



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

March 25, 2009

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 May 27, 2009 at 3:00 p.m. at Club St-Denis, Jean-René Ouimet Hall, 257 Sherbrooke Street East, Montréal, Province of Québec, for the following purposes:

1. To receive the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2008, 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.

March 31, 2009 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 management information circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this notice.

Registered shareholders may exercise their rights by attending the Meeting or by completing a form of proxy. If you are a registered shareholder and 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 Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1) no later than 5:00 p.m. (Montréal Time) on **May 25, 2009**, or, if the Meeting is adjourned, no later than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the day of any adjournment thereof. Non-registered shareholders of the Corporation should follow the instructions on how to exercise their rights under "Advice to Beneficial Shareholders" below, or should contact their broker, trustee, financial institution or other nominee for instructions.

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 25th day of March, 2009.

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

(s) 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 of Innergex Renewable Energy Inc. (the "**Corporation**") to be held on May 27, 2009 at 3:00 p.m. at Club St-Denis, Jean-René Ouimet Hall, 257 Sherbrooke Street 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.

Unless otherwise indicated, the information contained in this management information circular is given as at March 25, 2009.

APPOINTMENT OF AUTHORIZED REPRESENTATIVES BY PROXY

The persons named in the accompanying form of proxy are officers of the Corporation. **Each registered 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 registered 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 Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1) no later than 5:00 p.m. (Montréal Time) on May 25, 2009, or, if the Meeting is adjourned, no later than 48 hours, excluding Saturdays, Sundays and Holidays, preceding the day of any adjournment thereof.

REVOCAION 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 Trust Company of Canada 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 (iii) 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.**

Regulation 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* 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 of such Beneficial Shareholder's Common Shares and vote such 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. No Preferred Shares are issued and outstanding. Each Common Share entitles the holder thereof to vote at any meeting of shareholders. All shareholders of record at the close of business on March 31st, 2009, being the date fixed by the Corporation for the determination of the registered holders of Common Shares who are entitled to receive a 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 March 25, 2009, no person beneficially owned or controlled or directed, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all Common Shares, other than the following persons:

Person	Common Shares Beneficially Owned or Controlled or Directed	Approximate Percentage of Issued and Outstanding Common Shares Beneficially Owned or Controlled or Directed
Régime de rentes du Mouvement Desjardins	2,426,379	10.3%
Caisse de dépôt et placement du Québec	2,426,379	10.3%
TD Capital Group Limited	2,426,379	10.3%
Kruger Inc. Master Trust	2,493,079	10.6%

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 audited consolidated financial statements of the Corporation for the financial year ended December 31, 2008, 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 Corporation's audited consolidated financial statements for the financial year ended December 31, 2008, together with the report of the auditors thereon will be placed before the Meeting. The annual audited consolidated financial statements of the Corporation are available on SEDAR at www.sedar.com. 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 FAVOR of the election of each of the seven proposed nominees whose names are set forth below under the heading "Nominees" 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 or her 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.

Majority Voting Policy

The Board has adopted a policy providing that, in an election of directors, any nominee who receives a greater number of votes withheld than votes in favour of his/her election must tender his/her resignation to the Board immediately following the shareholders' meeting. The Board will make its final decision of accepting or not the resignation and announce it in a press release within ninety (90) days following the shareholders' meeting. A director who tenders his/her resignation pursuant to this policy will not participate in any meeting of the Board at which the resignation is considered. This policy does not apply in circumstances involving contested director elections.

Nominees

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, or over which control or direction is exercised, directly or indirectly, by each of them, as at March 25, 2009.

Name, Residence, Principal Occupation & Other Directorships	Director since	Common Shares beneficially owned or controlled or directed	Percentage of Common Shares
PIERRE BRODEUR			
<p>Mr. Pierre Brodeur, of St-Bruno-de-Montarville, Québec, 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 Ltee. from 1990 to 1994.</p> <p>Mr Brodeur currently acts as a director of Industrial Alliance Insurance and Financial Services Inc. which is a reporting issuer and as a director of Van Houtte Inc.</p> <p>Mr. Brodeur acts as Lead Director of the Corporation and he is a member of the Corporation's Audit Committee and the Chairperson of the Corporation's Compensation, Corporate Governance and Nominating Committee.</p>	December 2007	2,000	0.009%
WILLIAM A. LAMBERT			
<p>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.</p> <p>Mr. Lambert received an MBA from York University and a Bachelor's of Science in Electrical Engineering from the Massachusetts Institute of Technology.</p> <p>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.</p> <p>Mr. Lambert is a member of the Corporation's Compensation, Corporate Governance and Nominating Committee.</p>	October 2007	Nil ⁽¹⁾	Nil

