



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

April 30, 2010

## INNERGEX RENEWABLE ENERGY INC.

### NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the "Meeting") of the shareholders of Innergex Renewable Energy Inc. (the "Corporation") will be held on June 1<sup>st</sup>, 2010 at 3:00 p.m. at the Marriott Château Champlain, Viger Room, Level A, 1050 De La Gauchetière Street West, 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, 2009, together with the report of the auditors thereon;
2. To elect directors for the ensuing year;
3. To appoint the auditors of the Corporation for the ensuing year and authorize the directors of the Corporation to fix their remuneration; and
4. To transact such other business that may properly come before the Meeting or any adjournment thereof.

April 28, 2010 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.

All common shares of the Corporation are registered in the name of CDS & Co., the nominee of CDS Clearing and Depository Inc., a clearing agency of which securities brokers or dealers are participants. Non-registered shareholders or shareholders that hold their shares in the name of a "nominee", such as a bank, trust company, securities broker or other financial institution, must seek instructions from their nominee as to how to complete their form of proxy and vote their shares. Non-registered shareholders will have received the accompanying information circular in a mailing from their nominee, together with the appropriate form of proxy or voting instruction form. It is important that non-registered shareholders adhere to the voting instructions provided to them by their nominee.

In order to ensure your representation at the Meeting, please complete the enclosed form of proxy or voting instruction form and submit it as soon as possible but not later than 5:00 p.m. (Montreal time) on Friday, May 28, 2010 or 48 hours prior to the time of any adjournment or postponement of the Meeting (or such earlier time as required by your nominee) as set out in the accompanying information circular.

*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 30<sup>th</sup> day of April, 2010.

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 June 1<sup>st</sup>, 2010 at 3:00 p.m. at the Marriott Château Champlain, Viger Room, Level A, 1050 De La Gauchetière Street West, 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 April 28, 2010.

### VOTING BY NON-REGISTERED SHAREHOLDERS

The only registered shareholder of the Corporation is CDS & Co., the nominee of CDS, which acts as a clearing agent for intermediaries (each, an "Intermediary") such as, among others, banks, trust companies, securities dealers or brokers and trustees, administrators or managers of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans.

In accordance with the requirements of Regulation 54-101 Respecting Communication with Beneficial Owners of Securities of a Reporting Issuer (Québec), the Corporation has caused to be distributed the Notice of Meeting and this circular to CDS and the Intermediaries for onward distribution to non-registered shareholders. Intermediaries are required to forward such materials to non-registered shareholders unless a non-registered shareholder has waived the right to receive them. Usually, Intermediaries will use service companies to forward such materials to non-registered shareholders.

### BENEFICIAL OWNERS OF SECURITIES OF A REPORTING ISSUER

Non-registered shareholders will receive either voting instruction forms or, less frequently, forms of proxy. The purpose of these forms is to permit such shareholders to direct the voting of the common shares of the Corporation (the "Common Shares") they beneficially own. Non-registered shareholders should follow the procedures set out below, depending on which type of form they receive.

In most cases, a non-registered shareholder will receive, as part of the materials for the Meeting, a voting instruction form. If the non-registered shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the voting instruction form must be completed in accordance with the directions on the form. If a non-registered shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the non-registered shareholder must complete the voting instruction form in accordance with the directions provided, and a proxy, giving the right to attend and vote, will be forwarded to the non-registered shareholder.

Less frequently, a non-registered shareholder will receive, as part of the materials for the Meeting, forms of proxy that have already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the non-registered shareholder but which is otherwise uncompleted. If the non-registered shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote

on the holder's behalf), the non-registered shareholder must complete a proxy using one of the methods described therein. If a non-registered shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the non-registered shareholder must strike out the names of the persons named in the proxy and insert the non-registered shareholder's (or such other person's) name in the blank space provided and return the proxy in accordance with the instructions provided by the Intermediary.

Non-registered shareholders should follow the instructions on the forms they receive from their Intermediaries and contact their Intermediaries promptly if they need assistance.

#### APPOINTMENT OF AUTHORIZED REPRESENTATIVE BY PROXY

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

The shareholders of the Corporation who are unable to attend the Meeting in person are requested to complete the enclosed form of proxy or voting instruction form using one of the methods described therein. In order to be effective, proxies must be received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 no later than 5:00 p.m. (Montreal Time) on Friday, May 28, 2010, or, if the Meeting is adjourned or postponed, no later than 48 hours, excluding Saturdays, Sundays and Holidays, preceding the day of such adjournment or postponement.

#### REVOCAION OF PROXIES

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

The persons named in the enclosed form of proxy or voting instruction form will vote the Common Shares in respect of which they are appointed as proxy in accordance with the instructions given by the shareholder thereon. In the absence of such instructions, Common Shares will be voted **IN FAVOUR** of the matters identified in this notice.

The enclosed form of proxy or voting instruction form 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 or voting instruction form will vote on such matters in accordance with their best judgment.

## VOTING OF SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of Common Shares, of which 59,532,606 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 April 28, 2010, 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 and who 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 31, 2010, 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 person:

Person	Common Shares Beneficially Owned or Controlled or Directed	Approximate Percentage of Issued and Outstanding Common Shares Beneficially Owned or Controlled or Directed
Goodman & Company, Investment Counsel Ltd.	9,124,802	15,33%

## 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, 2009 ("Fiscal 2009"), 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 Fiscal 2009, 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](http://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.

The Corporation was acquired by way of a reverse take over by Innergex Power Income Fund (the “Fund”) on March 29, 2010 (the “Effective Date”) pursuant to a Plan of Arrangement approved by the shareholders of the Corporation and by the unitholders of the Fund on March 24, 2010 and by Final Order of the Superior Court of Québec on March 26, 2010 (the “Arrangement”).

