



INNERGEX RENEWABLE ENERGY INC.

**FRENCH WIND PORTFOLIO ACQUISITION
AND DEVELOPMENT AGREEMENT**

MARCH 21, 2016

INNERGEX

CAUTIONARY STATEMENTS

FORWARD-LOOKING INFORMATION

In order to inform readers of the Corporation's future prospects, this presentation contains forward-looking information that can generally be identified by the use of words such as "projected", "potential", "expect", "will", "should", "estimate", "forecasts", "intends", or other comparable terminology that states that certain events will or will not occur. It represents the estimates and expectations of the Corporation relating to future results and developments as of the date of this presentation. It includes future-oriented financial information, such as estimated electricity production, revenues and Adjusted EBITDA, to inform readers of the potential financial impact of the acquisition and the private placement. Such information may not be appropriate for other purposes.

The material risks and uncertainties that may cause actual results and developments to be materially different from current expressed Forward-Looking Information are referred to in the Corporation's *Annual Information Form* in the "Risk Factors" section and include, without limitation: failure to complete the transactions; the ability of the Corporation to execute its strategy; its ability to access sufficient capital resources; liquidity risks related to derivative financial instruments; the fluctuations in the exchange rates; the growth and development of foreign markets; changes in hydrology, wind regimes and solar irradiation; delays and cost overruns in the design and construction of projects; the ability to develop new facilities; variability of installation performance and related penalties; failure to perform from main counterparties; potential undisclosed liabilities associated with the acquisition; the ability to integrate the acquired facilities; and failure to realize the benefits of this acquisition. 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 are more fully outlined on page 12.

Although the Corporation believes that the expectations and assumptions on which Forward-Looking Information is based are reasonable, readers of this presentation 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 presentation, unless so required by legislation.

NON IFRS MEASURES

Readers are cautioned that Adjusted EBITDA is not a measure recognized by International Financial Reporting Standards (IFRS) and has no meaning prescribed by it, 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 and also facilitate the comparison of results over different periods. References to "Adjusted EBITDA" are to operating revenues less operating expenses, general and administrative expenses and prospective project expenses. Readers are cautioned that Adjusted EBITDA should not be construed as an alternative to consolidated net benefits, in accordance with IFRS.

TRANSACTION SUMMARY

Acquisition of French Wind Portfolio

TRANSACTION OVERVIEW

- Innergex to acquire a portfolio of eight wind farms in France from wpd europe GmbH
 - Seven operating projects with a combined installed capacity of 87 MW
 - One project of 44 MW under construction and expected to be commissioned in Q1 2017
- Portfolio is fully contracted with Electricité de France (“EDF”) and SICAE Oise with an average remaining PPA term of 13 years

TOTAL CONSIDERATION

- Purchase price of €93 million (C\$137 million) and project-level debt of €121 million (C\$178 million) by 2017, includes working capital and reserves for a total of €7 million (C\$10 million)
 - €60 million (C\$88 million) upfront cash consideration for the seven operating projects
 - Fully reimbursable €10 million (C\$15 million) cash deposit for one project under construction
 - › Additional €23 million (C\$34 million) payable upon commissioning
 - › Innergex is not taking on any construction risk related to this project
 - Purchase price subject to certain adjustments

TRANSACTION FINANCING

- Creation of a new vehicle capitalized with €93 million (C\$137 million) to fund the acquisition
 - €49 million (C\$72 million) from Innergex
 - €34 million (C\$50 million) from a Canadian pension fund post-closing
 - €10 million (C\$15 million) of mezzanine financing from a French infrastructure fund (post-closing)
- Innergex contribution partially funded with C\$50 million private placement of Innergex common shares to affiliates and entities of the Desjardins Group

CLOSING

- Transaction closing expected prior to April 30, 2016 for the seven operating projects and Q1 2017 for the project under construction
- Closing subject to regulatory approvals and other customary closing conditions

Strategic Development Agreement in France

DEVELOPMENT AGREEMENT OVERVIEW

- Separately, Innergex has entered into an exclusive development agreement with S.E.M and DRC to develop wind projects totaling over 100 MW of capacity in France
- Innergex will be responsible for costs related to the development of any new projects and will provide technical and financial support