Name, Residence, Principal Occupation & Other Directorships	Director since	Common Shares beneficially owned or controlled or directed	Percentage of Common Shares
RAYMOND LAURIN			
Mr. Raymond Laurin, of Québec City, Québec, has been Senior Vice President and Chief Financial Officer of Mouvement des caisses Desjardins since May 2008 and Chief Financial Officer of Caisse centrale Desjardins since July 2008. From August 2004 to May 2008, Mr. Laurin was Executive Director of Régime de rentes du Mouvement Desjardins. Mr. Laurin has held various positions with the Desjardins Group over the past 27 years, including the positions of Vice President – Administrative Services of Fédération des caisses Desjardins du Québec from July 2003 to August 2004 and Vice President of Confédération des caisses Desjardins du Québec from June 1996 to July 2003.	October 2007	600 ⁽²⁾	0.003%
Mr. Laurin holds a bachelor's degree in business administration from HEC Montreal and is a member of the Ordres des comptables agréés du Québec, the Institute of Internal Auditors of Canada and the Canadian Pension and Benefits Institute.			
Mr. Laurin is a member of the Corporation's Audit Committee.			
GILLES LEFRANÇOIS			
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 Executive Chairman. While a member of the management team of Innocan Inc., 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.	June 2003	582,769	2.48%
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.			
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. and of Soft Informatique Inc.			
MICHEL LETELLIER			
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.	June 2003	407,292	1.73%
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.			
Mr. Letellier currently acts as a trustee of Innergex Power Income Fund, which is a reporting issuer.			

Name, Residence, Principal Occupation & Other Directorships	Director since	Common Shares beneficially owned or controlled or directed	Percentage of Common Shares
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 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 is the Chair of the Corporation's Audit Committee.			
(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 2,426,379 Common Shares, representing approximately 10.3% of the issued and outstanding Common Shares.			
(2) Mr. Laurin is Senior Vice President and Chief Financial Officer of Mouvement des caisses Desjardins and Chief Financial Officer of Caisse centrale Desjardins. Régime de rentes du Mouvement Desjardins holds 2,426,379 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 2,426,379 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 meetings of the Board and, where applicable, for meetings of the Audit Committee and the Compensation, Corporate Governance and Nominating Committee for the period beginning on January 1, 2008 and ending on December 31, 2008.

Director	Number of Board Meetings Attended	Number of Audit Committee Meetings Attended	Number of Compensation, Corporate Governance and Nominating Committee Meetings Attended
PIERRE BRODEUR	5 of 5	5 of 5	3 of 3
WILLIAM A. LAMBERT	5 of 5	N/A	3 of 3
RAYMOND LAURIN	3 of 5	5 of 5	N/A
GILLES LEFRANÇOIS	5 of 5	N/A	N/A
MICHEL LETELLIER	5 of 5	N/A	N/A
SUSAN M. SMITH	4 of 5	N/A	3 of 3
CYRILLE VITTECOO	4 of 5	5 of 5	N/A

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 provides a summary of the compensation earned by the directors of the Corporation (other than Gilles Lefrançois and Michel Letellier who also act as officers of the Corporation and who, as director, receive no compensation) for services received in such capacity during the most recently completed financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
PIERRE BRODEUR	47,266.67	Nil	Nil	Nil	Nil	Nil	47,266.67
WILLIAM A. LAMBERT	36,400.00	Nil	Nil	Nil	Nil	Nil	36,400.00
RAYMOND LAURIN	36,400.00	Nil	Nil	Nil	Nil	Nil	36,400.00
SUSAN M. SMITH	33,400.00	Nil	Nil	Nil	Nil	Nil	33,400.00
CYRILLE VITTECOO	44,600.00	Nil	Nil	Nil	Nil	Nil	44,600.00

In the 2008 financial year, Directors (other than Gilles Lefrançois and Michel Letellier who also act as officers of the Corporation) were paid a base compensation and were paid for attendance at Board meetings in accordance with the amounts set out below. 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 (other than members of the management of the Corporation) are reimbursed for out-of-pocket expenses incurred in connection with their duties as directors. The following table also shows the comparison between the compensation payable to Board members during 2008 (other than members of the management of the Corporation) and the compensation payable to same for the financial year 2009, as approved by the Board.

