

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. **These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws. Accordingly, these securities may not be offered or sold or delivered within the United States, except in transactions exempt from registration under the U.S. Securities Act and applicable state securities laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See “Plan of Distribution”.**

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the secretary of Innergex Renewable Energy Inc. at 1225 Saint-Charles Street West, 10th Floor, Longueuil, Québec, J4K 0B9, telephone (450) 928-2550 and are also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS

New Issue

September 18, 2019

INNERGEX

Renewable Energy.
Sustainable Development.

INNERGEX RENEWABLE ENERGY INC.

\$125,000,000

4.65% Convertible Unsecured Subordinated Debentures

This short form prospectus qualifies the distribution of \$125,000,000 aggregate principal amount of 4.65% convertible unsecured subordinated debentures (the “**Debentures**”) of Innergex Renewable Energy Inc. (the “**Corporation**” or “**Innergex**”) at a purchase price of \$1,000 (the “**Offering Price**”) per \$1,000 principal amount of Debentures (the “**Offering**”).

The Debentures bear interest at an annual rate of 4.65%, payable semi-annually, in arrears, on October 31 and April 30 in each year commencing on April 30, 2020 (an “**Interest Payment Date**”). The Debentures will mature at 5:00 p.m. (Montréal time) on October 31, 2026 (the “**Maturity Date**”). Further particulars concerning the attributes of the Debentures are set out under “*Description of the Debentures*”.

The terms and Offering Price of the Debentures were determined by negotiation between the Corporation and TD Securities Inc. (“**TD**”), CIBC World Markets Inc. (“**CIBC**”), BMO Nesbitt Burns Inc. (“**BMO**”), National Bank Financial Inc. (“**NBF**”), RBC Dominion Securities Inc. (“**RBC**”), Desjardins Securities Inc. (“**Desjardins**”), Canaccord Genuity Corp., Industrial Alliance Securities Inc. and Raymond James Ltd. (collectively, the “**Underwriters**”). See “*Plan of Distribution*”.

TD, CIBC, BMO, NBF and Desjardins are wholly-owned indirect subsidiaries of Canadian financial institutions that are members of a syndicate of lenders that have made credit facilities available to the Corporation. Consequently, the Corporation may be considered a connected issuer of TD, CIBC, BMO, NBF

and Desjardins under applicable Canadian securities laws. See “*Relationship Between the Corporation and Certain Persons*”.

Debenture Conversion Privilege

Each Debenture will be convertible into common shares of the Corporation (“**Common Shares**”) at the option of the holder at any time prior to 5:00 p.m. (Montréal time) on the earlier of the Maturity Date and the business day immediately preceding the date specified by the Corporation for redemption of the Debentures at a conversion price of \$22.90 per Common Share (the “**Conversion Price**”), being a conversion rate of approximately 43.6681 Common Shares per \$1,000 principal amount of Debentures, subject to adjustment in accordance with the Indenture (as defined below) governing the terms of the Debentures. Holders converting their Debentures will receive accrued and unpaid interest thereon for the period from the last Interest Payment Date on their Debentures to, but not including, the date of conversion. Further particulars concerning the conversion privilege, including provisions for the adjustment of the Conversion Price, are set out under “*Description of the Debentures – Conversion Privilege*”.

The Debentures may not be redeemed by the Corporation before October 31, 2022 except in certain limited circumstances following a Change of Control. On or after October 31, 2022 and before October 31, 2024, the Debentures may be redeemed by the Corporation, in whole or in part from time to time, on not more than 60-day and not less than 30-day prior notice, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, provided that the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (the “**TSX**”) for the 20 consecutive trading days ending on the fifth trading day preceding the date on which notice of redemption is given is not less than 125% of the Conversion Price. On or after October 31, 2024 and prior to the Maturity Date, the Debentures may be redeemed in whole or in part at the option of the Corporation on not more than 60-day and not less than 30-day prior notice at a price equal to their principal amount plus accrued and unpaid interest. Subject to required regulatory approval and provided that no Event of Default has occurred and is continuing, the Corporation may, at its option, elect to satisfy its obligation to pay the principal amount of the Debentures on redemption or at maturity, in whole or in part, through the issuance of freely tradeable Common Shares upon at least 40-day and not more than 60-day prior notice, by delivering that number of Common Shares obtained by dividing the principal amount of the Debentures to be redeemed or which have matured by 95% of the Current Market Price (as defined below) on the date of redemption or maturity as applicable. Any accrued or unpaid interest will be paid in cash. Further particulars of the interest, redemption, repurchase and maturity provisions of the Debentures are set out under “*Description of the Debentures*”.

There is currently no market through which the Debentures may be sold and purchasers may not be able to resell the Debentures purchased under this short form prospectus. This may affect the pricing of the Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Debentures, and the extent of issuer regulation. See “*Risk Factors*”.

The TSX has conditionally approved the listing of the Debentures to be issued under the Offering and the Common Shares issuable on conversion, maturity or redemption of the Debentures. Listing is subject to the Corporation fulfilling all of the requirements of the TSX on or before December 5, 2019.

The Common Shares into which the Debentures are convertible are listed and posted for trading on the TSX under the symbol “INE”. On September 4, 2019, the last trading day on which the Common Shares traded prior to the announcement of the Offering, the closing price on the TSX was \$15.27. On September 17, 2019, the last trading day on which the Common Shares traded prior to the date of this short form prospectus, the closing price on the TSX was \$15.17.

Price: \$1,000 per Debenture

	Price to the Public	Underwriters' Fee ⁽¹⁾	Net Proceeds ⁽²⁾
Per Debenture	\$1,000	\$40	\$960
Total Debentures ⁽³⁾	\$125,000,000	\$5,000,000	\$120,000,000

Notes:

- (1) The Underwriters' fee with respect to the Debentures is payable in full upon closing of the Offering and represents 4% of the Offering Price of the Debentures.
- (2) After deducting the Underwriters' fee but before deducting the expenses of the Offering, which are estimated to be approximately \$750,000.
- (3) The Corporation has granted the Underwriters an option (the "**Over-Allotment Option**"), exercisable in whole or in part at the sole discretion of the Underwriters at any time until 30 days following the Closing Date (as defined below), to purchase at the Offering Price additional Debentures to cover over-allotments, if any, and for market stabilization purposes. The principal amount of Debentures to be purchased pursuant to the Over-Allotment Option shall not exceed 15% of the principal amount of Debentures issued pursuant to the Offering. If the Over-Allotment Option is exercised in full, the total offering price to the public, the Underwriters' fee and the net proceeds to the Corporation (before deducting the expenses of the Offering) will be \$143,750,000, \$5,750,000 and \$138,000,000 respectively. This short form prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the additional Debentures offered upon the exercise of such option. A purchaser who acquires Debentures forming part of the Underwriters' over-allocation position acquires such Debentures under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "*Plan of Distribution*".

Underwriters' Position	Maximum Size	Exercise Period	Exercise Price
Over-Allotment Option	Option to purchase up to \$18,750,000 principal amount of additional Debentures (being up to 15% of the principal amount of Debentures sold in the Offering)	Exercisable for a period of 30 days following closing of the Offering	\$1,000 per Debenture

The Underwriters, as principals, conditionally offer the Debentures, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*" and subject to the approval of certain legal matters by McCarthy Tétrault LLP, as counsel to the Corporation, and Fasken Martineau DuMoulin LLP, as counsel to the Underwriters. The Debentures (other than any Debentures issuable pursuant to the exercise of the Over-Allotment Option) shall be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt for this short form prospectus.

Subject to applicable laws, the Underwriters may, in connection with the Offering, over-allot or effect transactions which stabilize or maintain the market price of the Debentures at levels other than those which might otherwise prevail on the open market. Such transaction, if commenced, may be discontinued at any time. The Underwriters propose to offer the Debentures initially at the Offering Price. **After the Underwriters have made reasonable efforts to sell all of the Debentures by this short form prospectus at such price, the Offering Price may be decreased, and further changed from time to time, to an amount not greater than the Offering Price. However, in no event will the Corporation receive less than net proceeds of \$960 per Debenture. See "*Plan of Distribution*".**

Subscriptions for Debentures will be received subject to rejection or allotment in whole or in part, and the Underwriters reserve the right to close the subscription books at any time without notice. The Debentures will be issued in "book-

entry only” form through the facilities of CDS Clearing and Depository Services Inc. (“CDS”). Except as otherwise stated herein, holders of beneficial interests in the Debentures will not have the right to receive physical certificates evidencing their ownership of Debentures. The closing of the Offering is expected to occur on or about September 30, 2019 or such other date as the Corporation and the Underwriters may agree but in any event not later than October 30, 2019 (the “Closing Date”).

Ouma Sananikone, member of the Board of Directors, resides outside of Canada and has appointed Innergex Renewable Energy Inc., 1225 Saint-Charles Street West, 10th Floor, Longueuil, Québec, J4K 0B9, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

The head and registered office of the Corporation is located at 1225 Saint-Charles Street West, 10th Floor, Longueuil, Québec, J4K 0B9.

The earnings coverage ratio for the Corporation for the twelve-month period ended June 30, 2019 is less than one-to-one. See “Earnings Coverage Ratio”.

An investment in the Debentures involves certain risks that are described in the “Risk Factors” section of, and elsewhere in, this short form prospectus, including in the documents incorporated herein by reference and should be considered by any prospective purchaser of the Debentures.

Except as otherwise indicated, all dollar amounts in this short form prospectus are expressed in Canadian dollars and references to \$ are to Canadian dollars.

TABLE OF CONTENTS

	Page
CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION	1
Future-Oriented Financial Information	1
Assumptions	1
Risks and Uncertainties	1
NON-IFRS FINANCIAL MEASURES	2
DOCUMENTS INCORPORATED BY REFERENCE	3
MARKETING MATERIALS	4
ELIGIBILITY FOR INVESTMENT	4
THE CORPORATION	4
RECENT DEVELOPMENTS	4
Notice of Redemption of the 4.25% Convertible Debentures	4
Sale of HS Orka and Updated 2019 Financial Projections	5
USE OF PROCEEDS	5
DESCRIPTION OF THE DEBENTURES	5
General	6
Conversion Privilege	6
Redemption and Purchase	7
Payment upon Redemption or Maturity	8
Restriction on Share Payment Election	8
Cancellation	8
Subordination	8
Change of Control	9
Interest Payment Election	10
Modification	10
Events of Default	11
Offers for Debentures	11
Book Entry, Delivery and Form	11
Reports to Holders	12
Governing Law	12
DESCRIPTION OF SHARE CAPITAL	13
DIVIDEND POLICY	13
EARNINGS COVERAGE RATIO	13
Required Earnings Coverage Ratios	14
Supplemental Earnings Coverage Ratios	14
CONSOLIDATED CAPITALIZATION	14
PRIOR SALES	15
TRADING PRICE AND VOLUME	15
PLAN OF DISTRIBUTION	17
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS	19
Holders Resident in Canada	20
Holders Not Resident in Canada	22
RISK FACTORS	24
Risks Relating to the Offering	24
RELATIONSHIP BETWEEN THE CORPORATION AND CERTAIN PERSONS	27
MARKET AND INDUSTRY DATA	28

INTEREST OF EXPERTS	28
AUDITOR, TRANSFER AGENT AND REGISTRAR AND DEBENTURE TRUSTEE	28
AGENT FOR SERVICE OF PROCESS	29
PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	29
GLOSSARY OF TERMS	30
CERTIFICATE OF THE CORPORATION.....	C-1
CERTIFICATE OF THE UNDERWRITERS.....	C-2

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

To inform readers of the Corporation's future prospects, this short form prospectus, including documents incorporated by reference herein, contains forward-looking information within the meaning of applicable securities laws ("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", "would", "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 projections and expectations of the Corporation relating to future events or results as of the date of this short form prospectus or the documents incorporated by reference herein, as applicable.