TRANSACTION HIGHLIGHTS

HIGH QUALITY ASSETS PROVIDING GLOBAL FOOTPRINT

- Recently commissioned assets with average age of 2 years and an average remaining PPA term of 13 years
- Long-term contracted cash flows with strong credit rating off-takers
- Inflation-adjusted contracts with EDF and SICAE Oise with a 2016 weighted average PPA price of €89 / MWh
- High-quality turbines manufactured by Enercon and Nordex using simple and proven technology

NEW PLATFORM FOR GROWTH

- Entry into a new geography that will be the cornerstone for next phase of growth
- Establishes footprint of high-quality operating assets, with a meaningful pipeline of future projects to be developed in cooperation with top-tier French partners
- Strategic development agreement provides access to local management and development team with proven development success and valuable relationships

ATTRACTIVE FRENCH MARKET FUNDAMENTALS

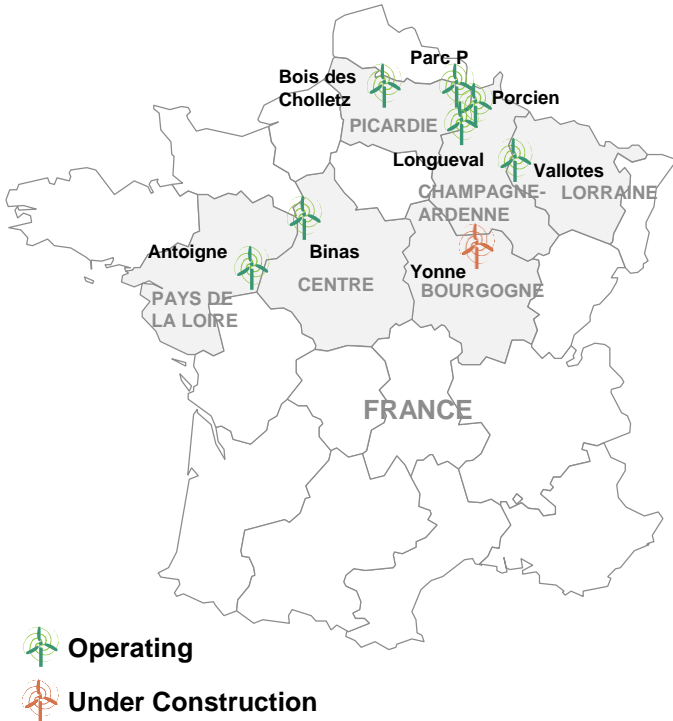
- Strong regulatory support for renewables
- European leader in wind generation with over 10 GW of installed capacity
 - Target of 19 GW by 2020, representing a 13% CAGR over the next 5 years
- Robust feed-in-tariff ("FIT") framework
 - FIT tariffs of €82.50/MWh in 2015 for 15 year contracts
- Strong investment grade off-taker in EDF

ENHANCED INNERGEX PROFILE

- Increases total portfolio capacity to 1,660 MW (gross), representing an additional 9% of installed capacity by 2017
- Enhances geographic and technological diversification
- Accretive to distributable cash flow

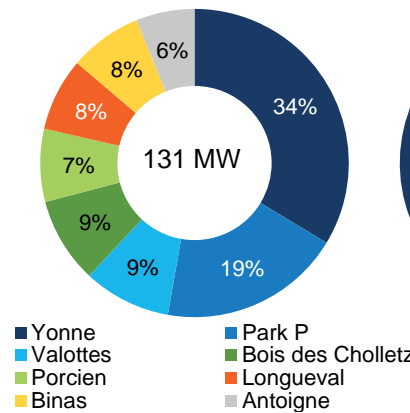
PORTFOLIO OVERVIEW

- 8 wind projects with a combined gross capacity of 131 MW
 - 87 gross MW of installed capacity from seven projects
 - 44 gross MW of capacity in construction from one project
- Weighted average remaining term of PPAs of 13 years, mainly with A+ rated EDF

