



NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR –
SOLICITATION OF PROXIES

April 22, 2008

INNERGEX RENEWABLE ENERGY INC.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**Meeting**") of the shareholders of Innergex Renewable Energy Inc. (the "**Corporation**") will be held on June 11, 2008 at 3:00 p.m. at Club St-Denis, Salle Jean-René Ouimet, 257 Sherbrooke St. East, Montréal, Province of Québec, for the following purposes:

1. To receive the consolidated financial statements of the Corporation for the financial year ended December 31, 2007, together with the report of the auditors thereon;
2. To elect directors for the ensuing year;
3. To appoint the auditors of the Corporation for the ensuing year and authorize the directors of the Corporation to fix their remuneration; and
4. To transact such other business that may properly come before the Meeting or any adjournment thereof.

April 21, 2008 has been chosen as the record date for determining those Shareholders of the Corporation entitled to receive notice and to vote at the Meeting. The accompanying information circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this notice.

Shareholders may exercise their rights by attending the Meeting or by completing a form of proxy. If you are unable to attend the Meeting in person, please complete, date and sign the enclosed form of proxy and return it in the envelope provided for that purpose. In order to be effective, proxies must be received by the transfer agent and registrar of the Corporation (Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1) no later than 5:00 p.m. (Montréal Time) on June 10, 2008, or, if the Meeting is adjourned, no later than 24 hours, excluding Saturdays, Sundays and statutory holidays, preceding the day of any adjournment thereof.

Les actionnaires qui préfèrent recevoir la présente circulaire d'information de la direction en français n'ont qu'à en aviser le secrétaire corporatif de la société.

Dated at Longueuil, Québec, this 22nd day of April, 2008.

By order of the Board of Directors of INNERGEX RENEWABLE ENERGY INC.

(Signed) Michèle Beauchamp

Michèle Beauchamp
Vice President – Legal Affairs and
Corporate Secretary

INNERGEX RENEWABLE ENERGY INC.

MANAGEMENT INFORMATION CIRCULAR

This management information circular is provided in connection with the solicitation of proxies to be used at the annual general meeting of shareholders (the "**Shareholders**") of Innergex Renewable Energy Inc. (the "**Corporation**") to be held on June 11, 2008 at 3:00 P.M. at Club St-Denis, Salle Jean-René Ouimet, 257 Sherbrooke St. East, Montréal, Province of Québec, or at any adjournment thereof (the "**Meeting**") for the purposes set forth in the Corporation's notice of Meeting (the "**Notice of Meeting**").

The enclosed proxy is being solicited by the management of the Corporation. The solicitation is being made primarily by mail, but proxies may also be solicited by telephone, by facsimile, by the internet, by advertisement or by other personal contact by directors, officers and other employees of the Corporation. The entire cost of the solicitation will be borne by the Corporation.

The information contained in this circular is given as at April 21, 2008, the record date established for the Notice of Meeting, unless otherwise specifically indicated.

APPOINTMENT OF PROXIES

The persons named in the accompanying form of proxy are officers of the Corporation. **Each Shareholder has the right to appoint a person, other than a person designated in the accompanying form of proxy, who need not be a Shareholder, to attend and act on behalf of the Shareholder at the Meeting. To exercise this right, a Shareholder may either insert such other person's name in the blank space provided in the accompanying form of proxy and strike out the names of the nominees indicated therein or complete another proper form of proxy.**

The Shareholders of the Corporation who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed form of proxy, in the pre-addressed envelope provided for that purpose. In order to be effective, proxies must be received by the transfer agent and registrar of the Corporation (Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1) no later than 5:00 p.m. (Montréal Time) on June 10, 2008, or, if the Meeting is adjourned, no later than 24 hours, excluding Saturdays, Sundays and Holidays, preceding the day of any adjournment thereof.

REVOCATION OF PROXIES

An instrument of proxy may be revoked by a Shareholder at any time prior to the exercise thereof. If a Shareholder who has given a proxy personally attends the Meeting at which such proxy is to be voted, such Shareholder may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or his attorney authorized in writing, and deposited either (i) at the offices of the Corporation to the attention of the Vice President - Legal Affairs and Corporate Secretary of the Corporation, at 1111 St-Charles Street West, East Tower, Suite 1255, Longueuil, Province of Québec, J4K 5G4, or (ii) at the offices of Computershare Investor Services Inc. at the location specified above at any time up to and including 24 hours, excluding Saturdays, Sundays and Holidays, preceding the day of the Meeting or any adjournment thereof, or with the consent of the Chairman of such Meeting on the day of the Meeting or any adjournment thereof.

EXERCISE OF VOTING RIGHTS BY PROXIES

On any ballot that may be called for, the persons designated in the accompanying form of proxy will vote for or withhold from voting the common shares of the Corporation (the “**Common Shares**”) in respect of which they are appointed by proxy in accordance with the instructions of the Shareholder indicated thereon. **In the absence of such instructions with respect to a particular resolution, the Common Shares will be voted IN FAVOR of the resolution as indicated under the appropriate heading in this circular.**

The enclosed form of proxy confers discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting, and with respect to any other matter which may properly come before the Meeting. As at the date of this circular, the Corporation is not aware of any amendments, variations or other matters proposed or likely to come before the Meeting except those that are indicated in the Notice of Meeting. If any matters which are not known as of the date hereof should properly come at the Meeting, the persons named in the accompanying form of proxy will vote on such matters in accordance with their best judgment.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section should be reviewed carefully by the non-registered Shareholders of the Corporation. Shareholders who do not hold their shares in their own name (the “Beneficial Shareholders”) should note that only proxies deposited by Shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those shares will, in all likelihood, *not* be registered in the Beneficial Shareholder’s name. Such shares will more likely be registered under the name of the Beneficial Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

National Instrument 54-101 of the Canadian Securities Administrators (“**NI 54-101**”) requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. In Canada, the vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or an agent of such broker), a Beneficial Shareholder may attend the Meeting as

proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the proxy form provided to them by their broker (or the broker's agent) and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or the broker's agent).

VOTING OF SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of Common Shares, of which 23,500,000 are currently issued and outstanding, and an unlimited number of preferred shares issuable in series. Each Common Share entitles the holder thereof to vote at any meeting of Shareholders. No Preferred Shares are issued and outstanding. All Shareholders of record at the close of business on April 21st, 2008, being the date fixed by the Corporation for the determination of the registered holders of Common Shares who are entitled to receive notice of the Meeting, will be entitled to vote at the Meeting either in person or by proxy.

Unless otherwise indicated, the matters submitted to vote at the Meeting must be approved by a majority of votes of the holders of Common Shares attending the Meeting in person or by Proxy.

The only registered Shareholder of the Corporation is CDS & Co. To the knowledge of the directors and executive officers of the Corporation, on April 21st, 2008, no person beneficially owned or exercised control or direction over more than 10% of the Common Shares, other than Régime de Rentes du Mouvement Desjardins, Caisse de dépôt et placement du Québec, TD Capital Group Limited and Kruger Inc., Master Trust, which each beneficially owned and controlled 2,426,276 Common Shares, representing approximately 10.3% of the issued and outstanding Common Shares.

MATTERS TO BE ACTED UPON AT THE MEETING

As of the date hereof, to the knowledge of the directors of the Corporation, the only matters to be dealt with at the Meeting are the following:

1. To receive the consolidated financial statements of the Corporation for the financial year ended December 31, 2007, together with the report of the auditors thereon;
2. To elect directors for the ensuing year;
3. To appoint the auditors of the Corporation for the ensuing year and authorize the directors of the Corporation to fix their remuneration; and
4. To transact such other business that may properly come before the Meeting.

PRESENTATION OF FINANCIAL STATEMENTS

The annual audited financial statements for the financial year ended December 31, 2007, together with the report of the auditors thereon will be placed before the Meeting. The annual financial statements of the Corporation are included in the Corporation's 2007 annual report, which is available on SEDAR at www.sedar.com, but no vote with respect thereto is required nor will be taken.

ELECTION OF DIRECTORS

Pursuant to the Articles of the Corporation, the business of the Corporation is managed by a Board of Directors (the "Board") composed of a minimum of three and a maximum of ten directors. Management of the Corporation recommends that the Board be composed of seven directors for the coming year. **Except where the authority to vote in favour of the directors**

is withheld, the persons whose names are printed on the form of proxy intend to vote IN FAVOUR of the election of each of the seven proposed nominees whose names are set forth below as Directors of the Corporation.

Management of the Corporation has no reason to believe that any of such nominees will be unable or unwilling to serve as a director but if either of those circumstances should occur prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion, unless the Shareholder has specified in the form of proxy that his shares are to be withheld from voting on the election of directors. Each director elected will hold office until the next annual general meeting or until the election of his successor unless he or she resigns or his or her office is earlier vacated in accordance with applicable law. The election of the proposed nominees as directors must be approved by a majority of votes cast by the Shareholders.