Compensation	2008		2009	
	Amount	Total Earned	Amount	Total Payable
Directors' base compensation	\$25,000 per year	\$25,000	\$30,000 per year	\$150,000
Lead Director ⁽¹⁾	\$5,000 per year	\$1,666.67	\$5,000 per year	\$5,000
Chair of Committee (other than Audit Committee)	\$5,000 per year	\$5,000	\$5,000 per year	\$5,000
Chair of Audit Committee	\$7,000 per year	\$7,000	\$10,000 per year	\$10,000
Attendance at Meetings				
- in person	\$1,200 per meeting	\$59,400	\$1,350 per meeting	Determined according to number of meetings
- by conference call	\$600 per meeting (if less than 1 hour); \$1,200 per meeting (otherwise)		\$675 per meeting (if less than 1 hour); \$1,350 per meeting (otherwise)	

(1) The base compensation for Lead Director is payable since September 1, 2008.

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 **IN FAVOR** of 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 their remuneration, unless the shareholder who has given the proxy has directed that the Common Shares represented thereby be withheld from voting in respect of the appointment of auditors.

EXECUTIVE COMPENSATION

General

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 *Regulation 52-110 Respecting Audit Committees* under the *Securities Act* (Québec).

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, contribution to registered retirement savings plan, annual performance bonuses and the grant of options to purchase Common Shares under the Stock Option Plan (as defined below).

Through its executive compensation practices, the Corporation seeks to provide value to its shareholders through a strong executive leadership. Specifically, the Corporation's executive compensation structure seeks to attract and retain talented and experienced executives necessary to achieve the Corporation's strategic objectives, motivate and reward executives whose knowledge, skills and performance are critical to the Corporation's success, align the interests of the Corporation's executives and shareholders by motivating executives to increase shareholder value.

Within the context of the overall objectives of the Corporation's compensation practices, the Corporation determined the specific amounts of compensation to be paid to each of its executives in 2008 based on a number of factors, including: the Corporation's understanding of the amount of compensation generally paid by similarly situated companies to their executives with similar roles and responsibilities; the Corporation's executives' performance during the fiscal year; the roles and responsibilities of the Corporation's executives; the individual experience and skills of, and expected contributions from, the Corporation's executives; the amounts of compensation being paid to the Corporation's other executives; the Corporation's executives' historical compensation and performance within the Corporation; and any contractual commitments the Corporation has made to its executives regarding compensation.

Base Salary

The Corporation's approach is to pay its executives a base salary that is competitive with those of other executive officers in similar companies. The Corporation believes that a competitive base salary is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. The Corporation also believes that attractive base salaries can motivate and reward executives for their overall performance. The base salary of each executive is reviewed annually and may be adjusted in accordance with the terms of such executive officer's employment agreement, where applicable, and certain criteria including, without limitation, (i) past salary, (ii) changes in the compensation for similar companies with which the Corporation competes for executive talent and (iii) changes in the duties and responsibilities.

To the extent that the Corporation has entered into employment agreements with its executives, the base salaries of such individuals reflect the initial base salaries that the Corporation negotiated with them. The Named Executive Officers (as defined below) entered into employment agreements with the Corporation which were negotiated and executed at the time of the Corporation's initial public offering completed on December 6, 2007. The base salaries that the Corporation negotiated with its executives were based on its understanding of base salaries for comparable positions at similarly situated companies at the time, the individual experience and skills of, and expected contribution from, each executive, the roles and responsibilities of the executive, the base salaries of the Corporation's existing executives and other factors. These employment agreements and their terms and conditions were recommended by the Executive Chairman of the Corporation's Board and approved by the Compensation, Corporate Governance and Nominating Committee. The employment agreements which were entered into with each of the Corporation's Named Executive Officer are summarized under "Employment Agreements" below.

Evaluations of base salary are made regardless of whether a Named Executive Officer has entered into an employment agreement with the Corporation, and annual adjustments, if any, to the base salary of the Corporation's Named Executive Officers are analyzed within the context of the terms and conditions of such employment agreements.

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. 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. Bonuses granted to each executive officer are recommended by the Compensation, Corporate Governance and Nominating Committee to the Board which ultimately approves the award of such bonuses.

Bonuses are primarily based upon performance of the executive. The primary objective of the Corporation's bonus payments is to motivate and reward its Named Executive Officers for meeting the Corporation's short-term objectives using a performance-based compensation program. The Corporation believes that not every important aspect of executive performance is capable of being specifically quantified in a predetermined objective goal. For example, events outside of the Corporation's control may occur after the Corporation has established the executives' performance goals for the year that require its executives to focus their attention on different or other strategic objectives.