On the Effective Date and pursuant to the Arrangement, the number of directors forming the Board was increased from seven to nine, and Jean La Couture and Daniel L. Lafrance, both of whom were trustees of Innergex Power Trust (a wholly-owned subsidiary of the Fund) at the time of the Arrangement, were appointed to the Board. Immediately thereafter, each of Gilles Lefrançois, Raymond Laurin and Cyrille Vittecoq resigned as directors of the Corporation and the vacancies thereby created were filled with each of John A. Hanna, Richard Laflamme and Lise Lachapelle, also trustees of Innergex Power Trust at the time, being successively appointed as directors of the Corporation.

Consequently, the Board is presently composed of nine directors, consisting of five individuals appointed to the Board in the context of the Arrangement (being John A. Hanna, Lise Lachapelle, Jean La Couture, Richard Laflamme and Daniel L. Lafrance); and four individuals who were members of the Board prior to the Arrangement (being Michel Letellier, Pierre Brodeur, William A. Lambert and Susan M. Smith). Michel Letellier, as the President and Chief Executive Officer of the Corporation, is the only non-independent director on the Board. Mr. Jean La Couture, former Chairman of the Board of trustees of Innergex Power Trust, was appointed Chairman of the Board following the Arrangement.

Management of the Corporation recommends that the Board be composed of the nine current directors of the Corporation for the coming year. Except where the authority to vote in favour of the directors is withheld, the persons whose names are printed on the form of proxy intend to vote IN FAVOUR of the election of each of the nine 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 Common 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 whether or not to accept the resignation and announce such decision 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 (the “Nominees”), their place of residence, 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 April 28, 2010.

Name, Residence, Principal Occupation & Other Directorships	Director since	Common Shares beneficially owned or controlled or directed	Percentage of Common Shares
<b>PIERRE BRODEUR</b>			
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 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 Vidéolectron International Ltee from 1990 to 1994.	December 2007	2,000	0.003%
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.			
Mr. Brodeur is a member of the Audit Committee and the Human Resources Committee.			
<b>JOHN A. HANNA</b>			
Mr. Hanna, of Dorval, Québec, has acted as a corporate director as his principal occupation since November 2005. From 2003 until July 2005, Mr. Hanna was Chief Executive Officer of Rexel Canada Electrical Inc.	March 2010 <sup>(1)</sup>	53,800 <sup>(2)</sup>	0.090%
Mr. Hanna graduated from Loyola University (now Concordia University) in 1967 with a bachelor's degree of commerce (accounting) and is also a Fellow of the Certified General Accountants Association (1990).			
Mr. Hanna currently acts as a director of Uni-Sélect Inc., a reporting issuer, and is a member of Telus Communications Inc.'s Advisory Committee. Since April 2009, Mr. Hanna has acted as a member of the independent audit committee of Transport Canada and Infrastructure Canada.			
John A. Hanna is the chairperson of the Audit Committee.			
<b>LISE LACHAPELLE</b>			
Mrs. Lachapelle, of Île-des-Soeurs, Québec, has acted as a corporate director and consultant as her principal occupation since January 2002. She was President of the Canadian Pulp and Paper Association from 1994 to 2002 and now acts as advisor to corporations and governments on strategic and economic issues.	March 2010 <sup>(1)</sup>	10,220	0.022%
Mrs. Lachapelle graduated in 1971 with a bachelor's degree in business administration from Université de Montréal (HEC Montréal).			
Mrs. Lachapelle currently acts as a director of AbitibiBowater Inc., Russel Metals Inc. and Industrial-Alliance Insurance and Financial Services Inc., which are all reporting issuers, Mirabaud Canada Inc. and BNP Paribas (Canada).			
Mrs. Lachapelle is the chairperson of the Corporate Governance Committee.			

Name, Residence, Principal Occupation & Other Directorships	Director since	Common Shares beneficially owned or controlled or directed	Percentage of Common Shares
<b>JEAN LA COUTURE</b>			
Mr. La Couture, of Montréal, Québec, is President of Huis Clos Ltée, a management and mediation firm. He is also President of the "Regroupement des assureurs de personnes à charte du Québec", a Quebec association of life insurers, and President of the Institute of Corporate Directors, Quebec Chapter. Mr. La Couture currently serves on the Board of Directors of several other private and public companies. He is Chairman of the Board of Groupe Pomerleau and Maestro (real estate). He is also Chairman of the Audit Committee of Quebecor Inc., Quebecor Media Inc. and Immunotec Inc. (all of which are reporting issuers) and Jevco Insurance Company.	March 2010 <sup>(1)</sup>	15,140 <sup>(3)</sup>	0.025%
M. La Couture is Chairman of the Board and the chairman of the Human Resources Committee and the Nominating Committee.			
<b>RICHARD LAFLAMME</b>			
Mr. Laflamme, of L'Ancienne-Lorette, Québec, is General Manager of the Université du Québec Pension Fund.	March 2010 <sup>(1)</sup>	6,210	0.010%
Mr. Laflamme was a director of Innergex Inc. from 1997 until 2003 and was Chairman of the Board of Directors of Innergex GP Inc. from 1997 to 1999.			
Mr. Laflamme has held various positions with the Fédération des Caisses Desjardins du Québec since 1984.			
Mr. Laflamme holds two certificates in business and accounting from Université Laval (1983) and graduated from the Canadian Securities Institute (IDA 1988).			
Mr. Laflamme currently sits on the boards of various non-profit organizations. He has been an independent member of the retirement committees of the policemen and policewomen as well as of the manual workers of Québec City since 2008.			
Mr. Laflamme is a member of the Human Resources Committee, the Corporate Governance Committee and the Nominating Committee.			
<b>DANIEL L. LAFRANCE</b>			
Mr. Lafrance, of Kirkland, Québec, is Senior Vice-President Finance and Procurement, Chief Financial Officer and Secretary of Lantic Inc., wholly owned by Rogers Sugar Income Fund.	March 2010 <sup>(1)</sup>	14,600	0.025%
Mr. Lafrance holds a bachelor's degree in business (1976) and a specialty in accounting (1977) from the University of Ottawa. Mr. Lafrance has also been a member of the Canadian Institute of Chartered Accountants since 1980.			
Mr. Lafrance currently acts as a director of the Canadian Sugar Institute.			
Daniel Lafrance is a member of the Audit Committee.			