Future-Oriented Financial Information

To inform readers of the potential financial impact of the Offering and the completion of the redemption of the 4.25% Convertible Debentures, Forward-Looking Information in this short form prospectus, including the documents incorporated herein by reference, includes future-oriented financial information or financial outlook within the meaning of Canadian securities laws, including use of proceeds of the Offering, size of the Offering, anticipated closing of the Offering, potential financial impact of the Offering, funds available under the Credit Facility, and redemption of the 4.25% Convertible Debentures. Such information also includes the Corporation's expected production, projected revenues, projected adjusted EBITDA, projected adjusted EBITDA proportionate, projected free cash flow, expected results, intention to pay dividend quarterly, the estimated size, cost and schedule for projects in late stage development which are under construction (the "Development Projects") and for prospective projects, including expected obtainment of permits, start of construction, work conducted and start of commercial operation, and the Corporation's intent to submit projects under requests for proposals, the qualification of U.S. projects for U.S. tax incentives for renewable energy producers, the potential financial impact of completed and future acquisitions or divestitures, the Corporation's ability to sustain current dividends and the Corporation's ability to fund its growth. Such information may not be appropriate for other purposes.

Assumptions

Forward-Looking Information in this short form prospectus, including the documents incorporated herein by reference, is based on certain key assumptions made by the Corporation, including, without restriction, those concerning production, hydrology, wind regimes and solar irradiation, performance of operating facilities, project performance, economic, financial and financial market conditions, Corporation's success in developing and constructing new facilities, expectations and assumptions concerning availability of capital resources and timely performance by third parties of contractual obligations and receipt of regulatory approvals.

Risks and Uncertainties

Forward-Looking Information involves risks and uncertainties that may cause actual results or performance to be materially different from those expressed, implied or presented by the Forward-Looking Information. These are referred to in the "Risk Factors" section of this short form prospectus and include, without limitation: the ability of the Corporation to execute its strategy for building shareholder value; its ability to raise additional capital and the state of the capital markets; liquidity risks related to derivative financial instruments; variability in hydrology, wind regimes and solar irradiation; delays and cost overruns in the design and construction of projects; the ability to secure new power purchase agreements or renew any power purchase agreement; fluctuation affecting prospective power prices; health, safety and environmental risks; uncertainties surrounding the development of new facilities; obtainment of permits; equipment failure or unexpected operations and maintenance activity; interest rate fluctuations and refinancing risk; financial leverage and restrictive covenants governing current and future indebtedness; the possibility that the Corporation may not declare or pay a dividend; failure to realize the anticipated benefits and integration of completed and future acquisitions; changes in governmental support to increase electricity to be generated from renewable sources by independent power producers; variability of installation performance and related penalties; the ability to attract new talent or to retain officers or key employees; litigation; performance of major counterparties; social acceptance of renewable energy projects; relationships with stakeholders; equipment supply; exposure to many different forms of taxation in various jurisdictions; changes in general economic conditions; regulatory and political risks; ability to secure appropriate land; reliance on PPAs; availability and reliability of transmission systems

(including due to reliance on third parties); foreign market growth and development risks; foreign exchange fluctuations; increases in water rental cost or changes to regulations applicable to water use; assessment of water, wind and solar resources and associated electricity production; natural disasters and force majeure; cybersecurity; sufficiency of insurance coverage; a credit rating that may not reflect actual performance of the Corporation or a lowering (downgrade) of the credit rating; integration of the facilities and projects acquired and to be acquired; reliance on shared transmission and interconnection infrastructure; the fact that revenues from certain facilities will vary based on the market (or spot) price of electricity; risks related to U.S. production and investment tax credits, changes in U.S. corporate tax rates and availability of tax equity financing; host country economic, social and political conditions; risk inherent to aluminum price risks; geological occurrences, rockslides, avalanches, tornadoes, hurricanes or other occurrences outside the Corporation's control; adverse claims to property title; unknown liabilities; reliance on intellectual property and confidential agreements to protect our rights and confidential information; and reputational risks arising from misconduct of representatives of the Corporation.

Although the Corporation believes that the expectations and assumptions on which Forward-Looking Information is based are reasonable under the current circumstances, readers are cautioned not to rely unduly on this Forward-Looking Information as no assurance can be given that it will prove to be correct. Forward-Looking Information contained herein is made as at the date of this short form prospectus 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 so required by law.

NON-IFRS FINANCIAL MEASURES

The information presented in this short form prospectus and certain documents incorporated by reference include non-IFRS measures such as “adjusted EBITDA”, “adjusted EBITDA margin”, “adjusted EBITDA proportionate”, “Innergex’s share of adjusted EBITDA of joint ventures and associates”, “revenues proportionate”, “adjusted net earnings (loss)”, “free cash flow”, “adjusted free cash flow”, “adjusted net loss from continuing operations”, “payout ratio” and “adjusted payout ratio” that the Corporation uses to evaluate its performance. Because non-IFRS measures do not have a standardized meaning and may differ from other issuers, securities regulations require that non-IFRS measures be clearly defined and qualified, reconciled with their nearest IFRS measure and given no more prominence than the closest IFRS measure. Such information is presented in the sections dealing with these financial measures in the documents incorporated by reference herein or detailed below. See “*Documents Incorporated by Reference*”.

Reference to the non-IFRS measure “Cash Flows From Operating Activities Before Changes in Non-Cash Working Capital Items, Borrowing Costs and Income Tax” used by the Corporation throughout this short form prospectus is comprised of cash flows from operating activities plus changes in non-cash operating working capital items, interest paid, and net income taxes paid.

The following table reconciles the non-IFRS measure “Cash Flows From Operating Activities Before Changes in Non-Cash Working Capital Items, Borrowing Costs and Income Tax” to the most directly comparable measure specified, defined or determined under IFRS:

	Twelve-Month Period Ended	
	December 31, 2018	June 30, 2019
<i>(\$000s)</i>		
Cash flows from operating activities	209,390	222,999
Changes in non-cash operating working capital items	11,021	17,294
Interest paid	168,993	180,421
Net income taxes paid	5,367	6,688
Cash Flows From Operating Activities Before Changes in Non-Cash Working Capital Items, Borrowing Costs and Income Tax	394,771	427,402

DOCUMENTS INCORPORATED BY REFERENCE

The following documents of the Corporation, which have been filed with the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Corporation is a reporting issuer, are specifically incorporated by reference into, and form an integral part of, this short form prospectus:

1. the annual information form of the Corporation dated February 27, 2019 for the year ended December 31, 2018;
2. the audited consolidated financial statements of the Corporation for the years ended December 31, 2018 and December 31, 2017 together with the notes thereto and the auditors' reports thereon, as refiled on September 10, 2019;
3. the management's discussion and analysis of the Corporation dated February 27, 2019 for the year ended December 31, 2018 (the "**2018 MD&A**");
4. the unaudited condensed interim consolidated financial statements of the Corporation for the three-month and six-month periods ended June 30, 2019 and 2018 and the notes thereto, but excluding the notice to the effect that such financial statements have not been reviewed by the Corporation's external auditors;
5. the management's discussion and analysis dated August 13, 2019 for the three-month and six-month periods ended June 30, 2019;
6. the management information circular of the Corporation dated April 9, 2019 in respect of the annual meeting of shareholders of the Corporation held on May 14, 2019;
7. the business acquisition report dated November 9, 2018 relating to the Cartier Acquisition, as amended and refiled on September 17, 2019 (the "**Cartier BAR**");
8. the material change report dated April 2, 2019 relating to the sale of HS Orka hf ("**HS Orka**");
9. the material change report dated May 31, 2019 relating to the exercise by Jarðvarmi slhf of its right of first refusal regarding the sale of HS Orka;
10. the template version of the indicative term sheet dated September 5, 2019 filed on SEDAR in connection with the Offering (the "**Term Sheet**"); and
11. the material change report dated September 10, 2019 relating to the Offering.

Any documents of the type described in Section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* filed by the Corporation with a securities commission or similar authority in any of the provinces of Canada after the date of this short form prospectus and prior to the termination of the Offering, shall be deemed to be incorporated by reference into this short form prospectus.

Any statement contained in this short form prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for the purposes of this short form prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.

MARKETING MATERIALS

The Term Sheet is not part of this short form prospectus to the extent that its content has been modified or superseded by a statement contained in this short form prospectus. Any “template version” of “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*) filed on SEDAR after the date of this short form prospectus and before the termination of the distribution under the Offering will be deemed to be incorporated by reference into this short form prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of McCarthy Tétrault LLP, counsel to the Corporation, and Fasken Martineau DuMoulin LLP, counsel to the Underwriters, subject to the qualifications and assumptions discussed under the heading “*Certain Canadian Federal Income Tax Considerations*”, provided the Debentures and the Common Shares are listed on a designated stock exchange (which currently includes the TSX), the Debentures and the Common Shares issuable on the conversion, redemption or maturity of the Debentures would, if issued on the date hereof, be qualified investments under the Tax Act for trusts governed by registered retirement savings plans (“**RRSP**”), registered retirement income funds (“**RRIF**”), deferred profit sharing plans (except, in the case of the Debentures, a deferred profit sharing plan to which the Corporation, or a corporation that does not deal at arm’s length with the Corporation, has made a contribution), registered education savings plans (“**RESP**”), registered disability savings plans (“**RDSP**”) and tax-free savings accounts (“**TFSA**”).

Notwithstanding the foregoing, if the Debentures or the Common Shares are “prohibited investments” (as defined in the Tax Act) for the purposes of a TFSA, an RDSP, an RESP, an RRSP, or a RRIF, a holder of such TFSA or RDSP, a subscriber of such RESP, or an annuitant under such RRSP or RRIF will be subject to a penalty tax as set out in the Tax Act. Debentures and Common Shares will generally not be “prohibited investments” if (i) such holder, subscriber, or annuitant, as the case may be, deals at arm’s length with the Corporation for the purposes of the Tax Act and does not have a “significant interest” (within the meaning of the Tax Act) in the Corporation or (ii) in the case of Common Shares, such Common Shares are “excluded property” (as defined in the Tax Act for purposes of these rules) for the TFSA, RDSP, RESP, RRSP or RRIF.

Holders of a TFSA or an RDSP, annuitants under an RRSP or a RRIF and subscribers of an RESP should consult their own tax advisors regarding whether the Debentures and Common Shares will be prohibited investments in their particular circumstances.

THE CORPORATION

The Corporation is a developer, acquirer, owner and operator of renewable power-generating facilities with a focus on hydroelectric, wind and solar power projects. The Corporation owns or operates various renewable power generating facilities in Canada, Chile, France and the United States.

As a global player in the renewable energy sector since 1990, the Corporation manages a large portfolio of assets currently consisting of interests in 66 operating facilities with an aggregate net installed capacity of 1,988 MW (gross 2,888 MW), including 37 hydroelectric facilities, 25 wind farms and four solar farms. The Corporation also holds interests in eight Development Projects, two of which are under construction, representing an aggregate estimated net installed capacity of 896 MW (gross 978 MW), and in numerous prospective projects at different stages of development with combined potential gross installed capacity of 7,767 MW.

