



Renewable Energy.  
Sustainable Development.

**News Release**  
**For Immediate Distribution**

## INNERGEX IS FURTHER DIVERSIFYING ITS RENEWABLE ENERGY PORTFOLIO IN CHILE WITH THE ACQUISITION OF A 68 MW SOLAR FARM

---

**LONGUEUIL, Quebec, May 14, 2020** – Innergex Renewable Energy Inc. (TSX: INE) (“Innergex” or the “Corporation”) is proud to announce the acquisition of the 68 MW PV Salvador SpA (“Salvador”) solar photovoltaic farm in Chile, as well as 11-year demand-based power purchase agreements (“PPAs”) covering a total electricity generation of 54,6 GWh/year. Salvador and the PPAs were acquired from Etrion Chile SpA, Total Solar Latin America SpA and Holding, and Solventus Salvador SpA at a net purchase price of US\$46.6 million (CAN\$65.6 million) and US\$19.5 million (CAN\$27.4 million) respectively.

“We are proud to announce the completion of our first acquisition with the proceeds from Hydro-Québec’s private placement. The acquisition of Salvador is a strategic one that not only generates a quick return on investment, but also diversifies our energy portfolio in South America,” said Michel Letellier, President and Chief Executive Officer of Innergex. “Chile is a prime market for us as it offers top quality renewable energy resources combined with a growing energy demand. This acquisition is another step forward in Innergex’s international growth and diversification strategy.”

The Atacama Desert, where Salvador is located in Northern Chile, has one of the highest levels of solar irradiation in the world. Salvador has several years of strong generation track record and is expected to generate 182.2 GWh annually, enough to power more than 70,000 Chilean households with clean energy. The asset is also expected to generate significant annual cash-on-cash returns of approximately 11% over the next decade and reach an Adjusted EBITDA of US\$8.0 million (CAN\$11.3 million) in 2021. Salvador was commissioned in 2014 and delivers its total output to the Sistema Interconectado Central (SIC) power grid, where it receives a merchant market price.

The transaction also includes the transfer of 11-year demand-based PPAs with Empresa Eléctrica ERNC 1 S.A., a power trading company, to Innergex. These PPAs, which are volume-regulated on a time-block basis could benefit Energía Llaima SpA, a joint venture of which Innergex owns a 50% interest.

The total net purchase price of US\$66.1 million (CAN\$93.0 million) will be financed entirely from Innergex revolving credit facilities. The project and the PPAs acquired are free of project debt.

### **About Innergex Renewable Energy Inc.**

For 30 years, Innergex has believed in a world where abundant renewable energy promotes healthier communities and creates shared prosperity. As an independent renewable power producer which develops, acquires, owns and operates hydroelectric facilities, wind farms and solar farms, Innergex is convinced that generating power from renewable sources will lead the way to a better world. Innergex conducts operations in Canada, the United States, France and Chile and manages a large portfolio of high-quality assets currently consisting of interests in 69 operating facilities with an aggregate net installed capacity of 2,656 MW (gross 3,556 MW), including 37 hydroelectric facilities, 26 wind farms and six solar farms. Innergex also holds interests in six projects under development, two of which are under construction, with a net installed capacity of 295 MW (gross 369 MW), and prospective projects at different stages of development with an aggregate gross capacity totaling 7,131 MW. Its approach to building shareholder value is to generate sustainable cash flows, provide an attractive risk-adjusted return on invested capital and to distribute a stable dividend.

### **Non-IFRS Measures**

Some measures referred to in this press release are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Innergex believes that these indicators are important, as they provide management and the reader with additional information about the Corporation's production and cash generation capabilities, its ability to sustain current dividends and dividend increases and its ability to fund its growth. These indicators also facilitate the comparison of results over different periods. Free Cash Flow is not a measure recognized by IFRS and have no standardized meaning prescribed by IFRS.

References in this document to "Adjusted EBITDA" are to net earnings (loss) from continuing operations, to which are added (deducted) provision (recovery) for income tax expenses, finance cost, depreciation and amortization, other net (revenues) expenses, share of (earnings) loss of joint ventures and associates and unrealized net (gain) loss on financial instruments. Other net revenues related to PTCs are included in Adjusted EBITDA. Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance. Readers are cautioned that Adjusted EBITDA should not be construed as an alternative to net earnings, as determined in accordance with IFRS.