Name, Residence, Principal Occupation & Other Directorships	Director since	Common Shares beneficially owned or controlled or directed	Percentage of Common Shares
<b>WILLIAM A. LAMBERT</b>			
Mr. Lambert, of Toronto, Ontario, has acted as a corporated director as his principal occupation since December 2009. He was a partner of Birch Hill Equity Partners from January 2006 to December 2009 and was an officer of TD Capital Group Limited from 1987 to January 2006.	October 2007	153,300	0.258%
Mr. Lambert received an MBA from York University and a Bachelor's of Science in Electrical Engineering from the Massachusetts Institute of Technology.			
Mr. Lambert currently acts as a director of Marsulex Inc., AG Growth Industries Inc., Amorfix Life Sciences Ltd. and Biox Corporation, all of which are reporting issuers.			
Mr. Lambert is a member of the Corporate Governance Committee and the Nominating Committee.			
<b>MICHEL LETELLIER</b>			
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 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	603,808	1.01%
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.			
<b>SUSAN M. SMITH</b>			
Ms. Susan M. Smith, of Toronto, Ontario, presently serves on the board of Optosecurity Inc. and is the Chair of the Audit Committee. She also serves as director of 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	0.002%
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 Corporate Governance Committee and the Nominating Committee.			

- (1) Prior to the Arrangement, John A. Hanna, Lise Lachapelle, Jean La Couture, Richard Laflamme and Daniel Lafrance were trustees of Innergex Power Trust, a wholly-owned subsidiary of the Fund which acquired the Corporation by way of a reverse take-over in the context of the Arrangement.
- (2) John A. Hanna also holds \$100,000 principal amount of convertible debentures of the Corporation (the "Convertible Debentures"). The Convertible Debentures are convertible at the holder's option into Common Shares at a conversion price of \$10.65 per Common Share, being a ratio of approximately 93.8967 Common Shares per \$1,000 principal amount of Convertible Debentures.
- (3) Jean La Couture also holds \$200,000 principal amount of Convertible Debentures.

## Policy regarding minimum shareholding by Directors

The Board of Directors in place prior to the Arrangement had not adopted a minimum shareholding policy as some of its members did not receive the compensation personally because it was remitted to their employer. As this is no longer the case, the current Board of Directors is in the process of developing a minimum shareholding policy.

## Bankruptcy and Insolvency

As a director of Quebecor Inc., the controlling shareholder of Quebecor World Inc., Mr. Jean La Couture was asked to join the board of directors of Quebecor World Inc. on December 10, 2007. On January 21, 2008, Quebecor World Inc. filed for protection under the *Companies Creditors Arrangement Act* in Canada and Chapter 11 of the U.S. *Bankruptcy Code*. Mr. La Couture resigned as Director of Quebecor World Inc. on December 16, 2008.

Mrs Lise Lachapelle has been a director of AbitibiBowater Inc. since 2007. In April 2009, AbitibiBowater Inc., together with certain of its U.S. and Canadian subsidiaries, filed voluntary petitions in the United States Bankruptcy Court for the District of Delaware for relief under the provisions of Chapter 11 and Chapter 15 of the United States Bankruptcy Code, as amended, and certain of its Canadian subsidiaries sought creditor protection under the Companies' Creditors Arrangement Act with the Superior Court of Québec in Canada.

To the knowledge of the Corporation and with the exception of the foregoing, none of the Nominees (a) is, as of the date of this circular, nor has been within ten years before the date of this circular, a director, chief executive officer or chief financial officer of a corporation that (i) was subject to an order issued while the nominee was acting in the capacity of director, chief executive officer or chief financial officer, or (ii) was subject to an order that was issued after the Nominee ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer, (b) is not, as of the date of this circular, nor has been within ten years before the date of this circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) has, within ten years before the date of this circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the Nominee.

## 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<sup>(1)</sup> for Fiscal 2009.

Director	Number of Board Meetings Attended	Number of Audit Committee Meetings Attended	Number of Compensation, Corporate Governance and Nominating Committee Meetings Attended
PIERRE BRODEUR	6 of 6	5 of 5	2 of 2
WILLIAM A. LAMBERT	6 of 6	N/A	2 of 2
RAYMOND LAURIN <sup>(2)</sup>	3 of 6	5 of 5	N/A
GILLES LEFRANÇOIS <sup>(2)</sup>	6 of 6	N/A	N/A
MICHEL LETELLIER	6 of 6	N/A	N/A
SUSAN M. SMITH	5 of 6	N/A	2 of 2
CYRILLE VITTECOQ <sup>(2)</sup>	6 of 6	5 of 5	N/A

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<sup>(1)</sup> The Compensation, Corporate Governance and Nominating Committee was dissolved following the Arrangement and has been replaced by three separate committees, namely the Corporate Governance Committee, the Human Resources Committee and the Nominating Committee.

<sup>(2)</sup> Raymond Laurin, Gilles Lefrançois and Cyrille Vittecoq resigned as members of the Board effective March 29, 2010 in connection with the Arrangement.

## COMPENSATION OF DIRECTORS

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 acted as officers of the Corporation in Fiscal 2009 and who did not receive any compensation for their services as directors) for services received in such capacity during Fiscal 2009.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
PIERRE BRODEUR	69,700 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	69,700
WILLIAM A. LAMBERT	40,800	Nil	Nil	Nil	Nil	Nil	40,800
RAYMOND LAURIN <sup>(2)</sup>	38,100	Nil	Nil	Nil	Nil	Nil	38,100
SUSAN M. SMITH	52,950 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	52,950
CYRILLE VITTECOQ <sup>(2)</sup>	75,650 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	75,650

<sup>(1)</sup> In connection with the Arrangement, a Special Committee of independent directors composed of Cyrille Vittecoq (Chairman), Pierre Brodeur and Susan M. Smith was established by the Board. Pierre Brodeur, Susan M. Smith and Cyrille Vittecoq received \$13,500, \$13,500 and \$23,500, respectively, in Fiscal 2009 as compensation for their services as members of such committee.