The following table sets forth the names of all persons proposed to be nominated for election as directors, their principal occupation(s) for the preceding five years, their other directorships, the date on which they became directors of the Corporation, the Board committees of the Corporation on which they serve and the number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction was exercised, by each of them, as at April 21, 2008.

| Name, Residence, Principal Occupation & Other Directorships | Director since | Shares beneficially owned or controlled | Percentage of Shares beneficially owned |
|---|----------------|---|---|
| PIERRE BRODEUR | | | |
| Mr. Pierre Brodeur, of St-Bruno-de-Montarville, Québec, currently acts as a director for Van Houtte Inc. and Industrial Alliance Insurance and Financial Services Inc., both of which are reporting issuers. Mr. Brodeur has acted as a corporate director as his principal occupation for the past five years. Over the past 25 years, Mr. Brodeur has held management positions in various companies that specialize in the manufacturing and marketing of consumer goods and services, including acting as President and Chief Executive Officer of Sico Inc. from 1997 to 2003, President and General Manager of Boulangeries Weston, Québec Ltd. from 1994 to 1997 and President of Vidéotron International from 1990 to 1994. | December 2007 | 2,000 | 0.009% |
| Mr. Brodeur is a member of the Corporation's Audit Committee and the Chair of the Corporation's Compensation, Corporate Governance and Nominating Committee. | | | |
| WILLIAM A. LAMBERT | | | |
| Mr. William A. Lambert, of Toronto, Ontario, has been a partner of Birch Hill Equity Partners since January 2006. From 1987 to January 2006, Mr. Lambert was an officer of TD Capital Group Limited. | October 2007 | Nil ⁽¹⁾ | Nil |
| Mr. Lambert received an MBA from York University and a Bachelor's of Science in Electrical Engineering from the Massachusetts Institute of Technology. | | | |
| Mr. Lambert currently acts as a director of Marsulex Inc., AG Growth Income Fund and Amorfix Life Sciences Ltd., all of which are reporting issuers. | | | |
| Mr. Lambert is a member of the Corporation's Compensation, Corporate Governance and Nominating Committee. | | | |

| Name, Residence, Principal Occupation & Other Directorships | Director since | Shares beneficially owned or controlled | Percentage of Shares beneficially owned |
|--|----------------|---|---|
| RAYMOND LAURIN | | | |
| <p>Mr. Raymond Laurin, of Québec City, Québec, has been Executive Director of Régime de rentes du Mouvement Desjardins at the Fédération des caisses Desjardins du Québec since August 2004. M. Laurin has held various positions with the Desjardins Group over the past 27 years, including the positions of Vice President – Administrative Services and Vice President from June 1996 to August 2004.</p> <p>Mr. Laurin holds a bachelor's degree in business administration from HEC Montreal and is a member of the Chartered Accountants of Québec, the institute of Internal Auditors of Canada and the Canadian Pension and Benefits Institutes.</p> <p>Mr. Laurin is currently a director of Société immobilière TransQuébec, Ivanhoé Cambridge, and Teachers' Pension Fund of Laval University.</p> <p>Mr. Laurin is a member of the Corporation's Audit Committee.</p> | October 2007 | 600 ⁽²⁾ | 0.003% |
| GILLES LEFRANÇOIS | | | |
| <p>Mr. Gilles Lefrançois, of Longueuil, Québec, has been the Executive Chairman of the Board of Directors of the Corporation since October 25, 2007. Mr. Lefrançois acted as President and Chief Executive Officer of the Corporation from its incorporation in 2003 until his appointment as Chairman. Mr. Lefrançois founded Innergex GP Inc. in 1990 and acted as its President and was responsible for the development of Innergex, Limited Partnership and for the development and acquisition of the power facilities of Innergex Power Income Fund. Mr. Lefrançois was a founding member of the <i>Association québécoise de la production d'énergie renouvelable</i> in 1991 and was a member of the management of that association, either as President or Vice President, from 1991 to 2003.</p> <p>Mr. Lefrançois holds a bachelor's degree in commerce and a master's degree in commercial sciences (accounting) from Université Laval. Mr. Lefrançois is a member of the Canadian Institute of Chartered Accountants.</p> <p>Mr. Lefrançois currently acts as a trustee of Innergex Power Income Fund, which is a reporting issuer, and as a director of Concept Eco-Plein Air Le Baluchon Inc.</p> | June 2003 | 582,769 | 2.48% |
| MICHEL LETELLIER | | | |
| <p>Mr. Michel Letellier, of Candiac, Québec, has been the President and Chief Executive Officer of the Corporation since October 25, 2007. Mr. Letellier acted as Executive Vice President and Chief Financial Officer of the Corporation from its incorporation in 2003 until his appointment as President of the Corporation. From 1997 to 2003, Mr. Letellier was Vice President and Chief Financial Officer of Innergex GP Inc. and was responsible for the financial management of the affairs of Innergex GP Inc., Innergex, Limited Partnership and Innergex Power Income Fund's power generating facilities.</p> <p>Mr. Letellier holds a MBA from Université de Sherbrooke as well as a bachelor's degree in commerce (finance) from Université du Québec à Montréal.</p> <p>Mr. Letellier acts as a trustee of Innergex Power Income Fund, which is a reporting issuer.</p> | June 2003 | 388,592 | 1.65% |

| Name, Residence, Principal Occupation & Other Directorships | Director since | Shares beneficially owned or controlled | Percentage of Shares beneficially owned |
|---|----------------|---|---|
| SUSAN M. SMITH | | | |
| Ms. Susan M. Smith, of Toronto, Ontario, presently serves on the board of Optosecurity Inc., MaRS Discovery District and Care Canada. Ms. Smith was President and Chief Executive Officer of RBC Technology Ventures Inc. (a wholly-owned subsidiary of Royal Bank of Canada) and Senior Vice President of Royal Bank of Canada from 1997 to June 2007. Ms. Smith held various other positions with the Royal Bank of Canada between 1977 and 1997, notably in corporate banking and institutional banking. | December 2007 | 1,000 | 0.004% |
| Ms. Smith holds a MBA from the Ivey School of Business, University of Western Ontario, and a bachelor of arts degree from Dalhousie University. | | | |
| Ms. Smith has served as a director on various private technology fund boards, including Primaxis Technology Ventures, Foragen Technology Management Inc. and Milestone Medica Corporation. | | | |
| Ms. Smith is a member of the Corporation's Compensation, Corporate Governance and Nominating Committee. | | | |
| CYRILLE VITTECOQ | | | |
| Mr. Cyrille Vittecoq, of Montréal, Québec, has been Vice President, Investments – Energy and a member of the Caisse de dépôt et placement du Québec's Private Equity group management committee since March 2006. From 2000 to March 2006, Mr. Vittecoq acted as investment manager and subsequently as senior manager of Caisse de dépôt et placement du Québec. From 1997 to 2000, Mr. Vittecoq acted as Vice President – Finance of Boralex Inc. | October 2007 | Nil ⁽³⁾ | Nil |
| Mr. Vittecoq holds a bachelor's degree in management from Université de Sherbrooke and is a chartered financial analyst. | | | |
| Mr. Vittecoq currently acts as a director for Canadian Hydro Developers Inc. which is a reporting issuer. | | | |
| Mr. Vittecoq is the Chair of the Corporation's Audit Committee. | | | |

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- (1) Mr. Lambert is a partner of Birch Hill Equity Partners, which manages certain investments of TD Capital Group Limited, including its current holding of 2,426,276 Common Shares, representing approximately 10.3% of the issued and outstanding Common Shares.
- (2) Mr. Laurin is Executive Director of the Régime de rentes du Mouvement Desjardins at the Fédération des caisses Desjardins. Régime de rentes du Mouvement Desjardins holds 2,426,276 Common Shares, representing approximately 10.3% of the issued and outstanding Common Shares.
- (3) Mr. Vittecoq is Vice President, Investments - Energy of the Caisse de dépôt et placement du Québec, which holds 2,426,276 Common Shares, representing approximately 10.3% of the issued and outstanding Common Shares.

Record of Attendance

The following table sets forth the record of attendance of the directors of the Corporation for the period beginning on October 25, 2007 (being the date of the Corporation's preliminary prospectus in connection with its initial public offering) and ending on December 31, 2007. No meetings of the Audit Committee or of the Compensation, Corporate Governance and Nominating Committee were held during such period.

| Director | Number of Board Meetings attended |
|-------------------------------|-----------------------------------|
| PIERRE BRODEUR ⁽¹⁾ | 0 of 0 |
| WILLIAM A. LAMBERT | 3 of 3 |
| RAYMOND LAURIN | 3 of 3 |
| GILLES LEFRANÇOIS | 3 of 3 |
| MICHEL LETELLIER | 3 of 3 |
| SUSAN M. SMITH ⁽¹⁾ | 0 of 0 |
| CYRILLE VITTECOQ | 3 of 3 |

⁽¹⁾ Pierre Brodeur and Susan M. Smith were appointed to the Board concurrently with the closing of the Corporation's initial public offering on December 6, 2007 and no Board meeting was held thereafter.