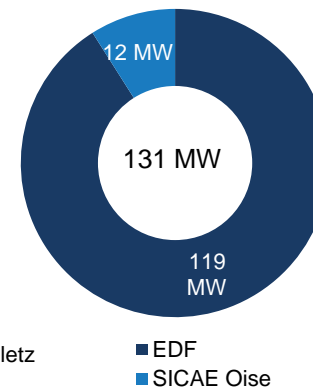


Project	Gross Capacity (MW)	COD (year)	PPA Expiry (year)	Off-Taker	Off-Taker Credit Rating (S&P)
Operating					
Porcien	10.0	2009	2024	EDF	A+
Longueval	10.0	2009	2024	EDF	A+
Antoigne	8.0	2010	2025	EDF	A+
Valottes	12.0	2010	2025	EDF	A+
Binas	10.0	2014	2029	EDF	A+
Park P	25.0	2015	2029	EDF	A+
Bois des Cholletz	11.8	2015	2030	SICAE Oise	Unrated
Total Operating	86.8				
Construction					
Yonne	44.0	2017	2032	EDF	A+
Total	130.8				

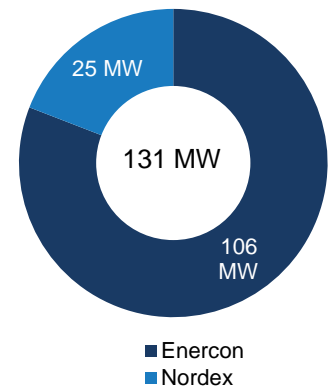
Breakdown by Project (Gross MW)



Off-Taker (Gross MW)



Turbine Manufacturer (Gross MW)



PORTFOLIO FINANCIAL PROFILE

- Portfolio is expected to generate C\$35 million of revenue and C\$28 million of adjusted EBITDA annually
- 'Run-rate' reached in 2017 once project under construction reaches commercial operation
- Exposure to fluctuations in the exchange rate will be managed with long-term derivative financial instruments
- Accretive to distributable cash flow

	Projects	Gross Capacity	Estimated Annual Generation	Commercial Operation Date	FIT Price ⁽¹⁾
		(MW)	(GWh)		(€/MWh)
Operating	Porcien	10.0	18.7	2009	€92.7
	Longueval	10.0	18.7	2009	€92.7
	Antoigne	8.0	16.0	2010	€93.2
	Valottes	12.0	25.1	2010	€91.8
	Binas	10.0	22.0	2014	€85.7
	Park P	25.0	47.1	2015	€85.7
	Bois des Cholletz	11.8	21.8	2015	€85.3
	Total Operating	86.8	169.4		€88.8
Under Construction	Yonne	44.0	100.4	2017	€85.9
	Total Under Construction	44.0	100.4		€85.9
Total	130.8	269.8		€87.8	

1. Price as of Jan 1, 2016 for operating assets / Jan 1, 2017 for construction project.

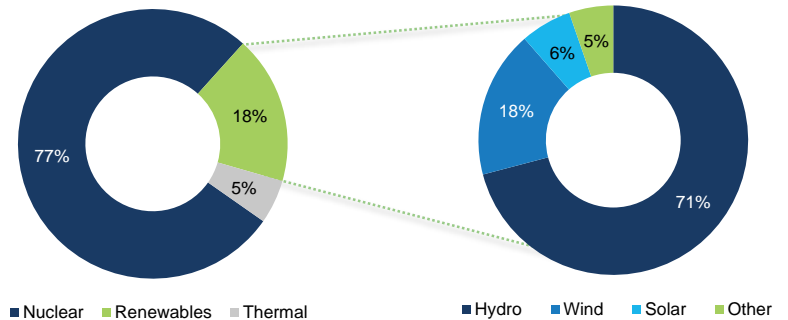
- Wind portfolio is expected to generate C\$28 million in adjusted EBITDA annually

ATTRACTIVE FRENCH MARKET FUNDAMENTALS

- **Strong government support for renewables**
 - Target of 40% for electricity generation from renewables by 2030
 - Currently account for 18% of total electricity generation
- **European leader in wind power generation**
 - Over 10 GW of installed wind capacity with a target of 19 GW by 2020, representing a 13% CAGR over the next 5 years
- **Robust feed-in-tariff (“FIT”) framework**
 - Economic incentives for continued renewables investment
 - FIT tariffs of €82.50/MWh in 2015 for 15 year contracts
- **Investment-grade off-taker in EDF (A+ rating)**

