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News Release For Immediate Distribution

INNERGEX COMPLETES THE ACQUISITION OF TWO OPERATING HYDRO FACILITIES IN BC

LONGUEUIL, Quebec, October 12, 2012 – Innergex Renewable Energy Inc. (TSX: INE) (“Innergex” or the “Corporation”) has completed the previously announced acquisition of the Brown Lake and Miller Creek run-of-river hydroelectric facilities located in British Columbia, Canada.

Summary of assets acquired

Brown Lake is a 7.2 MW facility commissioned in 1996 and located on Crown land near Prince Rupert in the North Coast region of the province. It has an average annual production of 51,800 MWh, all of which is sold to BC Hydro under a 20-year power purchase agreement that expires in 2016. The Corporation also announced its intention to double the plant’s installed capacity to 14.4 MW and increase expected average annual production by 27,000 MWh, for an additional investment of approximately \$20.0 million. Innergex President and Chief Executive Officer Michel Letellier adds that “we look forward to undertaking the expansion of the Brown Lake facility in consultation with the local and First Nation communities”.

Miller Creek is a 33 MW facility commissioned in 2003 and located on Crown land near Pemberton, in the Lower Mainland region of the province, in close proximity to several other of the Corporation’s hydroelectric facilities. It has an average annual production of 97,900 MWh, all of which is sold to BC Hydro under a 20-year power purchase agreement that expires in 2023, with BC Hydro holding two consecutive five-year renewal options. The Corporation also announced that it plans to undertake an \$8.5 million capital expenditure program to upgrade the penstock and water intake, which should increase the plant’s expected average annual production by 4,895 MWh and reduce operating costs. However, this capital expenditure program, which was initially expected to occur in the fall of 2012, has been postponed to the fall of 2013, given the longer-than-expected closing process and seasonal constraints.

The final purchase price of \$68.6 million and associated transaction costs of this acquisition were financed by a combination of drawdowns on the Corporation’s revolving term credit facility and a portion of the proceeds from a private placement of common shares completed in July 2012 (see the [press release dated July 26, 2012](#)).

Forward-Looking Information Disclaimer

This press release contains forward-looking information within the meaning of securities legislation. All information and statements other than statements of historical facts contained in this press release are forward-looking information. Such statements and information may be identified by looking for words such as “about”, “approximately”, “may”, “believes”, “expects”, “will”, “intend”, “should”, “plan”, “predict”, “potential”, “project”, “anticipate”, “estimate”, “continue” or similar words or the negative thereof or other comparable terminology. Such forward-looking information includes, without limitation, statements with respect to the benefits which may accrue to Innergex and its shareholders as a result of the acquisition, power generation, growth prospects, power purchase agreement renewal, business strategy and plans and objectives of or involving Innergex.

The forward-looking information includes forward-looking financial information or financial outlook, such as future investments, to inform investors of the potential financial impact of the acquisition on the Corporation’s results. Such information may not be appropriate for other purposes.

The forward-looking information is based on certain key expectations and assumptions made by Innergex as of the date of this press release, including expectations and assumptions concerning the availability of capital resources and performance of operating facilities, estimates, forecasts and opinions of the Corporation. Although Innergex believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information since no assurance can be given that they will prove to be correct. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, potential undisclosed liabilities associated with the acquisition, failure to realize the benefits of the acquisition (including cost synergies and operational efficiencies), energy generation, mid-C spot price fluctuations, power purchase agreement renewal, possibility to secure the proposed expansions of the facilities, equipment failure, performance of third-party suppliers and other risks generally attributable to the business of Innergex. For additional information with respect to risks and uncertainties, refer to the Annual Information Form of Innergex filed on SEDAR’s website at www.sedar.com. The forward-looking information

contained herein is made as of the date of this press release and the Corporation does not undertake any obligation to update or revise any forward-looking information, whether as a result of events or circumstances occurring after the date hereof, unless required by legislation.

About Innergex Renewable Energy Inc.

Innergex Renewable Energy Inc. (TSX: INE) is a leading Canadian independent renewable power producer. Active since 1990, the Company develops, owns, and operates run-of-river hydroelectric facilities, wind farms, and solar photovoltaic farms and carries out its operations in Quebec, Ontario, British Columbia, and Idaho, USA. Its portfolio of assets currently consists of: (i) interests in 28 operating facilities with an aggregate net installed capacity of 534 MW (gross 920 MW), including 22 hydroelectric operating facilities, five wind farms, and one solar photovoltaic farm; (ii) interests in 9 projects under development or under construction with an aggregate net installed capacity of 231 MW (gross 374 MW), for which power purchase agreements have been secured; and (iii) prospective projects with an aggregate net capacity totaling 2,904 MW (gross 3,127 MW). Innergex Renewable Energy Inc. is rated BBB- by S&P and BBB (low) by DBRS.

The Corporation's strategy for building shareholder value is to develop or acquire high-quality facilities generating sustainable cash flows and providing a high return on invested capital, and to distribute a stable dividend.

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