Stock Options

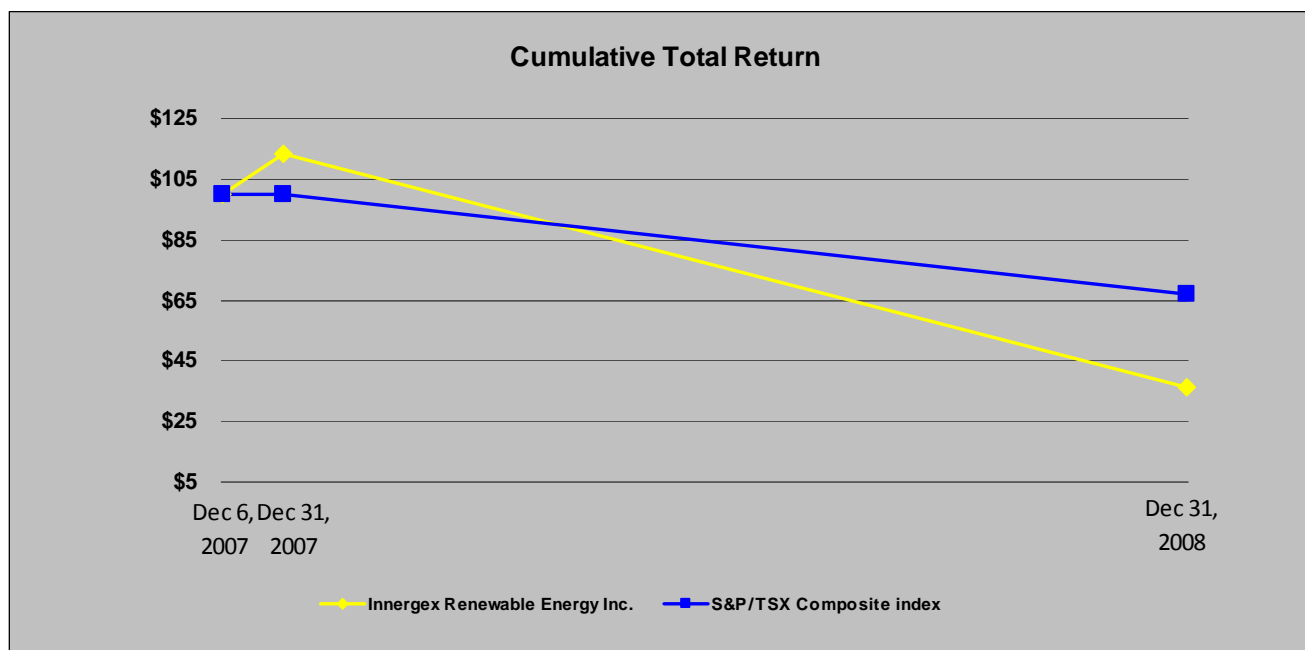
The Corporation's granting of options to purchase Common Shares to its executive officers is a method of compensation which is used to attract and retain personnel and to provide an incentive to participate in the long-term development of the Corporation and to increase shareholder value. The relative 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. The Corporation's executives were granted a total of 1,410,000 stock options in connection with its initial public offering. These options have an exercise price of \$11.00 which corresponds to the offering price of the Common Shares during the Corporation's initial public offering. No additional options have been granted since then, although the Corporation generally expects future grants should be based on the following factors: the executive's past performance, anticipated future contribution, prior option grants to such executive, the percentage of outstanding equity owned by the executive, the level of vested and unvested options, competitive market practices and the executive's responsibilities and performance. The Corporation has not set specific target levels for options to Named Executive Officers but seeks to be competitive with similar companies. Additional option grants will be recommended by the Compensation, Corporate Governance and Nominating Committee to the Board which ultimately has the responsibility to award options. For further details as to the specific terms of the Stock Option Plan, see "Incentive Plan Awards - Stock Option Plan", below.

Chief Executive Officer

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.

Performance Graph

The Common Shares of the Corporation began trading on the TSX at the opening of business on December 6, 2007. The following graph shows, as at December 31, 2008, the cumulative total shareholder return (based on a \$100 investment as at December 6, 2007, the date the Common Shares began trading on the TSX) compared with the cumulative total return of the S&P/TSX Composite Index for such period.