Clear Government Focus on Clean Energy

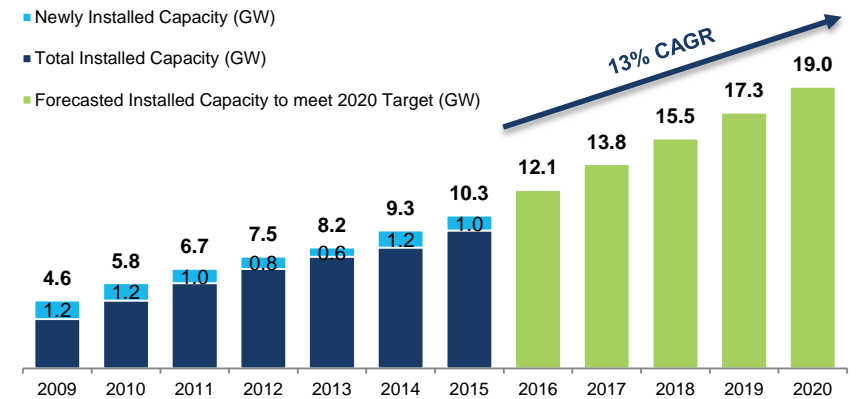
2014 Electricity Generation 2014 Renewable Generation



Partnership With Strong French Partners

- Exclusive 5 year partnership agreement with S.E.M. and DRC to pursue the development of over 100 MW of wind power projects
 - Possibility of adding new projects over time
- S.E.M. and DRC are recognized and experienced in the development of wind projects in France
- Partnership will leverage Innergex’s financial and technical expertise to pursue organic growth in the France market

Driving Rapidly Growing Wind Market



Source: Panorama de l'Électricité Renouvelable en 2015, RTÉ Annual Electricity Report 2014, street research

- **Attractive market fundamentals in France create an excellent platform for growth**

FINANCING STRUCTURE

Uses		
<i>(In millions)</i>	(€)	(C\$)
Equity in Operating Projects	€60	\$88
Deposit for Construction Project	€10	\$15
Payment upon COD of Construction Project	€23	\$34
2017E Non-recourse Debt	€121	\$178
Transaction Enterprise Value	€214	\$315

Sources		
<i>(In millions)</i>	(€)	(C\$)
Innergex Investment	€49	\$72
Canadian Pension Fund Investment	€34	\$50
French Infrastructure Fund Mezzanine	€10	\$15
2017E Non-recourse Debt	€121	\$178
Total Funding	€214	\$315

PURCHASE PRICE

- €93 million (C\$137 million) (subject to certain adjustments)
 - Includes €33 million for construction project, consisting of a fully reimbursable €10 million upfront deposit and additional €23 million (C\$34 million) payable upon COD
 - No construction risk assumed by Innergex
- Non-recourse project debt of €121 million (C\$178 million) by 2017 (interest rate < 3%)