COMPENSATION OF DIRECTORS

The Corporation believes that directors should be compensated competitively in order to attract and retain the best possible candidates. The following table shows the compensation to which the directors of the Corporation, other than directors who are members of management of the Corporation, are entitled in 2008. Directors of the Corporation who are members of the management of the Corporation are not entitled to any remuneration for their services to the Corporation as directors. All directors are reimbursed for out-of-pocket expenses incurred in connection with their duties as directors. In the 2007 financial year, Board members were only paid for attendance at Board meetings in accordance with the amounts set out below and did not receive any base compensation.

| Compensation | 2008 |
|---|---|
| Directors' base compensation | \$25,000 per year |
| Chair of Committee (other than Audit Committee) | \$5,000 per year |
| Chair of Audit Committee | \$7,000 per year |
| Attendance at Meetings | |
| - in person | \$1,200 per meeting |
| - by conference call | \$600 per meeting (if less than 1 hour); \$1,200 per meeting (otherwise) |

APPOINTMENT OF AUDITORS OF THE CORPORATION

Samson Bélair/Deloitte & Touche s.e.n.c.r.l., have been acting as auditors of the Corporation since 2004.

The persons named in the accompanying form of proxy intend to vote FOR the resolution appointing Samson Bélair Deloitte & Touche s.e.n.c.r.l., Chartered Accountants, as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until their successors are appointed, and authorizing the Board to fix the remuneration of the auditors, unless the Shareholder who has given the proxy has directed that the Common Shares represented thereby will be withheld from voting in respect of the appointment of auditors.

EXECUTIVE COMPENSATION

2007 Named Executive Officer Compensation

The following table presents information regarding the compensation earned in the financial year ended December 31, 2007 by the President and Chief Executive Officer of the Corporation, the Vice President and Chief Financial Officer of the Corporation, and the other three most highly compensated executive officers of the Corporation that were serving as such as of December 31, 2007 (the "Named Executive Officers"), for services rendered in all capacities for the most recently completed financial year and for the years ended December 31, 2006 and December 31, 2005.

| Name and Principal Occupation | Financial Year | Annual Compensation | | | Long-Term Compensation | | | All Other Compensation (\$) |
|---|----------------|---------------------|------------|--------------------------------|---------------------------------------|--|-------------------|-----------------------------|
| | | Salary (\$) | Bonus (\$) | Other Annual Compensation (\$) | Awards | | Payouts | |
| | | | | | Shares Under Options/SARs Granted (#) | Shares Subject to Resale Restrictions (\$) | LTIP Payouts (\$) | |
| Gilles Lefrançois ⁽¹⁾ Executive Chairman of the Board | 2007 | 311,769 | 81,000 | 2,132 | 282,000 | -- | -- | -- |
| | 2006 | 298,923 | 72,000 | 1,654 | -- | -- | -- | -- |
| | 2005 | 243,870 | 35,535 | 2,484 | -- | -- | -- | -- |
| Michel Letellier ⁽²⁾ President and Chief Executive Officer | 2007 | 233,827 | 60,750 | 6,020 | 282,000 | -- | -- | -- |
| | 2006 | 223,937 | 68,000 | 5,470 | -- | -- | -- | -- |
| | 2005 | 169,649 | 16,480 | 7,399 | -- | -- | -- | -- |
| Jean Perron ⁽³⁾ Vice President and Chief Financial Officer | 2007 | 166,277 | 30,720 | 5,961 | 94,000 | -- | -- | -- |
| | 2006 | 159,696 | 31,000 | 5,263 | -- | -- | -- | -- |
| | 2005 | 142,746 | 16,800 | 6,933 | -- | -- | -- | -- |
| Michèle Beauchamp Vice President – Legal Affairs and Corporate Secretary | 2007 | 171,473 | 39,600 | 2,790 | 94,000 | -- | -- | -- |
| | 2006 | 164,699 | 40,000 | 2,540 | -- | -- | -- | -- |
| | 2005 | 149,266 | 4,183 | 3,293 | -- | -- | -- | -- |
| Richard Blanchet Vice President Western Region – Hydroelectric Energy | 2007 | 150,688 | 23,200 | 25,120 | 94,000 | -- | -- | -- |
| | 2006 | 144,762 | 23,000 | 19,628 | -- | -- | -- | -- |
| | 2005 | 134,857 | 12,875 | 11,926 | -- | -- | -- | -- |

⁽¹⁾ Mr. Lefrançois was appointed Executive Chairman of the Board of the Corporation on October 25, 2007 and, prior thereto, was President and Chief Executive Officer of the Corporation.

⁽²⁾ Mr. Letellier was appointed President and Chief Executive Officer of the Corporation on October 25, 2007 and, prior thereto, was Executive Vice President and Chief Financial Officer of the Corporation.

⁽³⁾ Mr. Perron was appointed Vice President and Chief Financial Officer of the Corporation on October 25, 2007 and, prior thereto, was Vice President – Treasurer of the Corporation.

Employment Agreements

Each of the Named Executive Officers has entered into employment agreements with the Corporation (the "**Employment Agreements**"). Pursuant to the Employment Agreements, as of January 1, 2008, Gilles Lefrançois receives an annual base salary of \$327,600, Michel Letellier receives an annual base salary of \$266,700, Jean Perron receives an annual base salary of \$185,220, Michèle Beauchamp receives an annual base salary of \$180,180 and Richard Blanchet receives an annual base salary of \$158,340. Each Employment Agreement has an indeterminate term.

If the Corporation terminates the employment of Gilles Lefrançois, Michel Letellier, Jean Perron or Michèle Beauchamp without cause or one of those individuals terminates his or her employment for good and sufficient reason (as defined in those Employment Agreements, including any material and adverse change in his or her duties and authorities), the Employment Agreements provide that the Corporation must continue to pay the individual his or her base salary for a period of 36 months following termination. In the case of Richard Blanchet, the severance period will be for a term of 12 months. The Named Executive Officers will continue to receive benefits, with certain exceptions, during such severance period. In addition, if the Corporation terminates the employment of a Named Executive Officer for any reason, other than for cause, within one year following any such change of control of the Corporation or if a Named Executive Officer terminates his or her employment for any reason within one year following a change of control of the Corporation, the Employment Agreements also provide that they will be entitled to the severance payments, the vesting of all outstanding options and the benefits described above.

Pursuant to the Employment Agreements, the Named Executive Officers are also subject to non-competition covenants for a period of two years following the termination of the Named Executive Officer's employment with the Corporation. The Employment Agreements also include non-solicitation covenants of the Named Executive Officers which apply throughout the Named Executive Officer's employment with the Corporation and for a period of two years following the termination of such employment.

Stock Option Plan

The Corporation established a stock option plan which was adopted by resolution of the Board of Directors on December 3, 2007, which provides for the granting of options to purchase Common Shares by the Board of Directors to employees, officers, directors and certain consultants of the Corporation and its subsidiaries to purchase Common Shares (the "**Stock Option Plan**"). Options granted under the Stock Option Plan have an exercise price of not less than the market price of the Common Shares at the date of grant of the option, calculated as the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange for the five trading days immediately preceding the date of grant.

The maximum aggregate number of Common Shares which may be subject to options under the Stock Option Plan is 2,350,000, representing approximately 10% of the issued and outstanding Common Shares as at April 21, 2008. Since the Stock Option Plan's inception, 1,410,000 options have been granted, of which none have been exercised. Accordingly, as of the date hereof, 1,410,000 options are currently under grant, representing 6% of the issued and outstanding Common Shares. The number of Common Shares issuable to insiders (as that term is defined in the Stock Option Plan) under the Stock Option Plan or any other securities based compensation arrangement of the Corporation cannot at any time exceed 10% of the issued and outstanding Common Shares and cannot within any one year period exceed 10% of the issued and outstanding Common Shares. Any Common Shares subject to an option that expires or terminates without having been fully exercised may be made the subject of a further option. The number of Common Shares issuable to non-executive directors of the Corporation under the Stock Option Plan or any other securities based compensation arrangement of the Corporation cannot at any time exceed 1% of the issued and outstanding Common Shares.

Options must be exercised during a period established by the Board of Directors, which may not be greater than ten years after the date of grant. Subject to the discretion of the Board of Directors, options granted under the Stock Option Plan will vest in four equal amounts on a yearly basis over the four years following the grant date.