RECENT DEVELOPMENTS

Notice of Redemption of the 4.25% Convertible Debentures

On September 5, 2019, Innergex announced that it has issued a notice to the holders of the outstanding 4.25% convertible unsecured subordinated debentures maturing on August 31, 2020 (the “**4.25% Convertible Debentures**”) whereby Innergex will redeem all of the 4.25% Convertible Debentures issued and outstanding as of October 8, 2019 (the “**Redemption Date**”). The 4.25% Convertible Debentures are redeemable at a redemption price equal to their

principal amount (the “**Redemption Price**”), plus accrued and unpaid interest thereon to, but excluding, the Redemption Date. Furthermore, the holders of the 4.25% Convertible Debentures have been notified that they have the right, at any time prior to 5:00 p.m. (Montréal time) on October 7, 2019, to convert the 4.25% Convertible Debentures into Common Shares of the Corporation at the conversion price set out in the trust indenture dated August 10, 2015 between the Corporation and Computershare Trust Company of Canada. As of September 17, 2019, there was \$100,000,000 principal amount of 4.25% Convertible Debentures issued and outstanding.

Sale of HS Orka and Updated 2019 Financial Projections

On March 25, 2019, the Corporation announced that it had reached an agreement relating to the sale of HS Orka, and updated its 2019 financial projections made available in the 2018 MD&A. The 2019 financial projections were revised such that, assuming closing of the HS Orka disposal at the end of the second quarter of 2019 and as a result of such disposal, the Corporation expected power generated to increase by 10% instead of 20%, Revenues to increase by 7% instead of 15%, Adjusted EBITDA to increase by 11% instead of 15%, Adjusted EBITDA Proportionate to increase by 9% instead of 12%, and Free Cash Flow to increase by 10% as previously projected. In addition, upon closing of the HS Orka disposal, the Corporation’s remaining weighted average term of power purchase agreements was expected to increase to 17.4 years and the weighted average age of facilities was expected to decrease to 7.2 years.

USE OF PROCEEDS

The net proceeds of the Offering (excluding any exercise of the Over-Allotment Option), after payment of the Underwriters’ Fee of \$5,000,000 and expenses of the Offering estimated to be \$750,000, will be approximately \$119,250,000. If the Over-Allotment Option is exercised in full, the net proceeds of the Offering, after payment of the Underwriters’ Fee of \$5,750,000 and expenses of the Offering estimated to be \$862,500, will be approximately \$137,137,500.

The Corporation intends to use the net proceeds of the Offering to initially prepay indebtedness under the Credit Facility, which will then be available to be drawn, as required, to finance the redemption of the 4.25% Convertible Debentures (\$100,000,000 as of September 17, 2019, plus accrued interest). The remaining net proceeds of the Offering will be available to be drawn, as required, to fund development projects and other growth opportunities, or for general corporate purposes. As of September 17, 2019, the Corporation was indebted under the Credit Facility (including letters of credit) in an amount of approximately \$558.6 million. See “*Relationship Between the Corporation and Certain Persons.*” The Corporation regularly evaluates opportunities for, and engages in discussions with respect to, possible business acquisitions, development projects, joint ventures, strategic partnerships and other growth opportunities, which individually or collectively could be material to the Corporation. However, other than as described in this short form prospectus or in the documents incorporated by reference herein, the Corporation does not have any specific material binding agreements or commitments with respect to any transaction of this nature as of the date hereof, nor has it made any determination as to whether it will proceed with any such transaction.

The indebtedness to be prepaid under the Credit Facility were principally incurred in the two previous years to fund the Corporation’s growth in France, to repay certain indebtedness of Alterra following the Alterra Acquisition, to fund the development of certain prospective and development projects including the 250 MW_{AC} Phoebe Solar Project and the 350.3 MW Foard City Wind Project, Texas and for other general corporate purposes.

DESCRIPTION OF THE DEBENTURES

The Debentures will be issued under and pursuant to an indenture (the “**Indenture**”) between the Corporation and AST Trust Company (Canada) (the “**Debenture Trustee**”). The following description of the Debentures is a summary of their material attributes and characteristics, which does not purport to be complete and is qualified in its entirety by reference to the Indenture. The following summary uses words and terms which will be defined in the Indenture. For full particulars, reference is made to the Indenture, which will be filed on SEDAR at www.sedar.com.

General

The amount of the Debentures issued under the Offering will be limited to the aggregate principal amount of \$125,000,000 (plus any Debentures issued upon exercise of the Over-Allotment Option). The Corporation may, however, from time to time, without the consent of the holders of the outstanding debentures of the Corporation, issue debentures in addition to the Debentures offered hereby.

The Debentures will be dated as of the Closing Date and will be issuable only in denominations of \$1,000 and integral multiples thereof. The Debentures will mature on the Maturity Date.

At the closing of the Offering, the Debentures will be available for delivery in book-entry form only through the facilities of CDS. Holders of beneficial interests in the Debentures will not have the right to receive physical certificates evidencing their ownership of Debentures except under certain circumstances described under *“Description of the Debentures - Book Entry, Delivery and Form”*. No fractional Debentures will be issued.

The Debentures will bear interest from the date of issue at 4.65% per annum, which will be payable semi-annually, in arrears, on October 31 and April 30 in each year, commencing on April 30, 2020, computed on the basis of a 365-day year. The first payment will represent accrued interest for the period from the closing of the Offering up to, but excluding April 30, 2020. The interest on the Debentures will be payable in lawful money of Canada as specified in the Indenture. Subject to applicable laws and regulatory approval, the Corporation shall have the option to pay such interest by delivering a number of Common Shares to the Debenture Trustee for sale, in which event holders of the Debentures will be entitled to receive a cash payment equal to the interest owed from the proceeds of the sale of the requisite number of Common Shares by the Debenture Trustee. See *“Description of the Debentures - Interest Payment Election”* below.

The Indenture will not contain a requirement for the Corporation to increase the amount of interest or other payments to holders of Debentures should the Corporation become required to withhold amounts in respect of income or similar taxes on payment of interest or other amounts. See *“Risk Factors - Risks Relating to the Offering - Possibility of Withheld Amounts”*.

The principal on the Debentures will be payable in lawful money of Canada or, at the option of the Corporation and subject to applicable laws and regulatory approval, by delivery of Common Shares to satisfy in whole or in part its obligation to repay principal under the Debentures as further described under *“Description of the Debentures - Payment upon Redemption or Maturity”* and *“Description of the Debentures - Redemption and Purchase”*.

The Debentures will be direct obligations of the Corporation and will not be secured by any mortgage, pledge, hypothec or other charge and will be subordinated to other liabilities of the Corporation as described under *“Description of the Debentures - Subordination”*.

The Indenture will not restrict the Corporation from incurring additional indebtedness or from mortgaging, pledging or charging its assets to secure any indebtedness. The Debentures will be transferable, and may be presented for conversion, at the principal offices of the Debenture Trustee in Montréal, Québec.

The Debentures will mature on October 31, 2026.

Conversion Privilege

The Debentures will be convertible at the holder’s option into fully paid, non-assessable and freely tradable Common Shares at any time prior to 5:00 p.m. (Montréal time) on the earlier of the Maturity Date and the last business day immediately preceding the date specified by the Corporation for redemption of the Debentures, at a conversion price of 22.90 per Common Share being a ratio of approximately 43.6681 Common Shares per \$1,000 principal amount of Debentures. Holders converting their Debentures shall be entitled to receive, in addition to the applicable number of Common Shares, accrued and unpaid interest in respect thereof for the period from the latest Interest Payment Date up to, but excluding, the date of conversion.

Subject to the provisions thereof, the Indenture will provide for the adjustment of the Conversion Price in certain events including: (a) the subdivision or consolidation of the outstanding Common Shares; (b) the distribution of Common Shares (or securities convertible into or exchangeable for Common Shares) to the holders of all or substantially all of the outstanding Common Shares by way of a dividend or a distribution or otherwise, other than an issue of Common Shares to holders of Common Shares who have elected to receive distributions in the form of Common Shares in lieu of receiving cash distributions or cash dividends paid in the ordinary course; (c) the issuance of options, rights or warrants to all or substantially all holders of Common Shares entitling them for not more than 45 days to acquire Common Shares (or securities convertible into or exchangeable for Common Shares) at less than 95% of the then Current Market Price of the Common Shares; and (d) the payment of a cash dividend or other distribution to all or substantially all holders of outstanding Common Shares in excess of \$0.85 per Common Share per calendar year. There will be no adjustment of the Conversion Price in respect of certain events described in (b), (c) or (d) above if, subject to the prior written consent of the TSX, the holders of the Debentures are allowed to participate as though they had converted their Debentures before the applicable record date or effective date, as the case may be. The Corporation will not be required to make adjustments in the Conversion Price unless the cumulative effect of such adjustments would change the Conversion Price by at least 1%. No adjustment to the Conversion Price will be made in the context of the repurchase of Common Shares by the Corporation under a normal course issuer bid, substantial issuer bid or transaction of a similar nature.

In the case of any reclassification or capital reorganization (other than a change resulting from consolidation or subdivision) of the Common Shares or in the case of any consolidation, amalgamation or merger of the Corporation with or into any other entity, or in the case of any sale or conveyance of the properties and assets of the Corporation as, or substantially as, an entirety to any other entity, or a liquidation, dissolution or winding-up of the Corporation, the terms of the conversion privilege will be adjusted so that each holder of a Debenture will, after such reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, acquisition, sale or conveyance or liquidation, dissolution or winding up, be entitled to receive the number of Common Shares or other securities on the exercise of the conversion right such holder would be entitled to receive if on the effective date thereof, it had been the holder of the number of Common Shares into which the Debenture was convertible before the effective date of such reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, acquisition, sale or conveyance or liquidation, dissolution or winding up.

Provided the Common Shares are then listed on the TSX, the term “**Current Market Price**” will be defined in the Indenture to mean the volume weighted average trading price of the Common Shares on the TSX for the 20 consecutive trading days ending on the fifth trading day preceding the date of the applicable event.

No fractional Common Shares will be issued on any conversion of the Debentures, but in lieu thereof the Corporation shall satisfy such fractional interest by a cash payment equal to the relevant fraction of the Current Market Price of a whole share. Upon conversion, the Corporation may offer and the converting holder may agree to the delivery of cash for all or a portion of the Debentures surrendered in lieu of Common Shares.

Redemption and Purchase

The Debentures may not be redeemed by the Corporation before October 31, 2022 except in certain limited circumstances following a Change of Control. See “*Description of the Debentures - Change of Control*” below. On or after October 31, 2022 and prior to October 31, 2024, the Debentures may be redeemed by the Corporation, in whole or in part from time to time, on not more than 60-day and not less than 30-day prior notice, at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, provided that the Current Market Price of the Common Shares on the date on which notice of redemption is given is not less than 125% of the Conversion Price. On or after October 31, 2024 and prior to the Maturity Date, the Debentures may be redeemed in whole or in part at the option of the Corporation on not more than 60-day and not less than 30-day prior notice at a price equal to their principal amount plus accrued and unpaid interest.

In the case of redemption of less than all of the Debentures, the Debentures to be redeemed will be selected by the Debenture Trustee on a pro rata basis or in such other manner as the Debenture Trustee deems equitable, subject to the consent of the TSX.