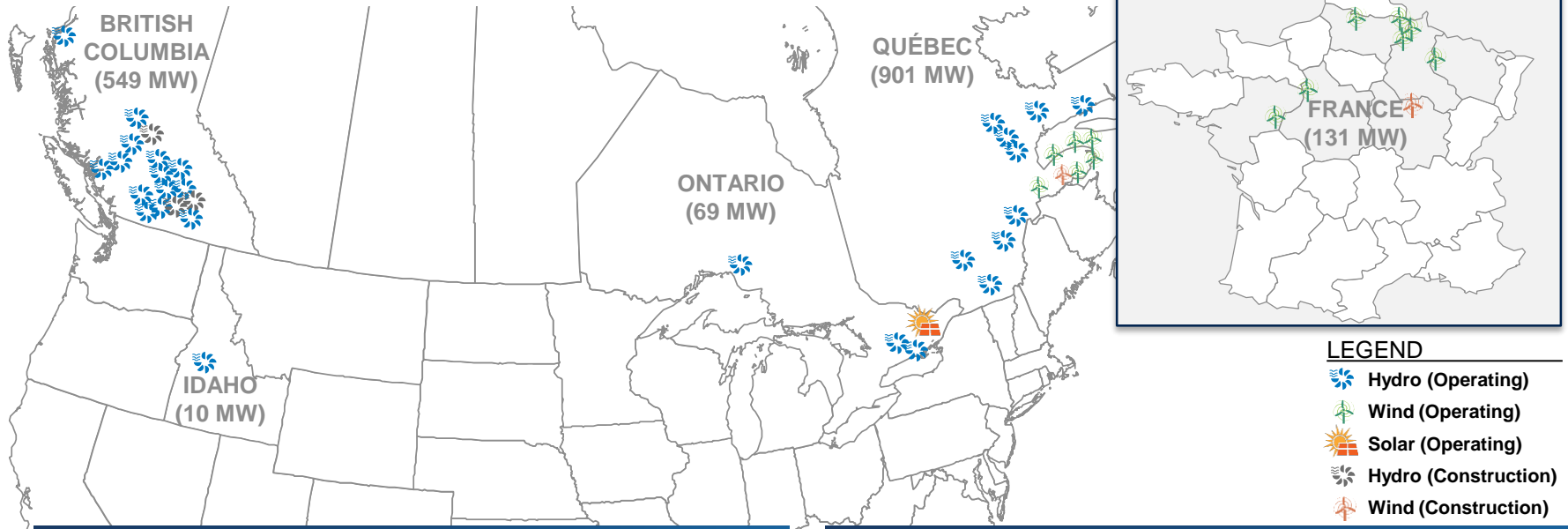
ASSET-LEVEL FUNDING

- €49 million (C\$72 million) from Innergex
- €34 million (C\$50 million) from Canadian pension fund completed post-closing at a premium to Innergex's entry price
- €10 million (C\$15 million) mezzanine debt from a French infrastructure fund (post-closing)

INNERGEX FUNDING

- C\$50 million private placement in Innergex common shares from affiliates of Desjardins Group
 - 3.9 million common shares priced at C\$12.86 per share
- C\$22 million remaining to be funded in 2017 through available liquidity

EVOLVING GLOBAL FOOTPRINT

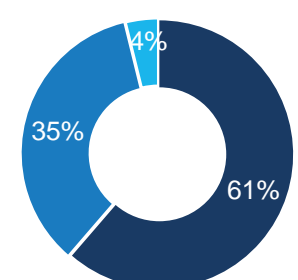
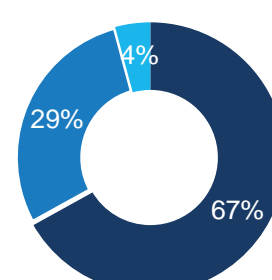
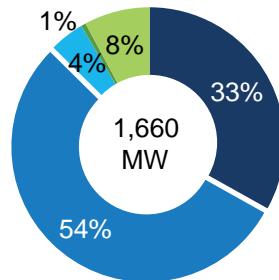
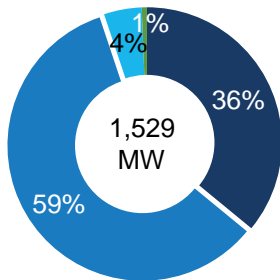


Global Geographic Exposure...

...With a Diverse Fuel Portfolio

■ British-Columbia ■ Québec ■ Ontario ■ Idaho ■ France

■ Hydro ■ Wind ■ Solar



Note: Percentages based on gross MW; includes projects under construction.

Note: Percentages based on consolidated revenues; includes projects under construction.

- Geographically diversified asset base of 1,660 MW with a focus on hydro

GROWTH PLATFORM

Ongoing momentum in acquisitions and commissionings

Visible short-term contracted growth

Long-term growth platform

Recent Acquisitions & Commissionings (204 MW)

Construction Projects (341 MW)

Pipeline Projects (3,530+ MW)

France Acquisition 




Capacity	87 MW
Acq. Date	2016
PPA Exp.	2024-2032
Partner	Pension Fund

Yonne (FR) 



Capacity	44 MW
Comm. Date	2017
PPA Exp.	2032
Partner	Pension Fund

Walden (BC) 



Capacity	16 MW
Acq. Date	2016
PPA Exp.	n.a.
Partner	Cayoose Creek Band (49%)

Boulder Creek (BC) 



Capacity	25 MW
Comm. Date	2017
PPA Exp.	2057
Partner	Ledcor Power (33%)

Trethway Creek (BC) 



Capacity	21 MW
Comm. Date	2015
PPA Exp.	2055
Partner	n.a.