CUMULATIVE TOTAL SHAREHOLDER RETURN FOR THE PERIOD OF DECEMBER 6, 2007 TO DECEMBER 31, 2008

	<u>Dec 6, 2007</u>	<u>Dec 31, 2007</u>	<u>Dec 31, 2008</u>
Innergex Renewable Energy Inc.	\$ 100.00	\$113.36	\$ 36.36
S&P/TSX Composite index	\$ 100.00	\$ 100.13	\$ 67.09

The trend set forth in the performance graph above represents a net progression for the first month following the Corporation's initial public offering followed by a decline in 2008 when market conditions declined generally. During the same period, the aggregate executive compensation paid to the Corporation's Named Executive Officers increased by 8.79% compared to a decrease of 63.64% in the cumulative total shareholder return. The increase of 8.79% was solely due to the increase of the base salary effective on January 1, 2008 and awarded in the context the Corporation's initial public offering on December 2007 to match the executive compensation with that of other public entities in the same industry. In light of the 2008 financial results and current market conditions, the performance bonuses awarded to the Named Executive Officers for the financial year 2008 represent 1/3 of the maximum bonus that could be awarded to such individuals and no options were granted. For the same reasons, the base salaries for the year 2009 remained stable for the executive officers of the Corporation in general.

Summary Compensation Table

The following table presents information regarding the compensation earned in the financial year ended December 31, 2008 by the Executive Chairman of the Board (one of the three most highly compensated executive officers of the Corporation), the President and Chief Executive Officer of the Corporation, the Vice President and Chief Financial Officer of the Corporation, and the other two most highly compensated executive officers of the Corporation as of December 31, 2008 (the “Named Executive Officers”), for services rendered in such capacities for the most recently completed financial year.

Name and Principal Position	Financial Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation ⁽²⁾ (\$)	Total compensation (\$)
					Annual incentive plans ⁽¹⁾	Long-term incentive plans			
GILLES LEFRANÇOIS Executive Chairman of the Board	2008	339,900	Nil	Nil	54,054	Nil	Nil	20,200	414,154
MICHEL LETELLIER President and Chief Executive Officer	2008	276,329	Nil	Nil	44,005	Nil	Nil	20,200	340,534
JEAN PERRON Vice-President and Chief Financial Officer	2008	191,982	Nil	Nil	24,449	Nil	Nil	19,461	235,892
MICHELE BEAUCHAMP Vice President – Legal Affairs and Corporate Secretary	2008	186,945	Nil	Nil	23,784	Nil	Nil	19,209	229,938
JEAN TRUDEL Vice President – Finance and Investor Relations	2008	164,285	Nil	Nil	20,901	Nil	Nil	18,461	203,647

- (1) These amounts represent a decline of 39.22%, notwithstanding an increase of the base salary on which they are calculated, compared with the bonuses paid to the Named Executive Officers for financial year 2007 which were, respectively, in the amounts of \$93,600, \$70,200, \$39,936, \$41,184 and \$30,160.
- (2) The value of perquisites and other personal benefits for each Named Executive Officer is included in All Other Compensation even if the value of these benefits is less than the two following amounts: \$50,000 or 10% of total salary for financial year 2008 and that its disclosure is not required pursuant to National Instrument 51-102 (Continuous Disclosure Obligations). All other compensation disclosed for each Named Executive Officer represents \$10,200 for car allowance and the balance, if any, represents the Corporation's contribution to the Named Executive Officer's registered retirement savings plan.

Employment Agreements

Each of the Named Executive Officers has entered into employment agreements with the Corporation (the “**Employment Agreements**”) at the time of the Corporation's initial public offering which was completed on December 6, 2007. Pursuant to the Employment Agreements commencing on January 1, 2008, Gilles Lefrançois was awarded an annual base salary of \$327,600, Michel Letellier was awarded an annual base salary of \$266,700, Jean Perron was awarded an annual base salary of \$185,220 Michèle Beauchamp was awarded an annual base salary of \$180,180 and Jean Trudel was awarded an annual base salary of \$170,216. Each Employment Agreement has an indeterminate term.

The employment agreements with each of the Corporation's Named Executive Officer contain change of control arrangements. The overall purpose of this change of control arrangement is to (i) ensure the continued dedication of the executive, notwithstanding the possibility, threat or occurrence of a change of control; (ii) diminish any distraction of the executive resulting from the uncertainties and risks created by a pending or threatened change of control; and (iii) provide the executive with compensation and benefit arrangements upon a change of control that are competitive with those of comparable companies.