If an optionee's employment, office or directorship with the Corporation is terminated for cause, options not then exercised terminate immediately. If an optionee dies or becomes, in the determination of the Board of Directors, permanently disabled, options may be exercised for that number of Common Shares which the optionee was entitled to acquire at the time of death or permanent disability, as the case may be, for a period of six months or one year after the date of death or permanent disability. Upon an optionee's employment, office or directorship with the Corporation terminating or ending other than by reason of death, permanent disability or termination for cause, options may be exercised for that number of Common Shares which the optionee was entitled to acquire at the time of such termination. Such options may be exercised for a period of 90 days after such date.

The Stock Option Plan is administered by the Board of Directors. The Board of Directors may amend, suspend or terminate the Stock Option Plan or the term of any outstanding option at any time, provided that no such amendment, suspension or termination may be made without obtaining any required approval of any regulatory authority or stock exchange or, if the amendment, suspension or termination materially prejudices the rights of any optionholder, the consent of that optionholder. Furthermore, the Board of Directors may not, without the consent of the Shareholders, make amendments to the Stock Option Plan for any of the following purposes: (i) to increase the maximum number of Common Shares that may be issued pursuant to options granted under the Stock Option Plan; (ii) to reduce the exercise price of the options to less than the market price; (iii) to reduce the exercise price for options for the benefit of an insider, as that term is defined under the Stock Option Plan; and (iv) to extend the expiry date of options for the benefit of an insider (as that term is defined under the Stock Option Plan).

The Stock Option Plan and individual option terms and conditions are subject to adjustment in the event of a subdivision, consolidation or certain distributions of Common Shares and upon a capital reorganization, reclassification or change of the Common Shares, a corporate reorganization or combination of the Corporation with another corporation or a sale, lease or exchange of all or substantially all of the assets of the Corporation. In the event of a proposed change of control (as that term is defined under the Stock Option Plan) the Board of Directors may accelerate the vesting period of outstanding options. Options granted pursuant to the Stock Option Plan may not be assigned or transferred with the exception of an assignment made to certain permitted assigns, including a trustee, custodian or administrator acting on behalf of the participant, a holding entity of the participant and the spouse of the participant.

Options Granted During the Financial Year

The following table sets forth details of options to purchase Common Shares granted to Named Executive Officers on December 3, 2007, being the only stock option grant to the Named Executive Officers during the financial year ended December 31, 2007.

| Name of Named Executive Officer | Number of Shares under Options Granted | % of Total Options Granted to Employees in Financial Year | Exercise Price | Market Value of Shares Underlying Options on Date of Grant | Expiration Date |
|---------------------------------|--|---|----------------|--|------------------|
| GILLES LEFRANÇOIS | 282,000 | 20% | \$11.00 | \$11.00 | December 6, 2017 |
| MICHEL LETELLIER | 282,000 | 20% | \$11.00 | \$11.00 | December 6, 2017 |
| JEAN PERRON | 94,000 | 6.67% | \$11.00 | \$11.00 | December 6, 2017 |
| MICHÈLE BEAUCHAMP | 94,000 | 6.67% | \$11.00 | \$11.00 | December 6, 2017 |
| RICHARD BLANCHET | 94,000 | 6.67% | \$11.00 | \$11.00 | December 6, 2017 |

Aggregated Option Exercises During the Year ended December 31, 2007 and Financial Year-end Option Values

The following table summarizes, for each of the Named Executive Officers (a) the number of options, if any, exercised during the financial year ended December 31, 2007, (b) the aggregate value realized upon exercise, if applicable, which is the difference between the fair market value of the underlying Common Shares on the exercise date and the exercise or base

price of the option, (c) the total number of unexercised options, if any, held on December 31, 2007, and (d) the aggregate value of unexercised in-the-money options at financial year-end, which is the difference between the exercise or base price of the options and the closing price of the Common Shares on the TSX on December 31, 2007, which was \$12.47 per Common Share. The aggregate values indicated with respect to unexercised in-the-money options at financial year-end have not been, and may never be, realized. These options have not been, and may not be exercised, and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise. There can be no assurance that these values will be realized.

| Name | Securities Acquired on Exercise (#) | Aggregate Value Realized (\$) | Unexercised Options at December 31, 2007 (#) | | Value of Unexercised In-the-Money Options at December 31, 2007 (\$) | |
|-------------------|-------------------------------------|-------------------------------|--|---------------|---|---------------|
| | | | Exercisable | Unexercisable | Exercisable | Unexercisable |
| GILLES LEFRANÇOIS | - | N/A | - | 282,000 | N/A | \$414,540 |
| MICHEL LETELLIER | - | N/A | - | 282,000 | N/A | \$414,540 |
| JEAN PERRON | - | N/A | - | 94,000 | N/A | \$138,180 |
| MICHÈLE BEAUCHAMP | - | N/A | - | 94,000 | N/A | \$138,180 |
| RICHARD BLANCHET | - | N/A | - | 94,000 | N/A | \$138,180 |

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth, as at December 31, 2007, certain information with respect to the Stock Option Plan, being the compensation plan of the Corporation pursuant to which equity securities of the Corporation are authorized for issuance from the treasury.

| Plan | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for further issuance under equity compensation plans |
|---|---|---|---|
| <i>Equity compensation plan approved by securityholders⁽¹⁾</i> | 1,410,000 | \$11.00 | 940,000 |
| <i>Equity compensation plan not approved by securityholders</i> | - | - | - |
| Total | 1,410,000 | \$11.00 | 940,000 |

(1) For more information regarding the Stock Option Plan, please refer to the section "Executive Compensation – Stock Option Plan".

Report on Executive Compensation

Compensation, Corporate Governance and Nominating Committee

The Compensation, Corporate Governance and Nominating Committee is required to consult with and make recommendations to the Board on executive compensation and compensation plan matters. The current members of the

Corporation's Compensation, Corporate Governance and Nominating Committee are Pierre Brodeur (Chairman), William A. Lambert and Susan M. Smith, all of whom are independent directors within the meaning of Section 1.4 of *Multilateral Instrument 52-110 – Audit Committees of the Canadian Securities Administrators*.

The compensation of the Corporation's executive officers has been established with a view to attracting and retaining executives critical to the Corporation's short and long-term success and to continuing to provide executives with compensation that is in accordance with existing market standards, generally, and competitive within the renewable power industry, in particular.

Compensation of the Corporation's executive officers is comprised of a base salary, annual cash bonuses and the grant of options to purchase Common Shares under the Stock Option Plan.

Base Salary

The Corporation's Compensation, Corporate Governance and Nominating Committee will review annually the base salaries of the Corporation's executive officers in light of relevant market data and based on the level of responsibility, the particular expertise, the contribution to the Corporation and the experience of each officer.

Executive Performance Bonus

The executive officers of the Corporation have an opportunity to earn an annual bonus based on individual performance in the context of the overall performance of the Corporation. The Compensation, Corporate Governance and Nominating Committee approves the applicable performance objectives and measures of corporate performance, which include profitability, share price and initiatives being undertaken in the year for future shareholder benefit. Individual target bonuses, which are established by the Compensation, Corporate Governance and Nominating Committee, will typically vary between 33 1/3% and 50% of the base salary of executive officers.

Options

The Corporation's granting of options to purchase Common Shares to its executive officers is a method of compensation which is used to attract and retain personnel and to provide an incentive to participate in the long-term development of the Corporation and to increase shareholder value. The relative emphasis of options for remunerating executive officers and employees will generally vary depending on the prevailing practices in competing companies and on the number of options to purchase Common Shares that are outstanding at the time. For further details as to the terms of the Stock Option Plan, see "Stock Option Plan", above.

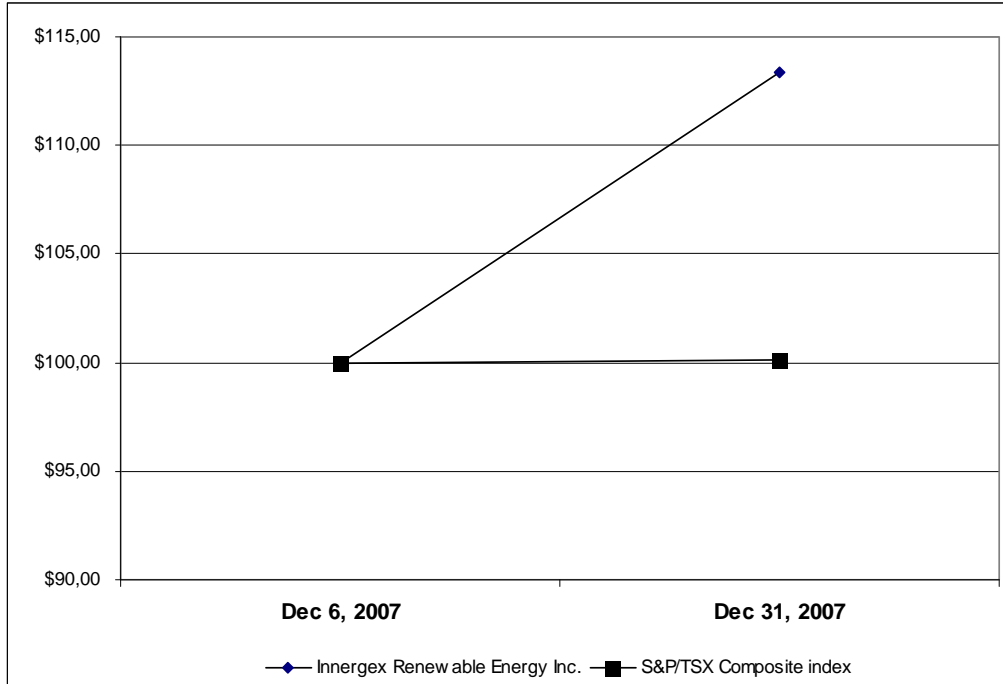
The compensation of the President and Chief Executive Officer includes the same elements described above as are included in the compensation of other executive officers.