The Corporation or any of its affiliates will have the right to purchase Debentures in the market, by tender, or by private contract, provided however that, if an Event of Default has occurred and is continuing, the Corporation or any of its affiliates will not have the right to purchase Debentures by private contract.

Payment upon Redemption or Maturity

On the date the Debentures are redeemed (the “**Redemption Date**”) or on the Maturity Date, the Corporation will repay the indebtedness represented by the Debentures by paying to the Debenture Trustee in lawful money of Canada an amount equal to the principal amount of the outstanding Debentures, together with accrued and unpaid interest thereon. The Corporation may, at its option, on not more than 60 days and not less than 40 days prior notice and subject to any required regulatory approvals and provided that an Event of Default has not occurred and is not continuing, elect to satisfy its obligation to repay, in whole or in part, the principal amount of the Debentures which are to be redeemed or which have matured by issuing and delivering freely tradeable Common Shares to the holders of the Debentures. The number of Common Shares to be issued will be determined by dividing the principal amount of the Debentures which are to be redeemed or have matured by 95% of the Current Market Price of the Common Shares on the Redemption Date or the Maturity Date, as the case may be (the “**Share Payment Election**”).

No fractional Common Shares will be issued to holders of Debentures, but in lieu thereof, the Corporation shall satisfy such fractional interest by a cash payment equal to the relevant fraction of the Current Market Price of a whole share.

Restriction on Share Payment Election

The Corporation shall not, directly or indirectly (through a subsidiary or otherwise) undertake or announce any rights offering, issuance of securities, subdivision of its Common Shares, dividend or other distribution on the Common Shares or any other securities, capital reorganization, reclassification or any similar type of transaction in which:

- a. the number of securities to be issued;
- b. the price at which securities are to be issued, converted or exchanged; or
- c. any property or cash that is to be distributed or allocated,

is in whole or in part based upon, determined in reference to, related to or a function of, directly or indirectly, (i) the exercise or potential exercise of the Share Payment Election, or (ii) the Current Market Price determined in connection with the exercise or potential exercise of the Share Payment Election.

Cancellation

All Debentures converted, redeemed or purchased will be cancelled and may not be reissued or resold.

Subordination

The payment of the principal of, and interest on, the Debentures will be subordinated in right of payment, in the circumstances referred to below and more particularly as set forth in the Indenture, to the prior payment in full of all existing and future Senior Indebtedness of the Corporation. “Senior Indebtedness” of the Corporation will be defined in the Indenture and will include: (a) indebtedness of the Corporation for borrowed money; (b) obligations of the Corporation evidenced by bonds, debentures, notes or other similar instruments; (c) obligations of the Corporation arising pursuant or in relation to bankers’ acceptances, letters of credit and letters of guarantee (including payment and reimbursement obligations in respect thereof) or indemnities issued in connection therewith; (d) obligations of the Corporation under any swap, bond forward, hedging or other similar contracts or arrangements; (e) obligations of the Corporation under guarantees, indemnities, assurances, legally binding comfort letters or other contingent obligations relating to the Senior Indebtedness or other obligations of any other person which would otherwise constitute Senior Indebtedness within the meaning of this definition; (f) all indebtedness of the Corporation representing the deferred

purchase price of any property including, without limitation, purchase money mortgages; (g) accounts payable to trade creditors; (h) all renewals, extensions and refinancing of any of the foregoing; and (i) all costs and expenses incurred by or on behalf of the holder of any Senior Indebtedness in enforcing payment or collection of any such Senior Indebtedness, including enforcing any security interest securing the same. The Debentures will be effectively structurally subordinate to claims of creditors (including trade creditors and holders of subordinated debt) of the Corporation subsidiaries, and will rank *pari passu* to the 4.25% Convertible Debentures and the 4.75% Convertible Debentures and all future subordinated unsecured indebtedness of the Corporation.

The Indenture will provide that in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation or reorganization or other similar proceedings relating to the Corporation, or to its property or assets, or in the event of any proceedings for voluntary liquidation, dissolution or other winding-up of the Corporation, whether or not involving insolvency or bankruptcy, or any marshalling of the assets and liabilities of the Corporation, then holders of Senior Indebtedness will receive payment in full before the holders of Debentures will be entitled to receive any payment or distribution of any kind or character, whether in cash, property or securities, which may be payable or deliverable in any such event in respect of any of the Debentures or any unpaid interest accrued thereon.

The Indenture will also provide that the Corporation will not make any payment, and the holders of the Debentures will not be entitled to demand, institute proceedings for the collection of, or receive any payment or benefit (including, without any limitation, by set-off, combination of accounts or realization of security or otherwise in any manner whatsoever) on account of indebtedness represented by the Debentures at any time when a default or an Event of Default has occurred under the Senior Indebtedness and is continuing or upon the acceleration of certain Senior Indebtedness and the notice of such default or Event of Default or acceleration has been given by or on behalf of holders of Senior Indebtedness to the Corporation, unless such notice has been revoked, such default or Event of Default has been cured or the Senior Indebtedness has been repaid or satisfied in full as defined in the Indenture.

The Debenture Trustee and the Corporation will also be authorized (and obligated upon any request from certain holders of Senior Indebtedness) under the Indenture to enter into subordination agreements on behalf of the holders of Debentures with any holder of Senior Indebtedness.

Change of Control

Upon the occurrence of a Change of Control of the Corporation, the Corporation will be required to make an offer to purchase the Debentures at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon within 30 days following the consummation of the Change of Control. A Change of Control will be deemed to occur upon an acquisition of ownership of, or voting control or direction over, 50% or more of the Common Shares, or the sale of all or substantially all of the Corporation's consolidated assets, provided that a sale of less than 50% of the fair market value of the consolidated assets of the Corporation shall be deemed not to constitute a sale of all or substantially all of its consolidated assets.

The Indenture will contain notification provisions to the effect that the Corporation will promptly give written notice to the Debenture Trustee of the occurrence of a Change of Control and the Debenture Trustee will thereafter give to the Debentureholders a notice of the Change of Control.

The Corporation will comply with the requirements of Canadian securities laws and regulations to the extent such laws and regulations are applicable in connection with the repurchase of the Debentures in the event of a Change of Control.

If a Change of Control occurs in which 10% or more of the consideration for the voting securities in the transaction or transactions constituting a Change of Control consists of: (i) cash; (ii) equity securities that are not traded or intended to be traded immediately following such transactions on a stock exchange; or (iii) other property that is not traded or intended to be traded immediately following such transactions on a stock exchange (a "**Cash Change of Control**"), then, subject to regulatory approvals, during the period beginning ten trading days before the anticipated date on which the Cash Change of Control becomes effective (the "**Cash Change of Control Effective Date**") and ending 30 days after the Change of Control purchase offer is delivered, holders of Debentures will be entitled to convert their Debentures at a new conversion price (the "**Cash Change of Control Conversion Price**") determined as follows:

The Cash Change of Control Conversion Price will be calculated as follows:

$CCOCCP = ECP / (1 + (CP \times (c/t)))$ where:

CCOCCP is the Cash Change of Control Conversion Price;

ECP = the Conversion Price in effect on the Cash Change of Control Effective Date;

CP = 47.9%;

c = the number of days including the Cash Change of Control Effective Date to but excluding October 31, 2024; and

t = the number of days from and including the Closing Date to but excluding October 31, 2024.

In the event that the Cash Change of Control Conversion Price calculated in accordance with the above formula is less than any regulatory permitted discount to market price, the Cash Change of Control Conversion Price shall be deemed to be that implied by the maximum permitted discount to market price.

Interest Payment Election

Unless an Event of Default has occurred and is continuing, the Corporation may elect, from time to time, subject to applicable regulatory approval, to satisfy its obligation to pay interest on the Debentures (the “**Interest Obligation**”), on an Interest Payment Date, (i) in cash; (ii) by delivering sufficient Common Shares to the Debenture Trustee, for sale, to satisfy the Interest Obligation on the Interest Payment Date, in which event holders of the Debentures will be entitled to receive a cash payment equal to the interest payable from the proceeds of the sale of such Common Shares (the “**Common Share Interest Payment Election**”); or (iii) any combination of (i) and (ii) above.

The Indenture will provide that, upon the Corporation making a Common Share Interest Payment Election, the Debenture Trustee shall (i) accept delivery from the Corporation of Common Shares; (ii) accept bids with respect to, and consummate sales of, such Common Shares, each as the Corporation shall direct in its absolute discretion through the investment banks, brokers or dealers identified by the Corporation; (iii) invest the proceeds of such sales in securities issued or guaranteed by the Government of Canada which mature prior to the applicable Interest Payment Date, and use the proceeds received from investment in such permitted government securities, together with any additional cash provided by the Corporation, to satisfy the Interest Obligation; and (iv) perform any other action necessarily incidental thereto.

The Indenture will set forth the procedures to be followed by the Corporation and the Debenture Trustee in order to effect the Common Share Interest Payment Election. If a Common Share Interest Payment Election is made, the sole right of a holder of Debentures in respect of interest will be to receive a cash payment equal to the interest owed on their Debentures from the Debenture Trustee out of the proceeds of the sale of Common Shares (plus any amount received by the Debenture Trustee from the Corporation) in full satisfaction of the Interest Obligation, and the holder of such Debentures will have no further recourse to the Corporation in respect of the Interest Obligation.

Neither the Corporation’s making of the Common Share Interest Payment Election nor the consummation of sales of Common Shares will (a) result in the holders of the Debentures not being entitled to receive on the applicable Interest Payment Date cash in an aggregate amount equal to the interest payable on such Interest Payment Date; or (b) entitle such holders to receive any Common Shares in satisfaction of the Interest Obligation.

Modification

The rights of the Debentureholders as well as any other series of debentures that have been or may be issued under the Indenture may be modified in accordance with the terms of the Indenture. For that purpose, among others, the Indenture will contain certain provisions which make binding on all Debentureholders resolutions passed at

meetings of the Debentureholders by votes cast thereat by holders of not less than 66 $\frac{2}{3}$ % of the principal amount of the then outstanding Debentures present at the meeting or represented by proxy, or rendered by instruments in writing signed by the holders of not less than 66 $\frac{2}{3}$ % of the principal amount of the then outstanding Debentures. In certain cases, the modification will, instead or in addition, require assent by the holders of the required percentage of each particularly affected series of debentures, as the case may be. Under the Indenture, certain amendments may be made to the Indenture without the consent of the Debentureholders.

Events of Default

The Indenture will provide that an event of default (“**Event of Default**”) in respect of the Debentures will occur if certain events described in the Indenture occur, including if any one or more of the following described events has occurred and is continuing with respect to the Debentures: (i) failure for 15 days to pay interest on the Debentures when due; (ii) failure to pay principal or premium, if any, on the Debentures, whether at maturity, upon redemption, by declaration or otherwise; (iii) certain events of bankruptcy, insolvency or reorganization of the Corporation under bankruptcy or insolvency laws; or (iv) a default in performing or observing any other material covenant of the Corporation described in the Indenture and the continuance of such default for 30 days after written notice has been given to the Corporation by the Debenture Trustee requiring the same to be remedied. If an Event of Default has occurred and is continuing, the Debenture Trustee may, in its discretion, and shall, upon the request of holders of not less than 25% in principal amount of the then outstanding Debentures, declare the principal of (and premium, if any) and interest on all outstanding Debentures to be immediately due and payable.