Termination and change of control benefits

If the Corporation terminates the employment of a Named Executive Officer without cause or one of them terminates his or her employment for good and sufficient reason, 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 and any unvested options held by the officer may be exercised within 90 days of the termination of employment. Good and sufficient reason for a Named Executive Officer to terminate his or her employment with the Corporation includes (a) if he is not appointed or reappointed as an officer of the Corporation, (b) if the Corporation ceases its activities in the normal course of business, (c) if the Corporation modifies significantly the functions and responsibilities of the executive, (d) if the Corporation reduces or fails to pay base salary or other benefits of the executive or (e) the employment conditions are modified in a bankruptcy or insolvency context. From the date of such termination, the Corporation is discharged from paying any group insurance premiums, contributions to RRSPs and car allowances for the Named Executive Officer. In addition, if the Corporation terminates the employment of a Named Executive Officer for any reason, other than for cause, within one year following a 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 and the vesting of all outstanding options as described above.

The following table shows estimated incremental payments triggered pursuant to a termination of employment of a Named Executive Officer in the circumstances described above, with and without a change of control.

Name	Position	Termination Provisions Value ⁽¹⁾⁽²⁾	Change of Control Provisions Value ⁽²⁾⁽³⁾
GILLES LEFRANÇOIS	Executive Chairman of the Board of Directors	\$1,019,700	\$1,019,700
MICHEL LETELLIER	President and Chief Executive Officer	\$828,987	\$828,987
JEAN PERRON	Vice President and Chief Financial Officer	\$575,946	\$575,946
MICHÈLE BEAUCHAMP	Vice President – Legal Affaires and Corporate Secretary	\$560,835	\$560,835
JEAN TRUDEL	Vice President – Finance and Investor Relations	\$492,855	\$492,855

- (1) The termination values assume that the triggering event (termination without cause by the Corporation or termination by the Named Executive Officer for good and sufficient reason) occurred on December 31, 2008.
- (2) Options have no value, as they were not in-the-money on December 31, 2008.
- (3) The change of control values assume that the triggering event (termination by the Corporation for any reason, other than for cause or termination by the Named Executive Officer for any reason) occurred on December 31, 2008, being within one year of the change of control.

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, for any reason, 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, for any reason, of such employment.

Incentive Plan Awards – Stock Option Plan

The following table sets forth details of options to purchase Common Shares granted to Named Executive Officers and which are outstanding.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
GILLES LEFRANÇOIS	282,000	11	December 6, 2017	Nil
MICHEL LETELLIER	282,000	11	December 6, 2017	Nil
JEAN PERRON	94,000	11	December 6, 2017	Nil
MICHÈLE BEAUCHAMP	94,000	11	December 6, 2017	Nil
JEAN TRUDEL	94,000	11	December 6, 2017	Nil

The following table summarizes, for each of the Named Executive Officers the value of options vested during 2008 and the value of executive performance bonus earned during 2008.

Name	Option-based Awards – Value vested during the year (\$)	Non-equity incentive plan – Value earned during the year ⁽¹⁾ (\$)
GILLES LEFRANÇOIS	Nil	54,054
MICHEL LETELLIER	Nil	44,005
JEAN PERRON	Nil	24,449
MICHÈLE BEAUCHAMP	Nil	23,784
JEAN TRUDEL	Nil	20-901

(1) For more details, see "Executive Performance Bonus" and note 1 to the "Summary Compensation Table" above.

The Corporation established a stock option plan which was adopted by resolution of the Board on December 3, 2007 in connection with its initial public offering, which provides for the granting of options to purchase Common Shares by the Board 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 and which expire on December 6, 2017. These options were granted to the Named Executive Officers in connection with its initial public

offering on December 6, 2007. Their strike price is \$11 which is equal to the offering price of \$11. No additional options were issued since then. 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 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, which may not be greater than ten years after the date of grant. Subject to the discretion of the Board, 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, permanently disabled, vested 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, vested 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. The Board 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 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 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.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth, as at December 31, 2008, certain information with respect to the Stock Option Plan, namely, 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>	Nil	Nil	Nil
Total	1,410,000	\$11.00	940,000

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

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, 2008 for disclosure of information relating to the Audit Committee required under *Regulation 52-110 Respecting Audit Committees* under the *Securities Act* (Québec) 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, 2008, the Corporation paid a total annual premium of \$84,905, 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 or exercises control or direction over, directly or indirectly, 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"), the Corporation purchased, using a portion of the proceeds of the IPO and the Private Placement (as defined below), 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 for a purchase price of \$63,364,165 which was paid by the issue to the Institutional Investors of 5,760,379 Common Shares (the "Innergex II Acquisition"). Concurrently with the IPO, the Institutional Investors subscribed for an additional 5,342,620 Common Shares (the "Private Placement"). All such 11,102,999 Common Shares issued to Institutional Investors were issued on a private placement basis. The exercise of part of the over-allotment option granted to the underwriters resulted in the Institutional Investors selling 470,520 Common Shares to the public. Régime de rentes du Mouvement Desjardins, Caisse de dépôt et placement du Québec, TD Capital Group Limited and Kruger Inc. Master Trust currently hold approximately 10.3%, 10.3%, 10.3% and 10.6% of the issued and outstanding Common Shares, respectively.