On behalf of the Compensation, Corporate Governance and Nominating Committee:

Pierre Brodeur (Chairman)
William A. Lambert
Susan M. Smith

PERFORMANCE GRAPH

The Common Shares of the Corporation began trading at the opening of business on December 6, 2007 on the TSX. The following graph compares as at December 31, 2007, the cumulative total shareholder return on \$100 invested on December 6, 2007, being the date the Common Shares began trading on the TSX, in Common Shares with the cumulative total shareholder return on the S&P/TSX Composite Index for such period.



**CUMULATIVE TOTAL SHAREHOLDER RETURN
FOR THE PERIOD OF DECEMBER 6, 2007 TO DECEMBER 31, 2007**

| | <u>Dec 6, 2007</u> | <u>Dec 31, 2007</u> |
|--------------------------------|--------------------|---------------------|
| Innergex Renewable Energy Inc. | \$ 100,00 | \$ 113,36 |
| S&P/TSX Composite index | \$ 100,00 | \$ 100,13 |

INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of the Corporation's directors or officers is to the Corporation indebted (other than "routine indebtedness" under Canadian securities laws).

STATEMENT OF CORPORATE GOVERNANCE

Under the rules of the Canadian Securities Administrators, the Corporation is required to disclose information relating to its system of corporate governance with reference to certain standards adopted by the Canadian Securities Administrators. The Corporation's disclosure addressing each of these standards is set out in Schedule "A" of this Circular.

AUDIT COMMITTEE INFORMATION

Reference is made to the Annual Information Form of the Corporation for the financial year ended December 31, 2007 for disclosure of information relating to the Audit Committee required under Multilateral Instruction 52-110 – *Audit Committees* as well as to Schedule "A" of this Circular describing the Corporation's corporate governance practices. A copy of the Annual

Information Form of the Corporation can be found on SEDAR at www.sedar.com or by contacting the Vice President - Legal Affairs and Corporate Secretary of the Corporation, at 1111 St-Charles Street West, East Tower, Suite 1255, Longueuil, Province of Québec, J4K 5G4.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation provides insurance for the benefit of its directors and officers against liability that may be incurred by them in these capacities. For the year ended December 31, 2007, the Corporation paid a total annual premium of \$92,546.45, which premium was not specifically allocated among the directors as a group and officers as a group. Such insurance was limited to an amount of \$25 million and was subject to a general deductible of \$100,000 per loss, as well as specific exclusions, which are usually contained in policies of this nature.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director, executive officer or shareholder who beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding common shares or any director or officer of any such person, has or had any material interest, direct or indirect, in any transaction within the last three years or in any proposed transaction, that has materially affected or will materially affect the Corporation. However, on December 6, 2007, concurrently with its initial public offering of 10,455,000 Common Shares (the "IPO") and concurrent private placement of an additional 5,342,620 Common Shares (the "Private Placement"), the Corporation purchased, using a portion of the proceeds of the IPO and the Private Placement, all of the equity interests of Régime de Rentes du Mouvement Desjardins, Caisse de Dépôt et Placement du Québec, Sun Life Assurance Company of Canada, TD Capital Group Limited and Kruger Inc. Master Trust (the "Institutional Investors") in Innergex II Income Fund ("Innergex II") not previously held by the Corporation and repaid or purchased, as applicable, all of the outstanding indebtedness owed by Innergex II to the Institutional Investors (the "Innergex II Acquisition"). Pursuant to the Innergex II Acquisition, each of Régime de Rentes du Mouvement Desjardins, Caisse de Dépôt et Placement du Québec, TD Capital Group Limited and Kruger Inc. Master Trust (the "Subscribing Shareholders") subscribed for an additional 2,544,009 Common Shares, representing approximately 10.8% of the issued and outstanding Common Shares. Following the exercise of an over-allotment option by the underwriters of the IPO, each Subscribing Shareholder now holds 2,426,276 Common Shares, representing approximately 10.3% of the issued and outstanding Common Shares.

SHAREHOLDER PROPOSALS FOR 2009 ANNUAL MEETING

The final date for submitting shareholder proposals for the 2009 Annual Meeting of the Corporation is January 21, 2009.

ADDITIONAL INFORMATION

Financial information related to the Corporation is provided in the Corporation's comparative financial statements and Management's Discussion and Analysis thereon for the financial year ended December 31, 2007. Copies of the Corporation's Annual Information Form for the financial year ended December 31, 2007, the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2007, together with a report of the Auditors thereon, the Management's Discussion and Analysis of the Corporation's financial condition and results of operations for the financial year ended December 31, 2007 and this circular will be available upon request to the Vice President – Legal Affairs and Corporate Secretary of the Corporation. These documents are also available on SEDAR at www.sedar.com.

APPROVAL

The content of this circular has been approved by the Board of Directors of the Corporation.

DATED as of the 22nd day of April, 2008.

By order of the Board of Directors of INNERGEX RENEWABLE ENERGY INC.

(Signed) Michèle Beauchamp

Michèle Beauchamp
Vice President – Legal Affairs and
Corporate Secretary

SCHEDULE "A"

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Canadian Securities Administrators (the "CSAs") adopted Multilateral Instrument 52-110 – *Audit Committees* which includes requirements regarding audit committee composition and responsibilities, as well as reporting obligations with respect to audit related matters (such instrument, as amended, the "CSA Audit Committee Rules"). The Corporation complies with these rules and appropriate disclosure is made, where applicable, in connection therewith in the following table.

The CSAs also adopted Multilateral Instrument 58-101 – *Disclosure of Corporate Governance Practices* (the "CSA Disclosure Instrument") and National Policy 58-201– *Effective Corporate Governance* (the "CSA Governance Policy"). The CSA Governance Policy provides guidance on governance practices to Canadian issuers, while the CSA Disclosure Instrument requires issuers to make the prescribed disclosure regarding their governance practices. The disclosure made hereunder refers to the items of the CSA Disclosure Instrument.

The Corporation's 2007 Annual Information Form, which may be obtained on request from the Vice President – Legal Affairs and Corporate Secretary of the Corporation or on SEDAR at www.sedar.com, also contains information pertaining to corporate governance.

The Corporation is dedicated to enhancing its corporate governance practices on an ongoing basis in order to respond to the evolution of best practices.

| GUIDELINES | PRACTICES WITHIN THE CORPORATION |
|---|---|
| <p>1. Board of Directors</p> <p>(a) Disclose the identity of directors who are independent.</p> | <p>The Board of Directors of the Corporation (the "Board") has reviewed the independence of each director within the meaning of the CSA Disclosure Instrument in light of the information provided by each of them and has determined, after reviewing the role and relationships of each of the directors, that five of the seven nominees proposed by the management of the Corporation ("Management") for election to the Board are independent. The following nominees have been affirmatively determined to be independent by the Board:</p> <ul style="list-style-type: none"> • Pierre Brodeur; • William A. Lambert; • Raymond Laurin; • Susan M. Smith; and • Cyrille Vittecoq. |
| <p>(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.</p> | <p>The Board has determined, after reviewing the role and relationships of each of the directors, that the following two out of seven nominees proposed by Management for election to the Board are not independent:</p> <ul style="list-style-type: none"> • Gilles Lefrançois: not independent as he is Executive Chairman of the Board and is the former President and Chief Executive Officer of the Corporation ; and • Michel Letellier: not independent since he is the President and Chief Executive Officer of the Corporation. |