<sup>(2)</sup> Cyrille Vittecoq and Raymond Laurin resigned as members of the Board effective March 29, 2010 in connection with the Arrangement.

In Fiscal 2009, directors (other than Gilles Lefrançois and Michel Letellier, who also acted as officers of the Corporation in Fiscal 2009 and did not receive any compensation for their services as directors) were paid a base compensation and were paid for attendance at the Corporation's Board meetings in accordance with the amounts set out below. Directors of the Corporation who were also officers of the Corporation were not entitled to any remuneration for their services to the Corporation as directors. All directors (other than members of the management of the Corporation) were reimbursed for out-of-pocket expenses incurred in connection with their duties as directors. The Board members to be appointed at the annual meeting will review the fees payable to directors and committee members for the financial year commencing January 1, 2010 to, among other things, adjust them to match the fees payable to boards of other companies of similar size.

Compensation	Fiscal 2009		Fiscal 2010	
	Amount	Total Earned	Amount	Total Payable
Directors' base compensation	\$30,000 per year	\$150,000	\$30,000 per year	\$150,000
Lead Director	\$5,000 per year	\$5,000	N/A	N/A
Chairman of Board	N/A	N/A	\$65,000 <sup>(2)</sup>	\$65,000 <sup>(2)</sup>
Chair of Committee (other than Audit Committee)	\$5,000 per year	\$5,000	\$5,000 per year	\$5,000
Chair of Audit Committee	\$10,000 per year	\$10,000	\$10,000 per year	\$10,000
Special Committee <sup>(1)</sup>			N/A	N/A
Base compensation:	\$7,500	\$7,500		
Chair of Special Committee	\$10,000	\$10,000		
Attendance at Meetings (other than Special Committee meetings)				
- in person	\$1,350 per meeting	Determined according to number of meetings	\$1,500 per meeting	Determined according to number of meetings
- by conference call	\$675 per meeting (if less than 1 hour); \$1,350 per meeting (otherwise)		\$750 per meeting (if less than 1 hour); \$1,500 per meeting (otherwise)	
Attendance at Special Committee meetings	\$1,200 per meeting	\$6,000	\$1,200 per meeting	\$7,200

(1) In connection with the Arrangement, a Special Committee of independent directors composed of Cyrille Vittecoq (Chairman), Pierre Brodeur and Susan M. Smith was established by the Board.

(2) All inclusive, no attendance fees are paid.

## 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 FAVOUR 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.

## COMPENSATION OF NAMED EXECUTIVE OFFICERS

### Summary

The following table presents information regarding the compensation earned in Fiscal 2009 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, 2009 (the “Named Executive Officers”), for services rendered in such capacities for Fiscal 2009.

Name and Principal Position	Financial Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation <sup>(1)</sup> (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
GILLES LEFRANÇOIS <sup>(2)</sup> Executive Chairman of the Board	2009	327,600	Nil	Nil	144,144	Nil	Nil	Nil	471,744
MICHEL LETELLIER President and Chief Executive Officer	2009	266,700	Nil	Nil	117,348	Nil	Nil	Nil	384,048
JEAN PERRON Vice-President and Chief Financial Officer	2009	185,220	Nil	Nil	59,270	Nil	Nil	Nil	244,490
MICHÈLE BEAUCHAMP Vice President – Legal Affairs and Corporate Secretary	2009	180,180	Nil	Nil	57,658	Nil	Nil	Nil	237,838
JEAN TRUDEL Vice President – Finance and Investor Relations	2009	170,216	Nil	Nil	61,278	Nil	Nil	Nil	231,494

(1) The value of perquisites awarded to each Named Executive Officer was less than \$50,000 or 10% of their respective salaries for Fiscal 2009.

(2) Gilles Lefrançois has retired, resigning as Executive Chairman of the Board effective January 30, 2010. See “Termination and Change of Control Benefits” below.

### General

Following the Arrangement, the Human Resources Committee was established to consult with and make recommendations to the Board on executive compensation and compensation plan matters, a role previously carried out by the Compensation, Corporate Governance and Nominating Committee. The members of the Human Resources Committee are Jean La Couture (Chairman), Richard Laflamme, Pierre Brodeur, 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 Human Resources Committee is currently reviewing the Corporation’s approach to executive compensation, including remuneration methodology, the objectives to be tied to compensation and the subjective and objective criteria that will be applied to the evaluation of an executive officer’s performance during a fiscal year.

The current 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, car allowance and the grant of options to purchase Common Shares under the Corporation's Option Plan.

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 Fiscal 2009 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 comparable companies in the renewable energy industry, such as Boralex Power Income Fund, Clean Power Income Fund, Plutonic Power Corporation and Canadian Hydro Developers, Inc. 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 above) 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 Board and approved by the Compensation, Corporate Governance and Nominating Committee. The termination and change of control benefits provided under the employment agreements of the Named Executive Officers 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 Named Executive Officers are analyzed within the context of the terms and conditions of their employment agreements.

In Fiscal 2009, the base salaries of the Named Executive Officers remained unchanged.

## 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 were established by the Compensation, Corporate Governance and Nominating Committee, will typically vary between 33<sup>1</sup>/<sub>3</sub>% and 50% of the base salary of executive officers. Bonuses granted to each executive officer were recommended by the Compensation, Corporate Governance and Nominating Committee to the Board, which ultimately approved the award of such bonuses.

Bonuses are primarily based upon performance of the executive for his/her involvement in the successful achievement by the Corporation of its goals for the year. 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.

In Fiscal 2009, the Corporation achieved its short-term objectives, namely:

- To finalize the construction of the Ashlu project and to have that project enter into commercial operation;
- To obtain the Canadian environmental assessment approval for the Kwoiek Creek project;
- To respect the work schedule for the Fitzsimmons Creek project and to have that project commence operation before the commencement of the Winter Olympic Games in February 2010;
- To finance the Fitzsimmons Creek hydroelectric project in the context of very difficult financial conditions in the market;
- To submit projects to the FIT Program (Ontario); and
- To refinance and increase the Corporation's line of credit.