Offers for Debentures

The Indenture will contain provisions to the effect that if an offer is made for Debentures which would be a take-over bid for Debentures within the meaning of Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids*, if the Debentures were considered equity securities, and not less than 90% of the Debentures issued under the Indenture (other than Debentures held at the date of the take-over bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire the Debentures held by those who did not accept the offer on the terms offered by the offeror.

Book Entry, Delivery and Form

The Debentures will be issued in “book-entry only” form and must be purchased or transferred through a participant in the depository service of CDS (a “**Participant**”). On the Closing Date, the Debenture Trustee will cause the Debentures to be issued to CDS and registered in the name of its nominee.

Unless the book-entry only system is terminated as described below, a purchaser acquiring a beneficial interest in the Debentures (a “**Beneficial Owner**”), will not be entitled to receive a certificate for Debentures or for the Common Shares issuable on the conversion of the Debentures. Purchasers of Debentures will not be shown on the records maintained by CDS, except through a Participant.

Beneficial interests in Debentures will be represented solely through the book-entry only system and such interests will be evidenced by customer confirmations of purchase from the registered dealer from which the applicable Debentures are purchased in accordance with the practices and procedures of that registered dealer. In addition, registration of interests in and transfers of the Debentures will be made only through the depository service of CDS.

As indirect holders of Debentures, investors should be aware that they (subject to the situations described below): (a) may not have Debentures registered in their name; (b) may not have physical certificates representing their interest in the Debentures; (c) may not be able to sell the Debentures to institutions required by law to hold physical certificates for securities they own; and (d) may be unable to pledge Debentures as security.

The Debentures will be issued to Beneficial Owners thereof in fully registered and certificate form (the “**Debenture Certificates**”) only if: (a) required to do so by applicable Law; (b) the book-entry only system ceases to exist; (c) CDS advises the Debenture Trustee that CDS is no longer willing or able to properly discharge its responsibilities as depository with respect to the Debentures and the Corporation is unable to locate a qualified

successor; (d) the Corporation, at its option, decides to terminate the book-entry only system through CDS; or (e) after the occurrence of an Event of Default, Participants acting on behalf of Beneficial Owners of Debentures representing, in the aggregate, more than 25% of the aggregate principal amount of the Debentures then outstanding advise CDS in writing that the continuation of a book-entry only system through CDS is no longer in their best interest provided the Debenture Trustee has not waived the Event of Default in accordance with the terms of the Indenture.

Upon the occurrence of any of the events described in the immediately preceding paragraph, the Debenture Trustee must notify CDS, for and on behalf of Participants and Beneficial Owners of Debentures, of the availability through CDS of Debenture Certificates. Upon surrender by CDS of the global certificates representing the Debentures, and receipt of instructions from CDS for the new registrations, the Debenture Trustee will deliver the Debentures in the form of Debenture Certificates and thereafter the Corporation will recognize the holders of such Debenture Certificates as Debentureholders under the Indenture.

Interest on the Debentures will be paid directly to CDS while the book-entry only system is in effect. If Debenture Certificates are issued, interest will be paid by cheque drawn on the Corporation and sent by prepaid mail to the registered holder or by such other means as may become customary for the payment of interest. Payment of principal, including payment in the form of Common Shares if applicable, and the interest due, at maturity or on a Redemption Date, will be paid directly to CDS while the book-entry only system is in effect. If Debenture Certificates are issued, payment of principal, including payment in the form of Common Shares if applicable, and interest due, at maturity or on a Redemption Date, will be paid upon surrender thereof at any office of the Debenture Trustee or as otherwise specified in the Indenture.

The Corporation will not assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Debentures held by CDS or any payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Debentures; or (c) any advice or representation made by or with respect to CDS and contained in this short form prospectus and relating to the rules governing CDS or any action to be taken by CDS or at the direction of a Participant. The rules governing CDS provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS and Beneficial Owners must look solely to Participants for any payments relating to the Debentures, paid by or on behalf of the Corporation to CDS.

Reports to Holders

The Corporation shall file with the Debenture Trustee, within 15 days after the filing thereof with the securities commission or securities regulatory authority in the provinces in which the Corporation is a reporting issuer (the “**Securities Commissions**”), copies of the Corporation’s information, documents and other reports that the Corporation is required to file with the Securities Commissions and deliver to shareholders. Notwithstanding that the Corporation may not be required to remain subject to the reporting requirements of the Securities Commissions, the Corporation shall provide to the Debenture Trustee (a) within 90 days after the end of each fiscal year (or such later date as may be permitted by the Autorité des marchés financiers), the annual financial statements of the Corporation, and (b) within 45 days after the end of each of the first three fiscal quarters of each fiscal year (or such later date as may be permitted by the Autorité des marchés financiers), interim financial statements of the Corporation which shall, at a minimum, contain such information as is required to be provided in annual filings and quarterly reports under the laws of Canada or any province thereof to security holders of a company with securities listed on the TSX, whether or not the Corporation has any of its securities so listed. Each of such reports will be prepared in accordance with Canadian disclosure requirements for public companies. The Corporation will provide copies of such information, documents and reports to holders of Debentures upon request.

Governing Law

Each of the Indenture and the Debentures will be governed by, and construed in accordance with, the laws of the Province of Québec and the federal laws of Canada applicable therein applicable to contracts executed and to be performed entirely in such Province.

DESCRIPTION OF SHARE CAPITAL

The Corporation's authorized share capital consists of an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series (the "**Preferred Shares**"). As of September 17, 2019, 133,617,640 Common Shares, 3,400,000 cumulative rate reset preferred shares, Series A (the "**Series A Preferred Shares**") and 2,000,000 cumulative redeemable fixed rate preferred shares, Series C (the "**Series C Preferred Shares**") were issued and outstanding as well as \$100.0 million of 4.25% Convertible Debentures and \$150.0 million of 4.75% Convertible Debentures were issued and outstanding. The Common Shares, the Series A Preferred Shares, the Series C Preferred Shares, the 4.25% Convertible Debentures and the 4.75% Convertible Debentures are listed on the TSX under the symbols "INE", "INE.PR.A", "INE.PR.C", "INE.DB.A" and "INE.DB.B", respectively.

Holders of Common Shares are entitled to one vote per share on all matters to be voted on at all meetings of shareholders of the Corporation except meetings at which only the holders of a specified class or series of the share capital of the Corporation are entitled to vote.

Subject to the prior rights of the holders of Preferred Shares, the holders of Common Shares are entitled to receive, as and when declared by the Board of Directors out of the moneys of the Corporation properly applicable to the payment of dividends, dividends in such amounts and payable at such times as the Board of Directors will determine.

In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, after payment to the holders of Preferred Shares of the amounts they are entitled to in such event, the remaining assets of the Corporation will be paid to or distributed equally and rateably among the holders of the Common Shares.

There are no rights of pre-emption, redemption or conversion in respect of the Common Shares.

DIVIDEND POLICY

The declaration and payment of dividends on the Corporation's shares is within the discretion of the Board of Directors. The Board of Directors will determine if and when dividends should be paid in the future based on all relevant circumstances, including the desirability of maintaining capital to finance further growth of the Corporation and the Corporation's financial position at the relevant time.

As of February 27, 2019, the Board of Directors reviewed the Corporation's dividend policy on Common Shares and approved an increase in the annual dividend from \$0.68, to \$0.70 per Common Share.

EARNINGS COVERAGE RATIO

The Corporation's earnings attributable to owners of the parent before borrowing costs and income tax expense for the year ended December 31, 2018, and the twelve-month period ended June 30, 2019 were \$232,996,000 and \$244,270,000, respectively.

The earnings coverage ratios set forth below have been calculated using historical financial information derived from the Corporation's annual and condensed interim consolidated financial statements, and have been prepared in accordance with Canadian disclosure requirements, using financial information that was prepared in accordance with IFRS. On January 1, 2019, the Corporation adopted IFRS 16, *Leases* ("**IFRS 16**"). The standard was adopted retrospectively without restating the figures for the comparative periods, as permitted under the specific transitional provisions in the standard. The initial adoption of IFRS 16 resulted in the recognition of lease liabilities in the consolidated statement of financial position, measured at the present value of the remaining lease payments, with corresponding right-of-use assets. For the six months ended June 30, 2019, interest expense included interest on lease liabilities following the adoption of IFRS 16. The earnings assume that there are no-additional earnings derived from the net proceeds of the Debentures. Earnings coverage ratio is equal to net earnings attributable to owners of the

parent before borrowing costs on all long-term debt and income tax divided by borrowing costs on all long-term debt and dividends on preferred shares.

Required Earnings Coverage Ratios

The Corporation's interest and dividends on preferred shares requirements, before giving effect to the issuance of the Debentures for the year ended December 31, 2018 and before giving effect to the issuance of the Debentures for the twelve-month period ended June 30, 2019 amounted to \$212,547,000 and \$246,301,000, respectively, for earnings to interest coverage ratios of 1.10 times and 0.99 times, respectively. The Corporation's pro forma interest and dividends on preferred shares requirements, after giving effect to the issuance of the Debentures (but excluding the exercise of the Over-Allotment Option), for the year ended December 31, 2018 and after giving effect to the issuance of the Debentures (but excluding the exercise of the Over-Allotment Option) for the twelve-month period ended June 30, 2019 amounted to \$214,541,000 and \$248,295,000 respectively, for earnings to interest coverage ratios of 1.09 times and 0.98 times, respectively. Since the Debentures are convertible into Common Shares, they are accounted for, in part, as equity. The liability portion of the Debentures is accreted up to the face value of the Debentures during the period they are outstanding, resulting in non-cash interest charges. The aforementioned ratios have been calculated including these non-cash interest charges. The earnings coverage ratio for the Corporation for the twelve-month period ended June 30, 2019 is less than one-to-one. Based on earnings coverage ratio as prescribed by the Canadian Securities Administrators, the additional earnings required to bring the ratio to one-to-one are \$2.0 million at June 30, 2019, and \$4.0 million at June 30, 2019 for the pro forma earnings coverage ratio, after giving effect to the issuance of the Debentures.

Supplemental Earnings Coverage Ratios

If Cash Flows From Operating Activities Before Changes in Non-Cash Working Capital Items, Borrowing Costs and Income Tax were used instead of net income, the coverage ratios for the year ended December 31, 2018 and for the twelve-month period ended June 30, 2019 would have been 1.86 and 1.74 times the Corporation's aggregate dividend and interest requirements for the periods, respectively. The Corporation's pro forma earnings coverage ratio, after giving effect to the issuance of the Debentures (but excluding the exercise of the Over-Allotment Option), for the year ended December 31, 2018 and for the twelve-month period ended June 30, 2019 would have been 1.84 and 1.72 times the Corporation's aggregate pro forma dividend and interest requirements for the periods, respectively. The Corporation believes that the cash flow coverage ratios provide important additional information for the investors with respect to the Corporation's ability to service its debt and pay dividends on its Preferred Shares because they provide a measure that excludes certain elements that have no impact on cash on hand and on cash available to holders of the Preferred Shares. In particular, the cash flow coverage ratios exclude unrealized foreign exchange gains or losses and unrealized gains or losses on derivative financial instruments, depreciation and amortization as well as deferred income tax. We refer you to the section entitled "*Non-IFRS Financial Measures*" of this short form prospectus and the unaudited consolidated financial statements of the Corporation as at and for the three and six months ended June 30, 2019, together with the notes thereto and the management's discussion and analysis in respect thereof for a description of these elements that impact the profitability of the Corporation but have no impact on cash on hand.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Corporation as at the date indicated before and after giving effect to the Offering and the reduction of drawings under the Credit Facility. This table should be read in conjunction with the financial statements of the Corporation incorporated by reference into this short form prospectus.