| GUIDELINES | PRACTICES WITHIN THE CORPORATION |
|--|--|
| (c) Disclose whether or not a majority of directors are independent. | Five of the seven current directors are nominees proposed by Management for election to the Board are independent. |
| (d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer. | Directorships of all director nominees are described in the table set forth under the heading "Election of Directors" of the Circular. |
| (e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors. | No regular Board meeting was held after December 6, 2007, being the date the Corporation completed its initial public offering, for the remaining portion of the Corporation's most recently completed financial year. However, it is the intention of the Board that the independent directors meet regularly without Management. |
| (f) Disclose whether or not the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors. | Gilles Lefrançois, as Executive Chairman of the Board, is not independent within the meaning of the CSA Disclosure Instrument. However, the Board intends to appoint an independent lead director who will chair meetings of the Board to be held without the presence of the members of Management. |
| (g) Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most recently completed financial year. | Overall, the combined attendance by the directors at Board meetings in the 2007 financial year was 100%. A record of attendance by directors at Board meetings during the financial year ended December 31, 2007 is set out under the heading "Election of Directors – Record of Attendance" of the Circular. |
| 2. Board Mandate – Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities. | The Board has adopted a formal mandate for itself which is reproduced under Schedule "B" to the Circular. |

| GUIDELINES | PRACTICES WITHIN THE CORPORATION |
|--|--|
| <p>3. Position Descriptions</p> <p>(a) Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.</p> | <p>The Board has developed written charters for the Audit Committee and the Compensation, Corporate Governance and Nominating Committee and intends to adopt written position descriptions for the Chairman of the Board and for each Committee's Chair.</p> <p>The Board expects the Chairman of the Board to manage the Board and ensure that the Board carries out its mandate effectively and clearly understands and respects the boundaries between the Board and Management's responsibilities. The Board also expects the Chairman of the Board to provide leadership to enhance Board effectiveness.</p> <p>The Board expects and requires that each committee Chair's key role is to manage his respective committee and ensure that the committee carries out its mandate effectively. Like the Chairman of the Board, each committee Chair is expected to provide leadership to enhance committee effectiveness and must oversee the committee's discharge of its responsibilities. Committee Chairs must report regularly to the Board on the businesses of their committees.</p> |
| <p>(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.</p> | <p>The Board has delegated to the President and CEO and his management team the responsibility for the day-to-day management while respecting the Corporation's strategic plans, operational agenda, corporate policies and financial limits approved from time to time by the Board. However, the Board intends to adopt a written mandate for the President and CEO. The Board expects to be advised on a regular basis as to the results being achieved, and to be presented for approval alternative plans and strategies proposed to be implemented, in keeping with evolving conditions. Furthermore, the Board expects the President and CEO and his management team to review the Corporation's strategies, carry out a comprehensive budgeting process, monitor the Corporation's performance against the budget and identify opportunities and risks affecting the Corporation and find ways to deal with them. Performance of the President and CEO and his management team will be assessed against the achievement of strategic plans and budget. See "Executive Compensation - Report on Executive Compensation".</p> <p>In addition to those matters which by law must be approved by the Board, or a committee of the Board to which approval authority has been delegated by the Board, Board approval is required for all matters of policy and all actions proposed to be taken by the Corporation which are not in the ordinary course of business. In particular, the Board approves major capital expenditures, all material transactions and the appointment of all officers.</p> |
| <p>4. Orientation and Continuing Education</p> <p>(a) Briefly describe what measures the Board takes to orient new directors regarding</p> <p>(i) the role of the Board, its committees and its directors; and</p> | <p>In addition to having extensive discussions with the Chairman of the Board and the President and CEO with respect to the business and operations of the Corporation, new directors are provided with extensive information on the Corporation's business, its strategic and operational business plans, its corporate objectives, its operating performance, its corporate governance</p> |

| GUIDELINES | PRACTICES WITHIN THE CORPORATION |
|--|---|
| (ii) the nature and operation of the issuer's business. | system and its financial position. Also, they meet individually with members of senior management. The Board further ensures that director nominees fully understand the role of the Board and its committees and the contribution that individual directors are expected to make. It is the intention of the Board that the Compensation, Corporate Governance and Nominating Committee will prepare an annual performance evaluation questionnaire for the directors covering a wide range of issues, including Board and individual director performance, and that responses to such questionnaire will be the basis of a formal annual evaluation process of the Board's effectiveness. |
| (b) Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors. | Presentations will be made from time to time by Management and outside consultants to the Board to educate and keep Board members informed of changes within the Corporation and of regulatory and industry requirements and standards. |
| <p>5. Ethical Business Conduct</p> <p>(a) Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code:</p> <p>(i) disclose how a person or Corporation may obtain a copy of the code;</p> <p>(ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and</p> | The Corporation is in the process of finalizing a Code of Ethics which will apply to its employees and consultants as well as to the Board, and which will provide guidelines and expectations to ensure that the Corporation's commitment to conduct business with the highest degree of ethical conduct is understood and complied with by all of those individuals. Once approved, the Corporation's Code of Ethics will be available on SEDAR at www.sedar.com . |
| (iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code. | None. |
| (b) Describe any steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest. | The Board can and does exercise independent judgement. The Board monitors the disclosure of conflicts of interest by directors and ensures that no director will vote or participate in a discussion on a matter in respect of which such director has a material interest. |
| (c) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct. | The Board promotes a business environment where employees are encouraged to report malfeasance, irregularities and other concerns. |

| GUIDELINES | PRACTICES WITHIN THE CORPORATION |
|--|--|
| <p>6. Nomination of Directors</p> <p>(a) Describe the process by which the Board identifies new candidates for Board nomination.</p> <p>(b) Disclose whether or not the Board has a nominating committee composed entirely of independent directors. If the Board does not have a nominating committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.</p> <p>(c) If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p> | <p>The Board retains the responsibility for the recruiting, orientation and training of the directors. Recruiting will be based on the capabilities and experience of the candidates in relation with the needs of the Corporation and the adequacy of the time commitment of individuals to the Corporation's matters. Each director will have the ability to interview new candidates and final decisions will be made at Board meetings. The Board also expects new candidates would be invited to participate as observers at one or two Board meetings, as appropriate, as part of the selection and diligence process.</p> <p>The Compensation, Corporate Governance and Nominating Committee of the Corporation has the responsibility of reviewing the size and composition of the Board, establishing, where appropriate, qualifications for directors and procedures for identifying possible nominees, proposing new nominees for appointment to the Board where applicable and providing orientations to new Board members. All three members of the Compensation, Corporate Governance and Nominating Committee are independent. The charter of the Compensation, Corporate Governance and Nominating Committee is reproduced under Schedule C to the Circular and is available on the Corporation's website at www.innergex.com.</p> |
| <p>7. Compensation</p> <p>(a) Describe the process by which the Board determines the compensation for the issuer's directors and officers.</p> | <p>The Board will review the adequacy and form of directors' and officers' compensation periodically, in light of their level or responsibility, particular expertise, contribution to the Corporation and experience and in light of the practices of similar corporations in the renewable power industry.</p> <p>The Corporation's compensation program consists principally of salary, bonus and stock options. Consistent with market practice, incentive stock options are awarded from time to time as an effective means to align the interests of Management and shareholders.</p> <p>The compensation philosophy is designed to reward the creation of shareholder value and reflect an appropriate balance between the short and longer-term performance of the Corporation. The Compensation Corporate Governance and Nominating Committee will also make recommendations so that the annual compensation for executive officers remains competitive with the compensation for comparable employment, responsibilities and performance of other North American companies whose business endeavours are similar to those of the Corporation. See heading "Report on Executive Compensation" of the Circular.</p> |
| <p>(b) Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.</p> | <p>All three members of the Compensation Corporate Governance and Nominating Committee are independent. In the opinion of the Board, this ensures an objective process for making recommendations to the Board with respect to compensation. Furthermore, the Board, of which five of the seven proposed nominees are independent, retains the ultimate responsibility for making decisions relating to compensation, thus ensuring an objective process.</p> |

| GUIDELINES | PRACTICES WITHIN THE CORPORATION |
|--|---|
| (c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee. | The Compensation, Corporate Governance and Nominating Committee has the responsibility of, <i>inter alia</i> , ensuring that compensation is competitive and reflects individual performance in the context of the overall performance of the Corporation, reviewing and recommending to the Board compensation for the senior management team and administering the Corporation's stock option plan. |
| (d) If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work. | Not applicable. |
| 8. Other Board Committees – If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function. | The Board has two committees, the Audit Committee and the Compensation, Corporate Governance and Nominating Committee and has no other permanent standing committee. |
| 9. Assessments – Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual directors are performing effectively. | It is expected that the Board will, on an annual basis, evaluate itself as a whole, the committees, the committee chairs and individual directors. |