## Corporation Option Plan

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 Corporation's Option Plan, see "Incentive Plan Awards - Corporation Option Plan", below.

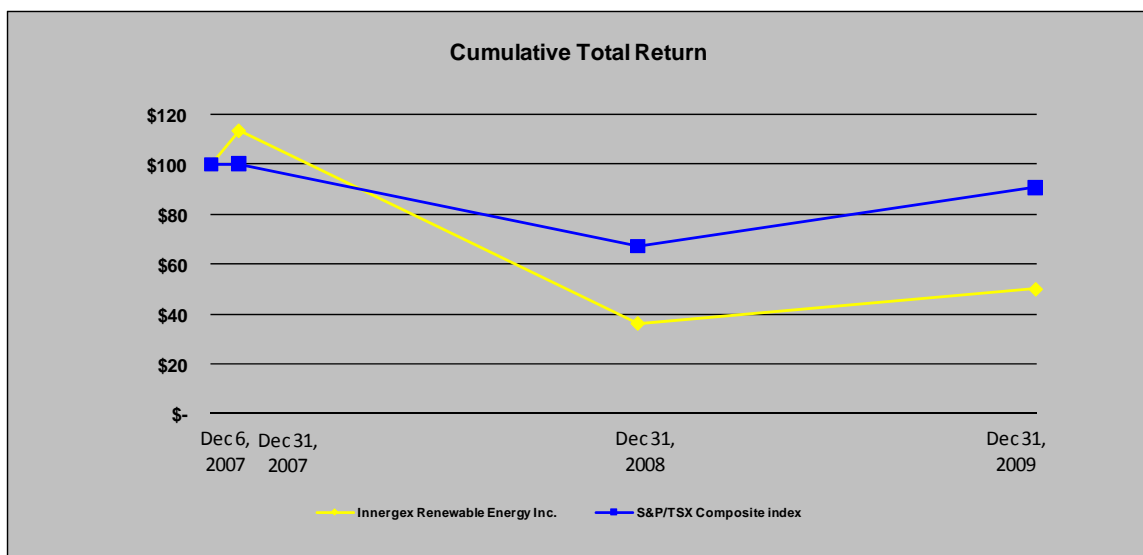
## Chief Executive Officer

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 following graph shows, as at December 31, 2009, the cumulative total shareholder return (based on a \$100 investment as at December 6, 2007), compared with the cumulative total return of the S&P/TSX Composite Index for such period.



		<b>Cumulative Total Return</b>				
		<b>Financial Year ended</b>				
		1	2	3	4	5
		<u>Dec 06, 2007</u>	<u>Dec 31, 2007</u>	<u>Dec 31, 2008</u>	<u>Dec 31, 2009</u>	
Innergex Renewable Energy Inc.	\$	100.00	\$ 113.36 13.4%	\$ 36.36 -67.9%	\$ 50.00 37.5%	
S&P/TSX Composite index	\$	100.00	\$ 100.13 0.1%	\$ 67.09 -33.0%	\$ 90.60 35.1%	

The trend set forth in the performance graph above for the Corporation's shareholder return 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, followed by an increase in 2009 which corresponds with an improvement in market conditions. During 2009, the aggregate compensation paid to the Named Executive Officers increased by 21% over the previous year, compared to an increase of 37.5% in total shareholder return between December 31, 2008 and December 31, 2009. The performance bonuses awarded to the Named Executive Officers in Fiscal 2009 represent on average 39% of their base salary. Even if the Corporation reached its most important short-term objectives and performed well in difficult market conditions, the Board refrained from paying out the full target bonus to its Named Executive Officers as it recognizes that it continues to face challenging economic conditions.

## Employment Agreements

Each of the Named Executive Officers entered into an employment agreement with the Corporation (the "Employment Agreements") at the time of the Corporation's initial public offering which was completed on December 6, 2007. Each Employment Agreement has an indeterminate term.

The Employment Agreements contain change of control arrangements. The overall purpose of these change of control arrangements is to (i) ensure the continued dedication of the executive, notwithstanding the possibility, threat or occurrence of a change of control of the Corporation; (ii) diminish any distraction of the executive resulting from the uncertainties and risks created by a pending or threatened change of control of the Corporation; and (iii) provide the executive with compensation and benefit arrangements upon a change of control of the Corporation 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 Arrangement did not trigger any change of control benefits for the Named Executive Officers under the Employment Agreements.

The following table shows estimated incremental payments triggered pursuant to a termination of employment of a Named Executive Officer (excluding Gilles Lefrançois, who retired on January 30, 2010) in the circumstances described above, with and without a change of control.

Name	Position	Termination Provisions Value <sup>(1)(2)</sup>	Change of Control Provisions Value <sup>(2)(3)</sup>
MICHEL LETELLIER	President and Chief Executive Officer	\$800,100	\$800,100
JEAN PERRON	Vice President and Chief Financial Officer	\$555,660	\$555,660
MICHÈLE BEAUCHAMP	Vice President – Legal Affaires and Corporate Secretary	\$540,540	\$540,540
JEAN TRUDEL	Vice President – Finance and Investor Relations	\$510,648	\$510,648

(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, 2009.

(2) Options have no value, as they were not in-the-money on December 31, 2009.

(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, 2009, being within one year of the change of control.

Mr. Lefrançois retired on January 30, 2010 and a special compensation in recognition of his significant contribution to the development of the Corporation equivalent to his annual base salary was awarded to him at that time. Furthermore, the Corporation retained the services of Mr. Lefrançois in a consultative and advisory role for a one-year period. Mr. Lefrançois will be paid \$100,000 in four equal quarterly instalments for such services. The termination and change of control benefits under Gilles Lefrançois' Employment Agreement were not triggered in the context of his retirement.

The Named Executive Officers did not receive compensation as a result of the Arrangement.