### **Forward-Looking Information Disclaimer**

To inform readers of the Corporation's future prospects, this press release contains forward-looking information within the meaning of applicable securities laws, including, but not limited to, Innergex's business strategy, use of proceeds of the Private Placement, pending acquisitions transactions (including the expected timing, funding of the purchase price and benefits from such transactions, including the financial benefits); future development and growth prospects (including expected growth opportunities under the Strategic Alliance), development, business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts ("Forward-Looking Information"). Forward-Looking Information can generally be identified by the use of words such as "approximately", "may", "will", "could", "believes", "expects", "intends", "should", "plans", "potential", "project", "anticipates", "estimates", "scheduled" or "forecasts", or other comparable terminology that state that certain events will or will not occur. It represents the estimates, projections and expectations of the Corporation relating to future events, results or developments as of the date of this press release.

Forward-Looking Information includes future-oriented financial information or financial outlook within the meaning of securities laws, such as expected production, projected revenues and projected Free Cash Flow, to inform readers of the potential financial impact of expected results, of the expected commissioning of the Corporation's development projects, of the potential financial impact of pending, completed and future acquisitions and of the Corporation's ability to sustain current dividends and to fund its growth. Such information may not be appropriate for other purposes.

Since forward-looking statements address future events and conditions, they are by their very nature subject to inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the renewable energy industry in general such as execution of strategy; ability to develop projects on time and within budget; capital resources; derivative financial instruments; qualification for PTCs and ITCs; current economic and financial conditions; hydrology and wind regimes, solar irradiation; construction, design and development of new facilities; performance of existing projects; equipment failure; interest rate and refinancing risk; currency exchange rates, variation in merchant price of electricity, financial leverage and restrictive covenants; and relationships with public utilities. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of Innergex are included in Innergex's annual information form available on SEDAR at [www.sedar.com](http://www.sedar.com).

Forward-Looking Information in this press release is based on certain key expectations and assumptions made by the Corporation. The following table outlines Forward-Looking Information contained in this press release, the principal assumptions used to derive this information and the principal risks and uncertainties that could cause actual results to differ materially from this information.

Principal Assumptions	Principal Risks and Uncertainties
<p><b>Expected production</b>            For each facility, the Corporation determines a long-term average annual level of electricity production ("LTA") over the expected life of the facility, based on engineers' studies that take into consideration a number of important factors: for hydroelectricity, the historically observed flows of the river, the operating head, the technology employed and the reserved aesthetic and ecological flows; for wind energy, the historical wind and meteorological conditions and turbine technology; and for solar energy, the historical solar irradiation conditions, panel technology and expected solar panel degradation. Other factors considered include, without limitation, site topography, installed capacity, energy losses, operational features and maintenance. Although production will fluctuate from year to year, over an extended period it should approach the estimated LTA. On a consolidated basis, the Corporation estimates its LTA by adding together the expected LTAs of all the Operating Facilities that it consolidates. This consolidation excludes however the facilities which are accounted for using the equity method.</p>	<p>Improper assessment of water, wind and solar resources and associated electricity production</p> <p>Variability in hydrology, wind regimes and solar irradiation resources</p> <p>Equipment supply risk, including failure or unexpected operations and maintenance activity</p> <p>Natural disasters and force majeure</p> <p>Regulatory and political risks affecting production</p> <p>Health, safety and environmental risks affecting production</p> <p>Variability of installation performance and related penalties</p> <p>Availability and reliability of transmission systems</p> <p>Litigation</p>
<p><b>Projected Adjusted EBITDA</b>            For each facility, the Corporation estimates annual operating earnings by adding (deducting) to net earnings (loss) income tax expense (recovery), finance costs, depreciation and amortization, other net expenses (revenues), share of (earnings) loss of joint ventures and associates and change in fair value of financial instruments.</p>	<p>See principal assumptions, risks and uncertainties identified under "Expected Production"</p> <p>Reliance on PPAs</p> <p>Revenues from certain facilities will vary based on the market (or spot) price of electricity</p> <p>Fluctuations affecting prospective power prices</p> <p>Changes in general economic conditions</p> <p>Ability to secure new PPAs or renew any PPA</p> <p>Unexpected maintenance expenditures</p>

Although the Corporation believes that the expectations and assumptions on which Forward-Looking Information is based are reasonable, readers of this press release are cautioned not to rely unduly on this Forward-Looking Information since no assurance can be given that they will prove to be correct. 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 of this press release, unless so required by legislation.

**For information**

Jean-François Neault  
Chief Financial Officer  
450 928-2550, ext. 1207  
[jfneault@innergex.com](mailto:jfneault@innergex.com)  
[www.innergex.com](http://www.innergex.com)

Karine Vachon  
Senior Director – Communications  
450 928-2550, ext. 1222  
[kvachon@innergex.com](mailto:kvachon@innergex.com)