| REQUIREMENT UNDER THE CSA AUDIT COMMITTEE RULES | PRACTICES WITHIN THE CORPORATION |
|---|--|
| The CSA Audit Committee Rules state that the audit committee must be composed of a minimum of three members, who must be "independent" directors (as defined in those rules). | The Audit Committee is composed of three members, namely Cyrille Vittecoq (Chairman), Pierre Brodeur and Raymond Laurin. The Board has determined that all members of the Audit Committee are independent within the meaning of the CSA Audit Committee Rules. |
| The CSA Audit Committee Rules state that each audit committee member must be financially literate. | The Board has determined that all members of the Audit Committee are financially literate within the meaning of the CSA Audit Committee Rules. |
| The CSA Audit Committee Rules state that the audit committee must have a written charter that sets out its mandate and responsibilities. | The mandate of the Audit Committee, attached as Schedule "A" to the Annual Information Form of the Corporation available on SEDAR at www.sedar.com , describes explicitly the role and oversight responsibilities of the Audit Committee. |

| REQUIREMENT UNDER THE CSA AUDIT COMMITTEE RULES | PRACTICES WITHIN THE CORPORATION |
|---|--|
| <p>The CSA Audit Committee Rules state that the audit committee must recommend to the Board of Directors: (a) the external auditor to be nominated for the purposes of preparing or issuing an auditors' report or performing other audit, review or attest services for the issuer; and (b) the compensation of the external auditor.</p> | <p>The mandate of the Audit Committee provides that the Audit Committee is responsible for recommending the appointment of external auditors, their compensation, as well as reviewing and monitoring their qualifications, performance and independence.</p> |
| <p>The CSA Audit Committee Rules state that the audit committee must be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditors report or performing other audit, review or attest services for the issuer, including the resolution of disagreements between management and the external auditor regarding financial reporting.</p> | <p>The mandate of the Audit Committee provides that the committee is responsible for reviewing the relationships between the external auditors and the Corporation, including considering the auditors' judgments about the quality, transparency and appropriateness and not just the acceptability of the Corporation's accounting principles and resolving disagreements between management and the external auditor regarding financial reporting.</p> |
| <p>The CSA Audit Committee Rules state that the audit committee must pre-approve all non-audit services to be provided to the issuer or its subsidiary entities by the issuer's external auditor.</p> | <p>The mandate of the Audit Committee states that the committee's responsibilities include pre-approving all non-audit services to be provided to the Corporation and its subsidiaries.</p> |
| <p>The CSA Audit Committee Rules state that the audit committee must review the issuer's financial statements, MD&A and annual and interim earnings press releases before the issuer publicly discloses this information. These rules also mention that the audit committee must be satisfied that adequate procedures are in place for the review of the issuer's public disclosure of financial information extracted or derived from the issuer's financial statements, other than the public disclosure referred to in the preceding sentence, and must periodically assess the adequacy of those procedures.</p> | <p>The mandate of the Audit Committee provides that the committee is responsible for reviewing and recommending the approval of interim financial statements of the Corporation, including the Corporation's MD&A disclosure, prior to their release, filing and distribution. The Audit Committee charter provides it must ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information (other than the public disclosure referred to in the preceding sentence) extracted or derived from its financial statements, including periodically assessing the adequacy of such procedures.</p> |
| <p>The CSA Audit Committee Rules state that the audit committee must establish procedures for: (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.</p> | <p>The charter of the Audit Committee provides that the committee must establish procedures for the receipt, retention and treatment of complaints or concerns received by the Corporation regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.</p> |
| <p>The CSA Audit Committee Rules state that the audit committee must review and approve the issuer's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.</p> | <p>The charter of the Audit Committee provides that the committee is responsible for reviewing hiring policies for employees or former employees of the Corporation's firm of external auditors.</p> |

| REQUIREMENT UNDER THE CSA AUDIT COMMITTEE RULES | PRACTICES WITHIN THE CORPORATION |
|--|---|
| <p>The CSA Audit Committee Rules state that the audit committee must have the authority: (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties; (b) to set and pay the compensation for any advisors employed by the audit committee; and (c) to communicate directly with the internal and external auditors.</p> | <p>The Audit Committee's charter provides that the Audit Committee has the authority to authorize or conduct investigations into any matters that fall within its scope of responsibilities. Furthermore, the Audit Committee charter provides that the Audit Committee can engage outside advisors and communicate directly with internal and external auditors.</p> |

SCHEDULE "B"

CHARTER OF THE BOARD OF DIRECTORS

This charter prescribes the role of the Board of directors of Innergex Renewable Energy Inc. (the "**Corporation**"). This charter is subject to the provisions of the Corporation's Articles and By-Laws and to applicable laws. This charter is not intended to limit, enlarge or change in any way the responsibilities of the Board as determined by such Articles and By-Laws and applicable laws.

1. Role

The prime stewardship responsibility of the Board is to ensure the viability of the Corporation and to ensure that it is managed in the interests of the shareholders as a whole.

In addition to the powers and authorities conferred upon the directors in the Corporation's Articles, and to the duties of the directors of a Canadian corporation as prescribed by applicable laws, the mandate of the Board is to oversee the management of the business and affairs of the Corporation with a view to evaluate, on an ongoing basis, whether the Corporation's resources are being managed in a manner consistent with enhancing shareholder value, ethical considerations and stakeholder's interests.

2. Composition

2.1 *Number*

The Board shall be comprised of that number of Board members as shall be determined from time to time by the Board upon recommendation of the Compensation, Corporate Governance and Nominating Committee of the Board. The Corporation's Articles provide that the Board shall be composed of a minimum of 3 and a maximum of 10 directors.

2.2 *Independence*

A majority of the Board shall be composed of Board members who must be determined to be independent within the meaning of Multilateral Instrument 52-110.

2.3 *Criteria for Board membership*

Board members must have an appropriate mix of skills, knowledge and experience in business and an understanding of the geographical areas in which the Corporation operates. Board members selected should be able to commit the requisite time for all of the Board's business.

Board members are expected to possess the following characteristics and traits:

- demonstrate high ethical standards and integrity in their personal and professional dealings;
- act honestly and in good faith with a view to the best interests of the Corporation;
- devote sufficient time to the affairs of the Corporation and exercise care, diligence and skill in fulfilling their responsibilities both as Board members and as a Committee members;
- provide independent judgment on a broad range of issues;
- understand and challenge the key business plans of the Corporation;
- raise questions and issues to facilitate active and effective participation in the deliberations of the Board and of each Committee;

- make all reasonable efforts to attend all Board and Committee meetings; and
- review the materials provided by management in advance of the Board and Committee meetings.

In discharging their duties, Board members must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

2.4 *Selection*

The Board approves the final choice of candidates for nomination and election by the shareholders, upon recommendation by the Compensation, Corporate Governance and Nominating Committee

3. **Responsibilities**

The Board establishes the overall policies for the Corporation, monitors and evaluates the Corporation's strategic direction, and retains plenary power for those functions not specifically delegated by it to its Committees or to management.

Without limiting the generality of the foregoing, the Board shall, *inter alia*:

3.1 *with respect to strategic planning*

- Approve the Corporation's long-term strategy, taking into account, amongst other matters, business opportunities and risks.
- Approve and monitor the implementation of the Corporation's annual business plan.
- Advise management on strategic issues.

3.2 *with respect to human resources and performance assessment*

- Choose the President and the Chief Executive Officer and approve the appointment of other senior management executives.
- Monitor and assess the performance of the President, Chief Executive Officer, Chief Financial Officer and of other senior management and approve their compensation, taking into consideration Board expectations and fixed goals and objectives.
- Monitor management and Board succession planning process.
- Monitor the size and composition of the Board and its Committees based on competencies, skills and personal qualities sought in Board members.
- Approve the list of Board nominees for election by shareholders.

3.3 *with respect to financial matters and internal control*

- Monitor the integrity and quality of the Corporation's financial statements and the appropriateness of their disclosure.
- Review the general content of, and the Audit Committee's report on the financial aspects of, the Corporation's Annual Information Form, Annual Report, Management Proxy Circular, Management's Discussion and Analysis, prospectuses and any other document required to be disclosed or filed by the Corporation before their public disclosure or filing with regulatory authorities.
- Approve operating and capital budgets, the issuance of securities and, subject to the schedule of authority adopted by the Board, any transaction out of the ordinary course of business, including proposals on mergers, acquisitions or other major transactions such as investment or divestitures.
- Establish dividend policies and procedures.

- Take all reasonable measures to ensure that appropriate systems are in place to identify business risks and opportunities and overseeing the implementation of processes to manage these risks and opportunities.
- Monitor the Corporation's internal control and management information systems.
- Monitor the Corporation's compliance with applicable legal and regulatory requirements.
- Review at least annually the Corporation's communications policy and monitor the Corporation's communications with analysts, investors and the public.

3.4 *with respect to corporate governance matters*

- Take all reasonable measures to satisfy itself as to the integrity of the President, the Chief Executive Officer and other executive officers and that management creates a culture of integrity throughout the Corporation.
- Review, on a regular basis, the appropriate corporate governance structures and procedures.
- Adopt and review, on a regular basis, the Corporation's Code of Ethics applicable to the Board.