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 – Corporation 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 <sup>(1)</sup>	141,000	11	May 1, 2010	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

<sup>(1)</sup> Mr Lefrançois retired on January 30, 2010 and, consequently, in accordance with the Corporation Option Plan, all of his unvested options were cancelled at that time and the vested but unexercised options will expire as of May 1, 2010, being 90 days after his retirement.

The following table summarizes, for each of the Named Executive Officers, the value of options vested during Fiscal 2009 and the value of executive performance bonus earned during Fiscal 2009<sup>(1)</sup>.

Name	Option-based Awards – Value vested during the year (\$)	Non-equity incentive plan – Value earned during the year <sup>(1)</sup> (\$)
GILLES LEFRANÇOIS	Nil	144,144
MICHEL LETELLIER	Nil	117,348
JEAN PERRON	Nil	59,270
MICHÈLE BEAUCHAMP	Nil	57,658
JEAN TRUDEL	Nil	61,278

<sup>(1)</sup> For more details, see “Performance Bonus”.

The Corporation Option Plan 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. Options granted under the Corporation 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 Corporation Option Plan is 2,350,000, representing approximately 4% of the issued and outstanding Common Shares as at April 28, 2010. Since the Corporation 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. On the retirement of Mr. Lefrançois on January 30, 2010, his 141,000 unvested options were cancelled. Accordingly, as of the date hereof, 1,269,000 options are currently under grant, representing 2% 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 Corporation 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 Corporation 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 Corporation Option Plan is administered by the Board. The Board may amend, suspend or terminate the Corporation 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 Corporation 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 Corporation 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 Corporation Option Plan; and (iv) to extend the expiry date of options for the benefit of an insider (as that term is defined under the Corporation Option Plan).

The Corporation 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 Corporation Option Plan) the Board may accelerate the vesting period of outstanding options. Options granted pursuant to the Corporation 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, 2009, certain information with respect to the Corporation 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<sup>(1)</sup></i>	1,269,000	\$11.00	1,081,000
<i>Equity compensation plan not approved by securityholders</i>	Nil	Nil	Nil
<b>Total</b>	1,269,000	\$11.00	1,081,000

<sup>(1)</sup> For more information regarding the Corporation Option Plan, please refer to the section "Incentive Plan Awards - Corporation 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, 2009 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](http://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 Fiscal 2009, the Corporation paid a total annual premium of \$89,925, 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.

The directors and officers insurance was increased from \$25 million to \$30 million following the Arrangement and 6-year run-off insurance policies were obtained for all former trustees of Innergex Power Trust and directors of the Corporation for potential liability incurred prior to the Arrangement.

### 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, since January 1, 2009, any material interest, direct or indirect, in any transaction or in any proposed transaction, that has materially affected or will materially affect the Corporation, except in connection with the Arrangement, as set out below.

The individuals listed in the table below, all of which are current insiders of the Corporation, held Fund units at the time of the Arrangement and received, pursuant to the Arrangement, 1.46 Common Shares in exchange for each Fund unit held. The table indicates the number and percentage of Common Shares beneficially owned by such individuals at the time of the Arrangement and the number and percentage of Common Shares beneficially owned by each individual following the Arrangement (which also reflects their current holdings of Common Shares):

Insider	Relationship	Number and percentage Common Shares beneficially owned prior to the Arrangement	Number and percentage of Common Shares beneficially owned following the Arrangement
Michel Letellier	Director, officer and Nominee	407,292 (1.73%)	603,808 (1.01%)
Pierre Brodeur	Director and Nominee	2,000 (0.01%)	2,000 (0.00%)
Susan M. Smith	Director and Nominee	1,000 (0.00%)	1,000 (0.00%)
William A. Lambert	Director and Nominee	Nil	153,300 (0.26%)
Richard Laflamme	Director and Nominee	1,100 (0.00%)	6,210 (0.01%)
John A. Hanna	Director and Nominee	10,000	53,800 (0.09%)
Jean La Couture	Director and Nominee	2,000 (0.01%)	15,140 (0.03%)
Lise Lachapelle	Director and Nominee	Nil	10,220 (0.02%)
Daniel Lafrance	Director and Nominee	Nil	14,600 (0.02%)
Michèle Beauchamp	Officer	99,288 (0.42%)	107,318 (0.18%)
Richard Blanchet	Officer	194,176 (0.83%)	197,680 (0.33%)
Normand Bouchard	Officer	77,622 (0.33%)	79,082 (0.13%)
Renaud De Batz	Officer	69,910 (0.30%)	70,202 (0.12%)
Guy Dufort	Officer	78,622 (0.33%)	85,192 (0.14%)
Peter Grover	Officer	70,960 (0.30%)	73,690 (0.12%)
François Hébert	Officer	194,176 (0.83%)	216,076 (0.36%)
Jean Perron	Officer	104,133 (0.44%)	111,798 (0.19%)
Jean Trudel	Officer	103,000 (0.44%)	123,586 (0.21%)

## SHAREHOLDER PROPOSALS FOR 2011 ANNUAL MEETING

The final date for submitting shareholder proposals for the 2011 Annual Meeting of the Corporation is January 28, 2011, 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 Fiscal 2009. Copies of the Corporation's Annual Information Form for Fiscal 2009, the audited consolidated financial statements of the Corporation for Fiscal 2009, 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 Fiscal 2009 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](http://www.sedar.com).

### APPROVAL

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

DATED as of the 30<sup>th</sup> day of April, 2010.

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

*Regulation 52-110 Respecting Audit Committees* includes requirements regarding audit committee composition and responsibilities, as well as reporting obligations with respect to audit related matters (such regulation, 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.

*Regulation 58-101 Respecting Disclosure of Corporate Governance Practices* (the “CSA Disclosure Instrument”) requires issuers to make prescribed disclosure regarding their governance practices and National Policy 58-201 – *Effective Corporate Governance* (the “CSA Governance Policy”) provides guidance on governance practices to Canadian issuers. The disclosure made hereunder refers to the items of the CSA Disclosure Instrument.

