declaration and payment of dividends;
- contractual restrictions and financing agreement covenants; and
- other relevant factors and conditions existing from time to time.

There is no guarantee that the Corporation will maintain this Dividend Policy.

Notes:

1. **CBCA Limitation.** Under section 42 of the CBCA, directors may not declare and a corporation may not pay a dividend if:

“(a) the corporation is, or would after the payment be, unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes".

Each dividend declaration resolution will recite the ability of the Corporation to meet the above tests to be supported by a quarterly certificate signed by the Chief Financial Officer and that the Corporation is compliant with the Credit Facility limitations described below. Directors of a corporation who vote for or consent to a resolution authorizing a payment of a dividend contrary to section 42 of the CBCA are jointly and severally, liable to restore to the corporation any amounts so distributed or paid and not otherwise recovered by the corporation.

- (c) **Credit Facility Limitations.** The aggregate of all dividends: (A) in any of the first three fiscal quarters of each year shall not exceed the cash available for distribution calculation adjusted to: (i) remove the contributions of and financial support to Just Energy entities that are not part of the collateral provided to the lenders; and (ii) interest paid on Convertible Debentures ("Distributable Free Cash Flow"), by more than \$30,000,000; and (B) in any fiscal year shall not exceed Distributable Free Cash Flow by more than \$10,000,000.
- (d) **Other Limitations.** There are no other current contractual provisions which restrict the ability of the Corporation to declare and pay dividends.
- (e) **Taxation of Dividends on common shares – Canadian residents.** In the case of a shareholder of the Corporation who is an individual (other than certain trusts), dividends received or deemed to be received on the Corporation's common shares will be included in computing such holder's income and will be subject to the normal gross-up and dividend tax credit rules applicable to dividends paid by taxable Canadian corporations under the Canadian Income Tax Act (the "Tax Act"), including the enhanced gross-up and dividend tax credit applicable to any dividend designated as an "eligible dividend" in accordance with the provisions of the Tax Act.

Dividends received or deemed to be received on the Corporation's common shares by a corporation generally will be included in the corporation's gross income for the taxation year in which such dividends are received and generally will be deductible in computing the corporation's taxable income. A corporation that is a "private corporation" (as defined in the Tax Act) or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), may be liable to pay a refundable tax of 33 $\frac{1}{3}$ % under Part IV of the Tax Act on dividends received (or deemed to be received) on the Corporation's common shares to the extent such dividends are deductible in computing taxable income for the year.