(\$000s)	<u>As at June 30, 2019</u>	<u>As at June 30, 2019 after giving effect to the Offering^{(1),(2)}</u>
Indebtedness:		
Long-term debt ⁽³⁾	4,420,967	4,301,717
Liability portion of convertible debentures	240,038	358,375
Shareholders' equity:		
Common share capital	10,823	10,823
Contributed surplus from reduction of capital on common shares	1,268,382	1,268,382
Preferred shares	131,069	131,069
Equity portion of convertible debentures	3,976	4,889
Deficit	(794,940)	(794,940)
Accumulated other comprehensive income (loss)	(15,064)	(15,064)
Equity attributable to owners:	604,246	605,159
 Non-controlling interests	 85,917	 85,917
 Total shareholders' equity	 690,163	 691,076

Notes:

- (1) Not including the proceeds from the sale of the Debentures pursuant to the Over-Allotment Option.
- (2) For the purposes of this table, "after giving effect to the Offering" includes the reduction of drawings under the Credit Facility.
- (3) Includes current portion of long-term debt.

PRIOR SALES

The following summarizes the issuances by the Corporation of Common Shares or securities exercisable for or convertible into Common Shares in the twelve-month period prior to the date of this short form prospectus. In payment of quarterly dividends during the twelve-month period prior to the date of this short form prospectus, the Corporation issued an aggregate of 345,394 Common Shares related to the Corporation's dividend reinvestment plan at an issue price between \$12.13 and \$14.52 per Common Share. On March 27, 2019, the Corporation issued an aggregate of 427,737 Common Shares and on August 15, 2019 an aggregate of 45,438 Common Shares as a result of cashless exercise of stock options at an exercise price between \$8.75 and \$10.96 per Common Share. On March 17, 2019, the Corporation granted a total of 78,142 options to purchase Common Shares at an exercise price of \$14.41 per option under the Corporation's stock option plan.

TRADING PRICE AND VOLUME

The Common Shares are listed and traded on the TSX under the symbol "INE". The following table sets forth the trading history of the Common Shares for each month in the twelve-month period ended August 31, 2019 and for the 17-day period ended September 17, 2019.

<u>2018</u>	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Daily Average Volume</u>
September	13.80	12.79	148,575
October	13.03	11.66	251,816
November	12.83	12.02	180,270
December	13.24	12.19	350,798

<u>2018</u>	<u>High</u> <u>(\$)</u>	<u>Low</u> <u>(\$)</u>	<u>Daily Average</u> <u>Volume</u>
<u>2019</u>			
January	14.59	12.50	343,396
February	14.75	14.08	296,942
March.....	14.60	14.04	221,537
April.....	14.47	13.90	235,076
May.....	14.31	13.62	212,593
June.....	14.44	13.61	328,829
July	15.09	13.99	201,850
August	15.28	14.67	172,187
September 1-17.....	15.57	14.79	255,156

On September 4, 2019, the last trading day on which the Common Shares traded prior to the announcement of the Offering, the closing price on the TSX was \$15.27. On September 17, 2019, the last trading day on which the Common Shares traded prior to the date of this short form prospectus, the closing price on the TSX was \$15.17.

The 4.25% Convertible Debentures are listed and traded on the TSX under the symbol “INE.DB.A”. The following table sets forth the trading history of the 4.25% Convertible Debentures for each month in the twelve-month period ended August 31, 2019 and for the 17-day period ended September 17, 2019.

<u>2018</u>	<u>High</u> <u>(\$)</u>	<u>Low</u> <u>(\$)</u>	<u>Daily Average</u> <u>Volume</u>
September	102.77	100.71	59,632
October	101.97	98.90	495,591
November	101.00	99.36	24,364
December	101.00	99.31	32,737
<u>2019</u>			
January	103.01	100.51	51,500
February	103.67	100.54	14,842
March.....	103.00	101.00	47,762
April.....	102.61	101.00	59,048
May.....	102.99	101.00	10,000
June.....	103.20	101.26	11,600
July	104.12	102.50	67,636
August	107.18	103.00	33,762
September 1-17.....	106.96	100.92	785,636

On September 4, 2019, the last trading day on which the 4.25% Convertible Debentures traded prior to the announcement of the Offering, the closing price on the TSX was \$103.80. On September 17, 2019, the last trading day on which the 4.25% Convertible Debentures traded prior to the date of this short form prospectus, the closing price on the TSX was \$102.12.

The 4.75% Convertible Debentures are listed and traded on the TSX under the symbol “INE.DB.B”. The following table sets forth the trading history of the 4.75% Convertible Debentures for each month in the twelve-month period ended August 31, 2019 and for the 17-day period ended September 17, 2019.

<u>2018</u>	<u>High</u> <u>(\$)</u>	<u>Low</u> <u>(\$)</u>	<u>Daily Average</u> <u>Volume</u>
September	99.33	98.63	305,421
October	99.20	95.51	152,045
November	98.50	95.00	75,818
December	97.73	94.99	82,158
<u>2019</u>			
January	98.25	94.51	108,227
February	99.68	97.26	79,684
March.....	100.51	98.50	107,381
April.....	102.84	99.70	123,238
May.....	102.50	100.50	95,773
June.....	102.99	101.00	91,050
July	103.75	102.25	56,818
August	104.50	102.50	47,095
September 1-17.....	104.00	102.28	213,455

On September 4, 2019, the last trading day on which the 4.75% Convertible Debentures traded prior to the announcement of the Offering, the closing price on the TSX was \$102.75. On September 17, 2019, the last trading day on which the 4.75% Convertible Debentures traded prior to the date of this short form prospectus, the closing price on the TSX was \$103.00.

PLAN OF DISTRIBUTION

Subject to the terms and conditions contained in the underwriting agreement dated September 11, 2019 (the “**Underwriting Agreement**”), the Corporation has agreed to sell and the Underwriters have agreed to purchase, jointly and not solidarily (the equivalent of severally in common law), on the anticipated Closing Date, being September 30, 2019 or such other date as may be agreed upon by the Corporation and the Underwriters, an aggregate \$125,000,000 principal amount of Debentures, payable in cash to the Corporation against delivery by the Corporation of the Debentures.

The obligations of the Underwriters under the Underwriting Agreement are joint (the notion equivalent to “severally” in common law) and may be terminated at their discretion upon the occurrence of certain stated events as set out in the Underwriting Agreement. Such events include (i) any inquiry, action, suit, investigation or other proceeding commenced, announced or threatened or any order issued or any change of law, or interpretation or administration thereof, which, in the reasonable opinion of the Underwriter, operates to prevent or restrict the trading in, or which adversely impacts the distribution or the marketability of, the Debentures and/or the Common Shares or any of them; (ii) there occurs any material change or there arises or is discovered any previously undisclosed or new material fact in the business, affairs, operations, assets, liabilities, capital, prospects or ownership of the Corporation and its subsidiaries, taken as a whole, howsoever caused, which, in the reasonable opinion of the Underwriter, could reasonably be expected to result in the purchasers of a material principal amount of Debentures exercising their rights under securities laws to withdraw from or rescind their purchase thereof or sue for damages in respect thereof or which has or could reasonably be expected to have a significant adverse effect on the market price or value of the Debentures and/or the Common Shares or any of them; and (iii) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence which, in the reasonable opinion of such Underwriter, materially adversely affects or may materially adversely affect the financial markets in Canada, or operations or affairs of the Corporation and its subsidiaries, taken as a whole, or which has or could reasonably be expected to have a significant adverse effect on the market price or value of the Debentures and/or the Common Shares or any of them.

If an Underwriter fails to purchase the Debentures which it has agreed to purchase and the aggregate number of Debentures failed to be purchased exceeds 11.5% of the Debentures, the other Underwriters may, but are not

obligated to, purchase such Debentures. The Underwriters are, however, obligated to take up and pay for all Debentures if any Debentures are purchased under the Underwriting Agreement.

The Debentures are being offered to the public in all provinces of Canada. The terms and conditions were determined by negotiation between the Corporation and the Underwriters. The Underwriting Agreement provides that the Corporation will pay the Underwriters' fee of \$40 per \$1,000 principal amount of Debentures in consideration for their services in connection with the Offering.

The Corporation has granted to the Underwriters the Over-Allotment Option to purchase up to an additional \$18,750,000 principal amount of Debentures on the same terms and conditions as the Offering, exercisable in whole or in part, at the sole discretion of the Underwriters at any one time on or prior to the 30th day after the closing of the Offering, for the purposes of covering the Underwriters' over-allotment position, if any. If the Over-Allotment Option is exercised in full, the "Price to the Public", "Underwriters' Fee" and "Net Proceeds" (before deducting the expenses of the Offering) will be \$143,750,000, \$5,750,000 and \$138,000,000, respectively. This short form prospectus also qualifies for distribution the grant of the Over-Allotment Option and the issuance of additional Debentures pursuant to the exercise of the Over-Allotment Option. A purchaser who accepts Debentures forming part of the Over-Allotment Option acquires such Debentures under the short form prospectus regardless of whether the over-allotment position is filled through the exercise of the Over-Allotment Option or secondary market purchases.

The TSX has conditionally approved the listing of the Debentures to be issued under the Offering and the Common Shares issuable on conversion, maturity or redemption of the Debentures. Listing is subject to the Corporation fulfilling all of the requirements of the TSX on or before December 5, 2019.

The Underwriters propose to offer the Debentures to the public initially at the Offering Price and in the principal amount, respectively, specified on the cover page of this short form prospectus. After the Underwriters have made a reasonable effort to sell all of the Debentures at the Offering Price and in the principal amount, respectively specified on the cover page, the Offering Price for the Debentures may be decreased and may be further changed from time to time to amounts not greater than those set forth on the cover page. The compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by the purchasers of the Debentures is less than the amount paid by the Underwriters to the Corporation.

Pursuant to rules and regulations of certain securities regulators, the Underwriters may not, throughout the period of distribution, bid for or purchase Debentures. The foregoing restriction is subject to exceptions, on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Debentures. These exceptions include bids or purchases permitted under the Universal Market Integrity Rules for Canadian Marketplaces of Market Regulation Services Inc. relating to market stabilization and passive market making activities and bids or purchases made for and on behalf of a customer where the order was not solicited during the period of distribution. Under the first mentioned exception, in connection with this Offering, the Underwriters may effect transactions that stabilize or maintain the market price of the Debentures at levels other than those which might otherwise prevail in the open market. Those transactions, if commenced, may be interrupted or discontinued at any time.

The Corporation has agreed with the Underwriters, subject to certain exceptions, not to issue, offer, sell, contract to sell or otherwise issue any Common Shares or any securities convertible into or exercisable or exchangeable for any Common Shares or financial instruments convertible into or exercisable or exchangeable for Common Shares, or announce any intention to effect any of the foregoing, for a period of 90 days from the date of closing, without the prior written consent of TD and CIBC, on behalf of the Underwriters, which consent may not be unreasonably withheld or delayed.

The Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold within the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

The Underwriting Agreement provides that the Underwriters may re-offer and re-sell the Debentures that they have acquired pursuant to the Underwriting Agreement in the United States to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) in accordance with Rule 144A under the U.S. Securities Act. The

Underwriting Agreement also provides that the Underwriters may offer and sell the Debentures outside the United States in accordance with Regulation S under the U.S. Securities Act. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities within the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Debentures within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the U.S. Securities Act.