The Corporation’s 2009 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](http://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 eight of the nine 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"> <li>• Pierre Brodeur;</li> <li>• John A. Hanna;</li> <li>• Lise Lachapelle;</li> <li>• Jean La Couture;</li> <li>• Richard Laflamme;</li> <li>• Daniel L. Lafrance</li> <li>• William A. Lambert; and</li> <li>• Susan M. Smith.</li> </ul>
<p>(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.</p>	<p>The Board has determined, after reviewing the role and relationships of each of the directors, that Michel Letellier, as President and Chief Executive Officer of the Corporation, is the sole nominee proposed by Management for election to the Board who is not independent</p>
<p>(c) Disclose whether or not a majority of directors are independent.</p>	<p>Eight of the nine current directors and nominees proposed by Management for election to the Board are independent.</p>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
<p>(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.</p>	<p>Current directorships of all director nominees with other reporting issuers are described in the table set forth under the heading "Election of Directors" of this circular.</p>
<p>(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>	<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. Prior to the Arrangement, such meetings were chaired by the lead director of the Board. They are presently chaired by the Chairman of the Board, Jean La Couture, who is independent within the meaning of the CSA Disclosure Instrument. Four meetings of independent directors at which non-independent directors and members of Management were not in attendance were held in Fiscal 2009.</p> <p><u>In camera sessions (committee meetings):</u> All Board committees, namely the Audit Committee, the Human Resources Committee, the Corporate Governance Committee and the Nominating Committee, are composed exclusively of independent directors. The Audit Committee meets after each meeting, without members of Management being present. The other committees meet from time to time, without members of Management being present. The special committee formed in connection with the Arrangement was composed exclusively of independent directors.</p>
<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>	<p>Jean La Couture, as Chairman of the Board, is independent within the meaning of the CSA Disclosure Instrument.</p> <p>The Chairman of the Board shall, among other things, preside at the Board and 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> <p>Prior to the Arrangement, Mr. Lefrançois, who was not independent, was executive Chairman of the Board and Mr. Brodeur, who was independent, was Lead Director. With the appointment of Jean La Couture, an independent director, as Chairman of the Board following the Arrangement, it is no longer necessary to have an independent lead director, and the Corporation has removed this position.</p>
<p>(g) Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer's most recently completed financial year.</p>	<p>Overall, the combined attendance by the directors at Board meetings in Fiscal 2009 was 90%. A record of attendance by directors at Board meetings during Fiscal 2009 is set out under the heading "Election of Directors – Record of Attendance" of this circular.</p>
<p>2. <b>Board Mandate</b> – 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>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
<p>3. Position Descriptions</p> <p>(a) Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board committee. If the Board has not developed written position descriptions for the chair and/or the chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.</p>	<p>The Board has developed written charters for all the committees and has developed a written position description for the Chairman of the Board and for each committee's chairperson.</p> <p>The mandate of the 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 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 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 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>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
<p><b>4. Orientation and Continuing Education</b></p> <p>(a) Briefly describe what measures the Board takes to orient new directors regarding</p> <ul style="list-style-type: none"> <li>(i) the role of the Board, its committees and its directors; and</li> <li>(ii) the nature and operation of the issuer's business.</li> </ul>	<p>In addition to having extensive discussions with the Chairman of the Board and the President and Chief Executive Officer with respect to the business and operations of the Corporation, new directors, including each new director appointed in connection with the Arrangement, 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><b>5. Ethical Business Conduct</b></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"> <li>(i) disclose how a person or Corporation may obtain a copy of the code;</li> <li>(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</li> <li>(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.</li> </ul>	<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.</p> <ul style="list-style-type: none"> <li>(i) The Corporation's Code of Ethics is available on SEDAR at <a href="http://www.sedar.com">www.sedar.com</a> and a copy is remitted to any new employee and is made available to all employees via the intranet and upon request to the corporate secretary.</li> <li>(ii) The Board of Directors does not monitor compliance with the Code of Business but it regularly assess compliance by its queries to management at Board meetings.</li> <li>(iii) None.</li> </ul>

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><b>6. Nomination of Directors</b></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 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 four members of the Nominating Committee, namely Jean La Couture (Chairman), Richard Laflamme, William A. Lambert and Susan M. Smith, are independent. The charter of the Nominating Committee is reproduced under Schedule C to this circular and is available on the Corporation's website at <a href="http://www.innergex.com">www.innergex.com</a>.</p>
<p><b>7. Compensation</b></p> <p>(a) Describe the process by which the Board determines the compensation for the issuer's directors and officers.</p>	<p>Following the Arrangement, the Board established the Human Resources Committee, which has the role of reviewing executive compensation and supervising succession planning while the Corporate Governance Committee, also established following the Arrangement, will review the compensation of the directors. See section "Compensation of Directors" in this circular for information on the compensation received by the directors of the Corporation and section "Executive Compensation" for information about the compensation received by the Named Executive Officers.</p>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
<p>(b) Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.</p>	<p>All members of the Corporate Governance Committee and the Human Resources Committee are independent. In the opinion of the Board, this ensures an objective process for making recommendations to the Board with respect to compensation. Furthermore, the Board, of which eight of the nine current and proposed nominees are independent, retains the ultimate responsibility for making decisions relating to compensation, thus ensuring an objective process. The charter of the Human Resources Committee is reproduced under Schedule D and the charter of the Corporate Governance Committee is reproduced under Schedule E.</p>
<p>(c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The Human Resources 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. See the charter of the Human Resources Committee reproduced under Schedule D.</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 four standing committees, being the Audit Committee, the Corporate Governance Committee, the Human Resources Committee and the Nominating Committee, and has no other permanent standing committee.</p>
<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 Corporate Governance 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 Corporate Governance 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 Corporate Governance 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 Corporate Governance 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>

GUIDELINES	PRACTICES WITHIN THE CORPORATION
	The most recent annual evaluation which was conducted prior to the completion of the Arrangement showed that the Board, its committees, committee chairs and individual directors were effectively fulfilling their responsibilities.