SHAREHOLDER PROPOSALS FOR 2010 ANNUAL MEETING

The final date for submitting shareholder proposals for the 2010 Annual Meeting of the Corporation is January 6, 2010, being the date which is 90 days before the anniversary date of the Corporation's notice to shareholders in connection with the Meeting.

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, 2008. Copies of the Corporation's Annual Information Form for the financial year ended December 31, 2008, the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2008, 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, 2008 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 25th day of March, 2009.

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

(s) 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 2008 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;• Cyrille Vittecoq.

GUIDELINES	PRACTICES WITHIN THE CORPORATION
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	<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 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 and the former Executive Vice-President and Chief Financial Officer.
(c) Disclose whether or not a majority of directors are independent.	Five of the seven current directors and nominees proposed by Management for election to the Board are independent.
(d) If a director is currently 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.	Current directorships of all director nominees, including directorships of other reporting issuers, are described in the table set forth under the heading "Election of Directors" of this 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.	<p><u>In camera sessions (Board meetings):</u> Independent directors have the opportunity to meet regularly to discuss matters of interest without the presence of non-independent directors and members of Management and they hold such meetings after each meeting of the Board. These meetings are chaired by the lead director of the Board. Five meetings of independent directors at which non-independent directors and members of Management were not in attendance were held in the financial year ended December 31, 2008.</p> <p><u>In camera sessions (committee meetings):</u></p> <p>Both of the Board committees, namely the Audit Committee and the Compensation, Corporate Governance and Nominating Committee, are composed exclusively of independent directors. The Audit Committee meets after each meeting, without members of Management being present. The Compensation, Corporate Governance and Nominating Committee meets from time to time, without members of Management being present.</p>
(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.	<p>Gilles Lefrançois, as Executive Chairman of the Board, is not independent within the meaning of the CSA Disclosure Instrument. The Board has appointed an independent director, Pierre Brodeur, to act as lead director of the Board.</p> <p>The Compensation, Corporate Governance and Nominating Committee has adopted a written position description for the lead director of the Board. The lead director of the Board shall, among other things, preside at the in camera sessions of independent directors, call meetings of independent directors when necessary and appropriate and oversee the process of hiring the Chief Executive Officer.</p>
(g) Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most	Overall, the combined attendance by the directors at Board meetings in the 2008 financial year was 89%. A record of attendance by directors at Board meetings during the financial year ended December 31, 2008 is set out