In connection with the Offering, certain of the Underwriters or securities dealers may distribute this short form prospectus electronically.

The Debentures will be issued in book-entry only form and must be purchased or transferred through a CDS participant. All rights of holders of Debentures must be exercised through, and all payments or other property to which such holder is entitled will be made or delivered by, CDS or the CDS participant through which the holder of Debentures holds such Debentures. See "*Description of the Debentures - Book Entry, Delivery and Form*".

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of McCarthy Tétrault LLP, counsel to the Corporation and Fasken Martineau DuMoulin LLP, counsel to the Underwriters, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a holder of Debentures who acquires Debentures pursuant to the Offering and who, for purposes of the Tax Act and at all relevant times, holds the Debentures and will hold the Common Shares issuable on the conversion, redemption or maturity of the Debentures (collectively, the "**Securities**") as the beneficial owner thereof and as capital property, is not exempt from tax under Part I of the Tax Act and deals at arm's length and is not affiliated with the Corporation or the Underwriters (a "**Holder**"). Generally, the Securities will be considered to be capital property to a Holder provided that the Holder does not acquire or hold the Securities in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain holders who are residents of Canada and who might not otherwise be considered to hold their Debentures and Common Shares as capital property may, in certain circumstances, be entitled to have them, and all other "Canadian securities" (as defined in the Tax Act) owned by such holders in the taxation year of the election and any subsequent taxation year, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Holders should consult their own tax advisors regarding this election.

This summary is not applicable to a Holder: (i) that is a "financial institution" (as defined in the Tax Act for purposes of the mark-to-market rules); (ii) that is a "specified financial institution" or a "restricted financial institution" (each as defined in the Tax Act); (iii) an interest in which is a "tax shelter investment" (as defined in the Tax Act); (iv) who makes or has made a functional currency reporting election pursuant to section 261 of the Tax Act; (v) who has entered into or will enter into a "derivative forward agreement" (as defined in the Tax Act) with respect to any Securities; (vi) that is a corporation resident in Canada and is, or becomes (or does not deal at arm's length for purposes of the Tax Act with a corporation that is or becomes) as part of a transaction or event or series of transactions or events that includes the acquisition of Debentures or Common Shares, controlled by a non-resident person or a group of non-resident persons not dealing with each other at arm's length for purposes of section 212.3 of the Tax Act or (vii) who receives dividends on the Common Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act) of the Holder. Any such Holder should consult its own tax advisors with respect to an investment in the Securities.

This summary is based on the provisions of the Tax Act in force at the date hereof, all specific proposals to amend the Tax Act which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"), and counsel's understanding of the administrative policies and practices of the Canada Revenue Agency (the "**CRA**") made publicly available prior to the date hereof. Moreover, this summary does not address the deductibility of interest on any funds borrowed by a Holder to purchase Securities. This summary assumes the Proposed Amendments will be enacted in the form proposed, however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed, if at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law or in administrative policies or assessing practices, whether by legislative,

administrative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to particular holder of Securities, and no representations with respect to the income tax consequences to any holder or prospective holder are made. Consequently, holders and prospective holders should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring, holding and disposing of the Securities pursuant to the Offering, having regard to their particular circumstances.

Holders Resident in Canada

The following discussion applies to a Holder of Securities who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, is resident in Canada (a “**Resident Holder**”).

Taxation of Interest on Debentures

A Resident Holder of Debentures that is a corporation, partnership, unit trust or any trust of which a corporation or a partnership is a beneficiary will be required to include in computing its income for a taxation year any interest on the Debentures that accrues or that is deemed to accrue to it to the end of the taxation year or that has become receivable or is received by the Resident Holder before the end of that taxation year, including on conversion, redemption or maturity of the Debentures, except to the extent that such interest was included in computing the Resident Holder’s income for a preceding taxation year.

Any other Resident Holder, including an individual (other than certain trusts), will be required to include in computing income for a taxation year all interest on the Debentures that is received or receivable by the Resident Holder in that taxation year (depending upon the method regularly followed by the Resident Holder in computing income), except to the extent that the interest was included in the Resident Holder’s income for a preceding taxation year. In addition, if at any time a Debenture should become an “investment contract” (as defined in the Tax Act) in relation to a Resident Holder, such Resident Holder will be required to include in computing income for a taxation year any interest that accrues to the Resident Holder on the Debenture up to any “anniversary day” (as defined in the Tax Act) in that year, to the extent that such interest was not otherwise included in computing the Resident Holder’s income for that year or a preceding taxation year.

A Resident Holder of a Debenture that throughout the relevant taxation year is a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay, in addition to tax otherwise payable under the Tax Act, a tax of 10% (refundable in certain circumstances) on its “aggregate investment income”, which is defined in the Tax Act to include interest income.

As described above under the heading “*Description of the Debentures - Interest Payment Election*”, the Corporation may elect to pay interest by issuing Common Shares to the Debenture Trustee for sale, in which event a Resident Holder would be entitled to receive a cash payment equal to the interest owed to the Resident Holder from the proceeds of sale of such Common Shares by the Debenture Trustee. If the Corporation were to pay interest in this manner, the Canadian federal income tax consequences to a Resident Holder would generally be the same as those described above.

Exercise of the Conversion Privilege

Generally, a Resident Holder who converts a Debenture into Common Shares (or Common Shares and cash delivered in lieu of a fraction of a Common Share) pursuant to the conversion privilege will be deemed not to have disposed of the Debenture and, accordingly, will not recognize a capital gain (or capital loss) on such conversion. Under the current administrative practice of the CRA, a Resident Holder who, upon conversion of a Debenture, receives cash not in excess of \$200 in lieu of a fraction of a Common Share may either treat this amount as proceeds of disposition of a portion of the Debenture, thereby recognizing a capital gain (or capital loss), or reduce the adjusted cost base of the Common Shares that the Resident Holder receives on the conversion by the amount of the cash received.

Upon a conversion of a Debenture, interest accrued thereon will be included in computing the income of the Resident Holder as described above under “*Taxation of Interest on Debentures*”.

The aggregate cost to a Resident Holder of the Common Shares acquired on the conversion of a Debenture will generally be equal to the Resident Holder’s adjusted cost base of the Debenture immediately before the conversion, minus any reduction of adjusted cost base for cash received in lieu of a fraction of a Common Share as discussed above. The adjusted cost base to a Resident Holder of Common Shares at any time will be determined by averaging the cost of such Common Shares with the adjusted cost base of any other Common Shares owned by the Resident Holder as capital property at the time.

Disposition of Debentures

A disposition or deemed disposition of a Debenture by a Resident Holder, including a redemption, payment on maturity, or purchase for cancellation, but not including the conversion of a Debenture into Common Shares pursuant to the Resident Holder’s right of conversion described above, will generally result in the Resident Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any amount otherwise required to be included in the Resident Holder’s income as interest, are greater (or less) than the aggregate of the Resident Holder’s adjusted cost base thereof and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under “*Taxation of Capital Gains and Capital Losses*”.

If the Corporation pays any amount upon the redemption, purchase or maturity of a Debenture by issuing Common Shares to the Resident Holder (but not including by the conversion of a Debenture into Common Shares pursuant to the Resident Holder’s conversion privilege as described above), the Resident Holder’s proceeds of disposition of the Debenture will be equal to the fair market value, at the time of redemption, purchase or maturity of the Debenture, of the Common Shares and any other consideration so received (except consideration received in satisfaction of accrued interest). The Resident Holder’s adjusted cost base of the Common Shares so received will be equal to the fair market value of such Common Shares. The adjusted cost base to a Resident Holder of Common Shares at any time will be determined by averaging the cost of such Common Shares with the adjusted cost base of any other Common Shares owned by the Resident Holder as capital property at the time.

Upon a disposition or deemed disposition of a Debenture, interest accrued thereon will be included in computing the income of the Resident Holder (to the extent that such interest has not otherwise been included in computing the Resident Holder’s income) as described above under “*Taxation of Interest on Debentures*”, and should be excluded in computing the Resident Holder’s proceeds of disposition of the Debenture.

Receipt of Dividends on Common Shares

A Resident Holder will be required to include in computing its income for a taxation year any taxable dividends received or deemed to be received on such Resident Holder’s Common Shares.

In the case of a Resident Holder who is an individual (other than certain trusts), such taxable dividends will be subject to the normal gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations under the Tax Act. Taxable dividends received from a taxable Canadian corporation which are designated by such corporation as “eligible dividends” will be subject to an enhanced gross-up and dividend tax credit regime in accordance with the rules in the Tax Act. There may be limitations on the ability of the Corporation to designate dividends and deemed dividends as eligible dividends.

Taxable dividends received by a Resident Holder who is an individual (other than certain trusts) may give rise to alternative minimum tax, as calculated under the detailed rules set out in the Tax Act. Such Resident Holders should consult their own tax advisors in this regard.

In the case of a Resident Holder that is a corporation, the amount of any such taxable dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. The Tax Act imposes a 38½% tax (refundable in certain circumstances) on dividends received or deemed to be

received in a taxation year by a corporation that is a “private corporation” or “subject corporation” (as defined in the Tax Act) for purposes of Part IV of the Tax Act, to the extent that such dividends are deductible in computing the corporation’s taxable income for the year. Additionally, in certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their particular circumstances.

Disposition of Common Shares

A disposition or deemed disposition of a Common Share by a Resident Holder (other than a disposition to the Corporation) will generally result in the Resident Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of the Common Share are greater (or less) than the aggregate of the Resident Holder’s adjusted cost base thereof and any reasonable costs of disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under “*Taxation of Capital Gains and Capital Losses*”.

Taxation of Capital Gains and Capital Losses

Generally, one half of any capital gain realized by a Resident Holder (a “**taxable capital gain**”) in a taxation year will be included in the Resident Holder’s income for the year, and one half of any capital loss (an “**allowable capital loss**”) realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a Common Share may be reduced by the amount of any dividends received or deemed to be received by the Resident Holder on such Common Share (or on a share for which the Common Share has been substituted) to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Common Shares, directly or indirectly, through a partnership or trust.

A Resident Holder that is throughout the relevant taxation year a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay, in addition to tax otherwise payable under the Tax Act, a 10½% tax (refundable in certain circumstances) on its “aggregate investment income”, which is defined in the Tax Act to include taxable capital gains.

Capital gains realized by an individual (including certain trusts) may give rise to alternative minimum tax as calculated under the detailed rules set out in the Tax Act. Such Resident Holders should consult their own tax advisors in this regard.

Holders Not Resident in Canada

The following discussion applies to a Holder who, at all relevant times, for the purposes of the Tax Act and any applicable income tax treaty or convention: (i) is neither a resident of Canada nor deemed to be resident in Canada, (ii) does not use or hold, is not deemed to use or hold and will not use or hold, the Securities in carrying on a business in Canada, (iii) is entitled to receive all payments (including interest and principal) in respect of a Debenture or a Common Share (including dividends, if any), and (iv) deals at arm’s length with any transferee that is resident in Canada and to whom the Holder disposes of a Debenture (a “**Non-Resident Holder**”). For greater certainty, this discussion does not apply to an insurer who carries on an insurance business in Canada and elsewhere or an authorized foreign bank (as defined in the Tax Act) or a Non-Resident Holder that is, or does not deal at arm’s length with for purposes of the Tax Act, at any time a “specified shareholder” (as defined in subsection 18(5) of the Tax Act) of the Corporation.