Upper Lillooet River (BC) 



Capacity	81 MW
Comm. Date	2017
PPA Exp.	2057
Partner	Ledcor Power (33%)

SM-1 (QC) 



Capacity	31 MW
Acq. Date	2014
PPA Exp.	2018 / 2027
Partner	RRMD (50%)

Big Silver Creek (BC) 



Capacity	41 MW
Comm. Date	2016
PPA Exp.	2056
Partner	n.a.

Kwoiek Creek (BC) 



Capacity	50 MW
Comm. Date	2013
PPA Exp.	2053
Partner	Kanaka Bar Indian Band (50%)

Mesgi'g Ugju's'n (QC) 



Capacity	150 MW
Comm. Date	2016
PPA Exp.	2036
Partner	Mi'gmawei Mawiomi Business Corp. (50%)

Canada

France

Mexico

United States



INNERGEX

FORWARD LOOKING INFORMATION

PRINCIPAL ASSUMPTIONS, RISKS AND UNCERTAINTIES

Principal Assumptions

Estimated Production, Revenues and Adjusted EBITDA

For each facility, the Corporation determines an **annual long-term average level of electricity production (LTA)** over the expected life of the facility, based on several factors that include, without limitation, historically observed water flows or wind or solar irradiation conditions, turbine or panel technology, 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 long-term average. The Corporation then estimates expected **annual revenues** for each facility by multiplying its LTA by a price for electricity stipulated in the power purchase agreement secured with a public utility or other creditworthy counterparty. These agreements stipulate a base price and, in some cases, a price adjustment depending on the month, day and hour of delivery. In most cases, power purchase agreements also contain an annual inflation adjustment based on a portion of the Consumer Price Index. The Corporation then estimates annual operating earnings (**Adjusted EBITDA of the portfolio**) by subtracting from the estimated revenues the budgeted annual operating costs, which consist primarily of operators' salaries, insurance premiums, operations and maintenance expenditures, property taxes, and royalties; these are predictable and relatively fixed, varying mainly with inflation except for maintenance expenditures.

Projected Free Cash Flow and Payout Ratio

The Corporation estimates Free Cash Flow as projected cash flow from operations before changes in non-cash operating working capital items, less estimated maintenance capital expenditures net of proceeds from disposals, scheduled debt principal payments, preferred share dividends and the portion of Free Cash Flow attributed to non-controlling interests, plus cash receipts by the Harrison Hydro L.P. for the wheeling services to be provided to other facilities owned by the Corporation over the course of their power purchase agreement. It also adjusts for other elements, which represent cash inflows or outflows that are not representative of the Corporation's long-term cash generating capacity, such as adding back transaction costs related to realized acquisitions (which are financed at the time of the acquisition) and adding back realized losses or subtracting realized gains on derivative financial instruments used to fix the interest rate on project-level debt.

Expected Closing of the Acquisition, of the Private Placement and of the Investments by a Canadian Pension Plan and by a French Infrastructure Fund

The Corporation realistically expects to complete and comply with all the closing conditions within the deadline, considering that no right of cancellation was exercised and that governmental approvals should be obtained. The signed letter of intent as well as the commitment by the French infrastructure fund constitute the key assumptions on which the Corporation bases itself with respect to the proposed investments by a Canadian pension fund and a French infrastructure fund.

Principal Risks and Uncertainties

Improper assessment of water, wind and sun resources and associated electricity production
Variability in hydrology, wind regimes and solar irradiation
Equipment failure or unexpected operations & maintenance activity
Unexpected seasonal variability in the production and delivery of electricity
Variability of facility performance and related penalties
Changes to water and land rental expenses
Unexpected maintenance expenditures
Lower-than-expected inflation

Adjusted EBITDA below expectations caused mainly by the risks and uncertainties mentioned above and by higher prospective project expenses
Projects costs above expectations caused mainly by the performance of counterparties and delays and cost overruns in the design and construction of projects
Regulatory and political risk
Interest rate fluctuations and availability of financing
Financial leverage and restrictive covenants governing current and future indebtedness
Unexpected maintenance capital expenditures
Declaration of dividends at the discretion of the Board

Availability of the capital
Statutory and political risks
Execution of the counterparties