3.5 *with respect to other matters*

- Oversee the development and implementation of, and assess and monitor, environmental, safety and security policies, procedures and guidelines, including an emergency response plan.
- Oversee the Whistleblower Procedures, including in respect of financial matters.

4. **Meetings**

The Board will meet at least quarterly, with additional meetings scheduled as required.

The Chairman will prepare, and the corporate secretary at the request of the Chairman, will distribute, the meeting agenda and minutes to the Board.

Information and materials that are important to the Board's understanding of the agenda items and related topics are distributed in advance of a meeting. The Corporation will deliver information on the business, operations and finances of the Corporation to the Board on an "as required basis".

At each Board meeting, non-management Board members will meet *in camera* session under the chairmanship of the Chairman or the Lead Member, if any. Additional meetings may be held at the request of any Board member. The Chairman or Lead Member, as the case may be, will forward to the President any questions, comments or suggestions of the Board members.

5. **Board Committees**

There are two Committees of the Board: the Audit Committee and the Compensation, Corporate Governance and Nominating Committee. The roles and responsibilities of each Committee are described in the respective Committee charters.

6. **Compensation**

The Board has determined that the Board members should be compensated in a form and amount which is appropriate and which is customary for comparable corporations, having regard for such matters as time commitment, responsibility and trends in director compensation.

7. **Conflict of interest**

Board members shall disclose all actual or potential conflicts of interest and refrain from voting on matters in which the Board member has a conflict of interest. In addition, the Board member shall excuse himself or herself from any discussion

or decision on any matter in which the Board member is precluded from voting as a result of a conflict of interest or which otherwise affects his or her personal, business or professional interests.

8. Advisors

The Board may engage outside advisors at the expense of the Corporation in order to assist the Board in the performance of its duties and set and pay the compensation for such advisors.

The Board has determined that any Board member who wishes to engage a non-management advisor to assist on matters involving the Board member's responsibilities as a Board member at the expense of the Corporation should review the request with, and obtain the authorization of, the Chairman of the Board.

9. Board Interaction with Third Parties

If a third party approaches a Board member on a matter of interest to the Corporation, the Board member should bring the matter to the attention of the Chairman who shall determine whether this matter should be reviewed with management or should more appropriately be dealt by the Board *in camera* session.

10. Communication with the Board

Shareholders and other constituencies may communicate with the Board and individual Board members by contacting any one of the Chairman of the Board, the Chairman of the Audit Committee or the Chairman of the Compensation, Corporate Governance and Nominating Committee.

11. Review of the Charter

The Board should review this Charter on an annual basis and make changes to this Charter, as considered appropriate from time to time.

SCHEDULE "C"

CHARTER OF THE COMPENSATION, CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

This charter prescribes the role of the Compensation, Corporate Governance and Nominating Committee of the Board of Innergex Renewable Energy Inc. (the "**Committee**"). This charter is subject to the provisions of the Corporation's Articles and By-Laws and to applicable laws. This charter is not intended to limit, enlarge or change in any way the responsibilities of the Committee as determined by such Articles and By-Laws and applicable laws.

1. **Role**

In addition to the powers and authorities conferred upon the directors in the Corporation's Articles and by-laws and as prescribed by applicable laws, the mandate of the Committee is primarily as follows:

- (i) review the senior management and Board compensation policies and/or practices followed by the Corporation and seek to ensure such policies are designed to recognize and reward performance and establish a compensation framework, which is industry competitive and which results in the creation of shareholder value over the long-term;
- (ii) assess the Corporation's governance;
- (iii) propose new nominees for appointment to the Board where applicable.

The Committee's role is to review and submit to the Board as a whole, recommendations concerning executive compensation and compensation plan matters. Unless such matters are delegated, the Committee shall only make recommendations to the Board for their consideration and approval, if appropriate. The Board will have the responsibility to instruct management to implement the Board's directives.

Nothing contained in this Charter is intended to require the Committee to ensure the Corporation's compliance with applicable laws or regulations.

2. **Composition**

2.1 *Number and criteria*

The Committee should be comprised of such Directors as are determined by the Board, a majority of whom should be independent (as that term is defined in Multilateral Instrument 52-110) and each of whom should be (or should become within a reasonable period of time after appointment) familiar with corporate governance practices.

2.2 *Selection*

The members of the Committee and its Chairman shall be elected by the Board on an annual basis, or until their successors are duly appointed. Unless a Chairman is elected by the full Board, the members of the Committee may designate a Chairman by majority vote of the full Committee Membership.

Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director of the Corporation. The Board may fill vacancies on the Committee by election from among the Board. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all of its powers so long as a quorum remains.

3. Responsibilities

The Committee supervises the remuneration and governance policies of the Corporation, and without limiting the generality of the foregoing, the Committee shall, inter alia:

3.1 *with respect to remuneration of the management*

- ensure that base salaries are competitive relative to the industry and that bonuses, if any, reflect individual performance in the context of the overall performance of the Corporation. Overall performance should be measured by issues such as profitability, share price, distributions and initiatives being undertaken in the year, which should provide future shareholder benefit. Participation in the SOP should reflect the level of responsibility and level of contribution of senior managers within the Corporation.
- approve the Corporation's long-term strategy, taking into account, amongst other matters, business opportunities and risks.
- review and recommend to the Board for approval the compensation of the President, the Chief Executive Officer, the Chief Financial Officer and other members of the senior management team.
- prepare a report on Executive Compensation on an annual basis in connection with the preparation of the annual proxy circular or as otherwise required pursuant to applicable securities laws.
- oversee the administration of the Corporation's compensation plans for senior management and the Board, including the Stock Option Plan (the "SOP"), annual bonuses, any other equity plans, outside Directors' compensation plans, including any share ownership policy for Board members and members of the senior management team, and such other compensation plans or structures as are adopted by the Corporation from time-to-time.

3.2 *with respect to evaluation and compensation of the Board members*

- in conjunction with the Chairman of the Board, assess regularly the effectiveness of the Board as a whole, Committees of the Board and the contribution and qualification of individual Directors, including making recommendations where appropriate that a sitting Director be removed or not re-appointed, with a formal evaluation of the Board to take place every year.
- assess the effectiveness of the Chairman of the Board.
- review and recommend to the Board the compensation of the members of the Board, including annual retainer, meeting fees, SOP participation and other benefits conferred upon the directors and any compulsory share ownership policy for Board members and members of the senior management team, if considered appropriate.
- ensure that a continuous orientation and improvement program for the Directors is implemented and that copies of Board presentations are archived.

3.3 *with respect to governance*

- facilitate the independent functioning and seek to maintain an effective relationship between the Board and senior management of the Corporation.
- administer the Code of Ethics and ensure that the rules established therein are updated and complied with.
- oversee the development and implementation and assess and monitor environmental, safety and security policies, procedures and guidelines, including an emergency response plan.
- review with the Board the Committee's judgment as to the quality of the Corporation's governance and suggest changes to the Corporation's operating governance guidelines as determined appropriate.

- review corporate goals and objectives relevant to the President, Chief Executive Officer, Chief Financial Officer and other senior management positions.
- ensure that appropriate mechanisms are in place regarding succession planning for the position of President, Chief Executive Officer, Chief Financial Officer and other senior management positions.

3.4 *with respect to nominating*

- review, on a periodic basis, the size and composition of the Board.
- as necessary or appropriate, establish qualifications for Directors and procedures for identifying possible nominees who meet these criteria.
- propose new nominees for appointment to the Board where applicable.
- assist new members of the Board and provide orientation or information as requested.

4. **Meetings**

The Committee should meet at least once per annum or more frequently as circumstances require.

The Committee may ask members of Management or others to attend meetings or to provide information as necessary. The Committee shall have full access to all information it deems appropriate for the purpose of fulfilling its role.

A quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.

Meetings of the Committee shall be held from time to time as any member of the Committee shall determine upon reasonable notice to each of its members, which shall not be less than 48 hours. The notice period may be waived by all members of the Committee. Each of the Chairman of the Board, the President, the Chief Executive Officer, the Chief Financial Officer or the Secretary shall be entitled to request that any member of the Committee call a meeting.

The Committee should determine any desired agenda items.

The Committee should record minutes of its meetings and submit those to the whole Board on a timely basis.

5. **Advisors**

The Committee may engage outside advisors at the expense of the Corporation in order to assist the Committee in the performance of its duties and set and pay the compensation for such advisors.

The Board has determined that any committee member who wishes to engage a non-management advisor to assist on matters involving the committee member's responsibilities as a committee member at the expense of the Corporation should review the request with, and obtain the authorization of, the Chairman of the Board.

6. **General**

The Committee should review this Charter on an annual basis and recommend to the Board changes to this Charter, as considered appropriate from time to time.

The Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Corporation's shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to securityholders of the Corporation or other liability whatsoever.