REQUIREMENT UNDER THE CSA AUDIT COMMITTEE RULES	PRACTICES WITHIN THE CORPORATION
The CSA Audit Committee Rules state that the audit committee must be composed of a minimum of three members, who must be “independent” directors (as defined in those rules).	The Audit Committee is composed of three members, namely John A. Hanna (Chairman), Pierre Brodeur and Daniel L. Lafrance. The Board has determined that all members of the Audit Committee are independent within the meaning of the CSA Audit Committee Rules.
The CSA Audit Committee Rules state that each audit committee member must be financially literate.	The Board has determined that all members of the Audit Committee are financially literate within the meaning of the CSA Audit Committee Rules.
The CSA Audit Committee Rules state that the audit committee must have a written charter that sets out its mandate and responsibilities.	The mandate of the Audit Committee, attached as Schedule B to the Annual Information Form of the Corporation and available on SEDAR at <a href="http://www.sedar.com">www.sedar.com</a> , describes explicitly the role and oversight responsibilities of the Audit Committee.
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.	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.
The CSA Audit Committee Rules state that the audit committee must be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditors report or performing other audit, review or attest services for the issuer, including the resolution of disagreements between management and the external auditor regarding financial reporting.	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.
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.

REQUIREMENT UNDER THE CSA AUDIT COMMITTEE RULES	PRACTICES WITHIN THE CORPORATION
<p>The CSA Audit Committee Rules state that the audit committee must review the issuer's financial statements, MD&amp;A and annual and interim earnings press releases before the issuer publicly discloses this information. These rules also mention that the audit committee must be satisfied that adequate procedures are in place for the review of the issuer's public disclosure of financial information extracted or derived from the issuer's financial statements, other than the public disclosure referred to in the preceding sentence, and must periodically assess the adequacy of those procedures.</p>	<p>The mandate of the Audit Committee provides that the committee is responsible for reviewing and recommending the approval of interim financial statements of the Corporation, including the Corporation's MD&amp;A disclosure, prior to their release, filing and distribution. The Audit Committee charter provides it must ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information (other than the public disclosure referred to in the preceding sentence) extracted or derived from its financial statements, including periodically assessing the adequacy of such procedures.</p>
<p>The CSA Audit Committee Rules state that the audit committee must establish procedures for: (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.</p>	<p>The charter of the Audit Committee provides that the committee must establish procedures for the receipt, retention and treatment of complaints or concerns received by the Corporation regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.</p> <p>The 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>
<p>The CSA Audit Committee Rules state that the audit committee must review and approve the issuer's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.</p>	<p>The charter of the Audit Committee provides that the committee is responsible for reviewing hiring policies for employees or former employees of the Corporation's firm of external auditors.</p>
<p>The CSA Audit Committee Rules state that the audit committee must have the authority: (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties; (b) to set and pay the compensation for any advisors employed by the audit committee; and (c) to communicate directly with the internal and external auditors.</p>	<p>The Audit Committee's charter provides that the Audit Committee has the authority to authorize or conduct investigations into any matters that fall within its scope of responsibilities. Furthermore, the Audit Committee charter provides that the Audit Committee can engage outside advisors and communicate directly with internal and external auditors.</p>



## SCHEDULE B

### CHARTER OF THE BOARD OF DIRECTORS

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

#### 1. Role

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

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

#### 2. Composition

##### 2.1 *Number*

The Board shall be comprised of that number of Board members as shall be determined from time to time by the Board upon recommendation of the Corporate Governance 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 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 Chair will prepare, and the corporate secretary at the request of the Chair, 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 Chair or the Lead Director, if any. Additional meetings may be held at the request of any Board member. The Chair 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 four standing Committees of the Board: the Audit Committee, the Human Resources Committee, the Corporate Governance Committee and the Nominating Committee. The roles and responsibilities of each Committee are described in the respective Committee charters. The Board can appoint ad hoc committees when deemed appropriate.

## 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 Chair 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 Chair 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 Chair of the Board, the Chair of the Audit Committee or the Chair of the Corporate Governance 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 NOMINATING COMMITTEE

This charter prescribes the role of the 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 to propose new nominees for appointment to the Board where applicable.

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).

##### 2.2 *Selection*

The members of the Committee and its Chair shall be elected by the Board on an annual basis, or until their successors are duly appointed. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair 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 shall, inter alia:

- 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 Chair of the Board, the President, the Chief Executive Officer, the Chief Financial Officer or the Corporate 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 Chair 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.



## SCHEDULE D

### CHARTER OF THE HUMAN RESOURCES COMMITTEE

This charter prescribes the role of the Human Resources 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 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; and
- (ii) review the succession planning process for the senior management team; and
- (iii) assess the overall human resources management such as turnover, training, satisfaction, etc.

The Committee's role is to review and submit to the Board as 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).

##### 2.2 *Selection*

The members of the Committee and its Chair shall be elected by the Board on an annual basis, or until their successors are duly appointed. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair 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 without limiting the generality of the foregoing, the Committee shall, inter alia:

- 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;
- review the annual compensation package of the Corporation's employees, such information to be provided by the Chair of the Board on a yearly basis;
- 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;
- oversee the administration of the Corporation's compensation plans for senior management, 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;
- 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;
- assess overall human resources management.

### 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 Chair of the Board, the President, the Chief Executive Officer, the Chief Financial Officer or the Corporate 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 Chair 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.

## SCHEDULE E

### CHARTER OF THE CORPORATE GOVERNANCE COMMITTEE

This charter prescribes the role of the Corporate Governance 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) assess the Corporation's governance; and
- (ii) review the Board compensation policies.

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 Chair shall be elected by the Board on an annual basis, or until their successors are duly appointed. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair 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 Board remuneration and governance policies of the Corporation, and without limiting the generality of the foregoing, the Committee shall, inter alia:

*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;

*evaluation and compensation of Board members*

- in conjunction with the Chair 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 Chair 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;

#### 4. Meetings

The Committee should meet at least twice 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 Chair of the Board, the President, the Chief Executive Officer, the Chief Financial Officer or the Corporate Secretary shall be entitled to request that any member of the Committee call a meeting.

The Committee should determine any desired agenda items.

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