GUIDELINES	PRACTICES WITHIN THE CORPORATION
recently completed financial year.	under the heading "Election of Directors – Record of Attendance" of this circular.
<p>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.</p>	<p>The Board has adopted a formal mandate for itself which is reproduced under Schedule B to this circular.</p>
<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 has developed a written position description for the Executive Chairman of the Board and for each committee's chairperson.</p> <p>The mandate of the Executive Chairman of the Board states that his key role is 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 mandate of the Executive Chairman of the Board also states that he shall provide leadership to enhance Board effectiveness.</p> <p>The mandate of each committee's chairperson provides that each committee chairperson's key role is to manage his respective committee and ensure that the committee carries out its mandate effectively. Like the Executive Chairman of the Board, each committee chairperson is expected to provide leadership to enhance committee effectiveness and must oversee the committee's discharge of its responsibilities. Committee chairpersons must report regularly to the Board on the businesses of their respective 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 developed a written position description for the President and Chief Executive Officer.</p> <p>The Board has delegated to the President and Chief Executive Officer 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.</p> <p>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 Chief Executive Officer 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 Chief Executive Officer and his management team will be assessed against the achievement of strategic plans and budget. See "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</p>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
	<p>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> <ul style="list-style-type: none"> (i) the role of the Board, its committees and its directors; and (ii) the nature and operation of the issuer's business. 	<p>In addition to having extensive discussions with the Executive Chairman of the Board and the President and Chief Executive Officer 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 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.</p>
<p>(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.</p>	<p>Presentations are 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. Commented visits to the facilities of the Corporation are also organized for the directors by the Corporation, upon request.</p>
<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> <ul style="list-style-type: none"> (i) disclose how a person or Corporation may obtain a copy of the code; (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 has adopted a written Code of Ethics which applies 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. The Corporation's Code of Ethics is available on SEDAR at www.sedar.com.</p>
<p>(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.</p>	<p>None.</p>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
<p>(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.</p>	<p>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.</p>
<p>(c) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board promotes a business environment where employees are encouraged to report malfeasance, irregularities and other concerns. The Board has also adopted a whistle-blowing procedure with respect to the submission by employees of concerns regarding, <i>inter alia</i>, questionable accounting or auditing matters.</p>
<p>6. Nomination of Directors</p> <p>(a) Describe the process by which the Board identifies new candidates for Board nomination.</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>(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 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 this 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 Compensation, Corporate Governance and Nominating Committee consults with and make recommendations to the Board with respect to the compensation of the directors and officers. See section "Compensation of Directors" in this circular for information received by the directors of the Corporation and section "Executive Compensation" for information about the compensation received by the Named Executive Officers.</p>
<p>(b) Disclose whether or not the Board has a compensation committee composed</p>	<p>All three members of the Compensation, Corporate Governance and Nominating Committee are independent. In the opinion of the Board, this</p>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
<p>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>ensures an objective process for making recommendations to the Board with respect to compensation. Furthermore, the Board, of which five of the seven current and proposed nominees are independent, retains the ultimate responsibility for making decisions relating to compensation, thus ensuring an objective process.</p>
<p>(c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>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.</p>
<p>(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.</p>	<p>Not applicable.</p>
<p>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.</p>	<p>The Board has two committees, the Audit Committee and the Compensation, Corporate Governance and Nominating Committee and has no other permanent standing committee.</p>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
<p>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.</p>	<p>The Compensation, Corporate Governance and Nominating Committee has received the mandate to ensure that a process is in place for the annual review of the performance of individual directors, the Board as a whole and the Board committees. The Compensation, Corporate Governance and Nominating Committee reviews and approves a performance evaluation questionnaire that is forwarded annually by such committee's chair to directors. This questionnaire covers a wide range of issues and allows for comments and suggestions and covers both Board and individual performance. The chair of the Compensation, Corporate Governance and Nominating Committee compiles responses and contacts each director, when deemed necessary, to discuss the Board and Board committee evaluations as well as individual directors' performance, including that of the Board and committee chairs. The chair of the Compensation, Corporate Governance and Nominating Committee then reports the results to the Board. This formal evaluation process takes place on an annual basis, prior to the recommendation of nominee directors to the Board.</p> <p>The most recent annual evaluation showed that the Board, its committees, committee chairs and individual directors were effectively fulfilling their responsibilities.</p>

REQUIREMENT UNDER THE CSA AUDIT COMMITTEE RULES	PRACTICES WITHIN THE CORPORATION
<p>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).</p>	<p>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.</p>
<p>The CSA Audit Committee Rules state that each audit committee member must be financially literate.</p>	<p>The Board has determined that all members of the Audit Committee are financially literate within the meaning of the CSA Audit Committee Rules.</p>
<p>The CSA Audit Committee Rules state that the audit committee must have a written charter that sets out its mandate and responsibilities.</p>	<p>The mandate of the Audit Committee, attached as Schedule B to the Annual Information Form of the Corporation and available on SEDAR at www.sedar.com, describes explicitly the role and oversight responsibilities of the Audit Committee.</p>
<p>The CSA Audit Committee Rules state that the audit committee must recommend to the Board: (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</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>

REQUIREMENT UNDER THE CSA AUDIT COMMITTEE RULES	PRACTICES WITHIN THE CORPORATION
external auditor regarding financial reporting.	
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.	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. The Audit Committee has approved a written policy on pre-approval of non-audited services.
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.	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.
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>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 Board has approved a whistle-blowing procedure developed by the Audit Committee with respect to the submission by employees of concerns regarding, <i>inter alia</i>, questionable accounting or auditing matters.</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.	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.
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.	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.

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 Regulation 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 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 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 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 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 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 Director, if any. Additional meetings may be held at the request of any Board member. The Chairman or Lead Director, 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; and
- (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 Regulation 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 Compensation 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.
- review the annual compensation package of the Corporation's employees, such information to be provided by the Executive Chairman of the Board on a yearly basis.
- 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 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 Corporate 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 Nominations

- 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 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.