Generally, for this purpose, a “specified shareholder” is a person that owns, has a right to acquire or is otherwise deemed to own, either alone or together with persons with whom such person does not deal at arm’s length

for purposes of the Tax Act, shares of the capital stock of the Corporation that either: (i) give the holders of such shares 25% or more of the votes that could be cast at an annual meeting of the shareholders of the Corporation; or (ii) have a fair market value of 25% or more of the fair market value of all of the issued and outstanding shares of capital stock of the Corporation. Such Non-Resident Holders should consult their own tax advisors.

Taxation of Interest on Debentures

A Non-Resident Holder will generally not be subject to Canadian withholding tax in respect of amounts paid or credited or deemed to have been paid or credited by the Corporation as, on account or in lieu of, or in satisfaction of, interest or principal on the Debentures unless such interest is “participating debt interest”. See “*Risk Factors - Withholding and Participating Debt Interest.*”

Exercise of Conversion Privilege

The conversion of a Debenture into Common Shares on the exercise of a conversion privilege by a Non-Resident Holder will generally be deemed not to constitute a disposition of the Debenture and, accordingly, a Non-Resident Holder should not recognize a capital gain (or capital loss) on such conversion.

Disposition of Debentures and Common Shares

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition or deemed disposition of a Debenture or a Common Shares, as the case may be, unless the Non-Resident Holder’s Debenture or Common Shares are, or are deemed to be, “taxable Canadian property” (as defined in the Tax Act) to the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable tax treaty between Canada and the country of residence of the Non-Resident Holder. Provided the Common Shares are listed on a designated stock exchange (which currently includes the TSX) at the time of disposition, the Debentures and the Common Shares generally will not constitute taxable Canadian property of a Non-Resident Holder, unless, at any time during the 60-month period preceding the disposition, (a) the Non-Resident Holder, persons not dealing at arm’s length with such Non-Resident Holder, partnerships in which the Non-Resident Holder or any such non-arm’s length person holds an interest directly or indirectly through one or more partnerships, or any combination of the Non-Resident Holder and all such persons and partnerships, owned 25% or more of the issued shares of any class or series of the capital stock of the Corporation, and (b) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of: (i) real or immovable property situated in Canada; (ii) “Canadian resource properties” (as such term is defined in the Tax Act); (iii) “timber resource properties” (as such term is defined in the Tax Act); and (iv) options in respect of, or interests in or rights in property described in (i) to (iii). A Non-Resident Holder owning Debentures or Common Shares that may constitute taxable Canadian property should consult its tax advisors prior to a disposition thereof.

In certain circumstances that are beyond the scope of this summary, the assignment or transfer of a Debenture to a person resident or deemed to be resident in Canada for purposes of the Tax Act may give rise to a deemed payment of interest under the Tax Act. See also “*Holdings not Resident in Canada – Taxation of Interest on Debentures*”. A Non-Resident Holder who transfers or is deemed to assign or transfer a Debenture to a person resident or deemed to be resident in Canada for purposes of the Tax Act should consult its own tax advisor for advice with respect to the tax consequences of such assignment or transfer.

Receipt of Dividends on Common Shares

Where a Non-Resident Holder receives or is deemed to receive a dividend on Common Shares, the amount of such dividend will be subject to Canadian withholding tax at a rate of 25% of the gross amount of the dividend unless the rate is reduced under the provisions of an applicable income tax treaty or convention between Canada and the Non-Resident Holder’s country of residence. Where the Non-Resident Holder is a resident of the United States who is entitled to benefits under the *Canada-United States Income Tax Convention (1980)*, as amended (the “**Convention**”), and is the beneficial owner of the dividends, the rate of Canadian withholding tax applicable to dividends is generally reduced to 15% or, if the Non-Resident Holder is a corporation that beneficially owns at least

10% of the voting stock of the Corporation, 5%. Not all persons who are resident of the United States for purposes of the Convention will qualify for the benefits of the Convention. A Non-Resident Holder who is a resident of the United States is advised to consult its tax advisors in this regard.

RISK FACTORS

An investment in the Debentures is subject to certain risks. In addition to the risks described below relating to the ownership of the Debentures, reference is made to the “Risk Factors” section of the annual information form of the Corporation dated February 27, 2019 and the “Risks and Uncertainties” section of the 2018 MD&A which are incorporated herein by reference. Such risk factors could have a materially adverse effect on the future results of operations, business prospects or financial condition of the Corporation, and could cause actual events to differ materially from those described in “*Cautionary Statement on Forward-Looking Information*”. Additional risks and uncertainties not presently known to the Corporation, or which the Corporation currently deems to be immaterial, may also have an adverse effect upon the Corporation.

Risks Relating to the Offering

The Corporation may be Unable to Satisfy Payments of Interest and Principal on the Debentures

There is no guarantee that the Corporation will have sufficient cash available to make interest and principal payments on the Debentures on a timely basis or at all. The likelihood that purchasers will receive the payments owing to them in connection with the Debentures will be dependent upon the financial health, and creditworthiness of the Corporation and the ability of the Corporation to earn revenues. The Debentures are subordinate to other indebtedness of the Corporation. This subordination may significantly reduce the possibilities for purchasers of obtaining payment of the amounts owed under the Debentures.

Trading Market for Debentures

The Debentures constitute a new issue of securities of the Corporation for which there is currently no public market. Even though the TSX has conditionally approved the listing of the Debentures, such approval is subject to the Corporation fulfilling all of the requirements of the TSX on or before December 5, 2019. The Debentures may trade at a discount from their Offering Price depending on prevailing interest rates, the market for similar securities, the performance of the Corporation and other factors. No assurance can be given as to whether an active trading market will develop or be maintained for the Debentures. To the extent that an active trading market for the Debentures does not develop, the liquidity and trading prices for the Debentures may be adversely affected.

Volatility of Market Price of Common Shares and Debentures

The market price of the Common Shares and Debentures may be volatile. The volatility may affect the ability of holders of Debentures to sell the Debentures at an advantageous price. Additionally, this may result in greater volatility in the market price of the Debentures than would be expected for nonconvertible debt securities. Market price fluctuations in the Common Shares and Debentures may be due to the Corporation’s operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts’ estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors, including, without limitation, those set forth under “*Cautionary Statement on Forward-Looking Information*”. In addition, the market price for securities in the stock markets, including the TSX, may experience significant price and trading fluctuations. These fluctuations may result in volatility in the market prices of securities that are unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market prices of the Debentures and the Common Shares.

Prevailing Yields on Similar Securities

Prevailing yield on similar securities will affect the market value of the Debentures. Assuming all other factors remain unchanged, the market value of the Debentures will decline as prevailing yields for similar securities rise, and will increase as prevailing yields for similar securities decline.

Absence of Covenant Protection

The Indenture will not restrict the Corporation or any of its subsidiaries from incurring additional indebtedness for borrowed money or otherwise from mortgaging, pledging or charging its real or personal property or properties to secure any indebtedness or other financing. The Indenture will not contain any provisions specifically intended to protect holders of the Debentures in the event of a future leveraged transaction involving the Corporation or any of its subsidiaries.

Redemption on a Change of Control

The Corporation is required to make an offer to holders of the Debentures to purchase all or a portion of their Debentures for cash upon the occurrence of a Change of Control. The Corporation cannot assure holders of Debentures that, if required, it would have sufficient cash or other financial resources at that time or would be able to arrange financing to pay the purchase price of the Debentures in cash. The Corporation's ability to purchase the Debentures in such an event may be limited by law, by the Indenture governing the Debentures, by the terms of other present or future agreements relating to the Corporation's credit facilities and other indebtedness and agreements that the Corporation may enter into in the future which may replace, supplement or amend the Corporation's future debt. The Corporation's future credit agreements or other agreements may contain provisions that could prohibit the purchase by the Corporation of the Debentures without the consent of the lenders or other parties thereunder. If the Corporation's obligation to offer to purchase the Debentures arises at a time when the Corporation is prohibited from purchasing or redeeming the Debentures, the Corporation could seek the consent of lenders to purchase the Debentures or could attempt to refinance the borrowings that contain this prohibition. If the Corporation does not obtain consent or refinance these borrowings, the Corporation could remain prohibited from purchasing the Debentures under its offer. The Corporation's failure to purchase the Debentures would constitute an Event of Default under the Indenture governing the Debentures, which might constitute a default under the terms of the Corporation's other indebtedness at that time.

Redemption Prior to Maturity

The Debentures may be redeemed, at the Corporation's option, subject to certain conditions, on or after October 31, 2022 and prior to the Maturity Date in whole or in part, at a redemption price equal to the principal amount thereof, together with any accrued and unpaid interest, as described under "*Description of the Debentures - Redemption and Purchase*". Holders of Debentures should assume that this redemption option will be exercised if the Corporation is able to refinance at a lower interest rate or it is otherwise in the interest of the Corporation to redeem the Debentures.

Conversion Following Certain Transactions

In the event of certain transactions, pursuant to the terms of the Indenture, each Debenture will become convertible into securities, cash or property receivable by a holder of Common Shares in such transactions. This change could substantially reduce or eliminate any potential future value of the conversion privilege associated with the Debentures. For example, if the Corporation is acquired in a cash merger, each Debenture would become convertible solely into cash that would no longer be convertible into securities whose value would vary depending on the Corporation's future prospects and other factors. See "*Description of the Debentures - Conversion Privilege*".

Credit Risk and Earnings Coverage Ratios

The likelihood that purchasers of the Debentures will receive payments owing to them under the terms of the Debentures will depend on the financial health of the Corporation and its creditworthiness.

There is no guarantee that the Corporation will be able to maintain a level of cash flow from operating activities sufficient to permit the Corporation to pay the principal, premium, if any, and interest on its indebtedness, including the Debentures.

If the Corporation's cash flow and capital resources are insufficient to fund its debt service obligations, the Corporation could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance its indebtedness, including the Debentures. The Corporation may not be able to effect any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow the Corporation to meet its scheduled debt service obligations.

The Corporation's inability to generate sufficient cash flow to satisfy its debt obligations, or to refinance its indebtedness on commercially reasonable terms or at all, would materially and adversely affect the Corporation's business, results of operations, financial condition and its ability to satisfy its obligations under the Debentures. The Debentures are not rated by any designated rating organization and the Corporation has no current plans to apply for a credit rating.

See "*Earnings Coverage Ratio*", which is relevant to an assessment of the risk that the Corporation may be unable to pay interest of principal on the Debentures when due.

Subordination of Debentures

The Debentures are unsecured obligations of the Corporation and are subordinate in right of payment to all of the Corporation's existing and future Senior Indebtedness. In the event of the insolvency, bankruptcy, liquidation, reorganization, dissolution or winding up of the Corporation, the assets that serve as collateral for any Senior Indebtedness would be made available to satisfy the obligations of the creditors of such Senior Indebtedness before being available to pay the Corporation's obligations to Debentureholders. Accordingly, all or a substantial portion of the Corporation's assets could be unavailable to satisfy the claims of the Debentureholders.

Dilution

The Corporation may determine to redeem outstanding Debentures for Common Shares or to repay outstanding principal amounts thereunder at maturity of the Debentures by issuing additional Common Shares. The issuance of additional Common Shares may have a dilutive effect on the Corporation's shareholders and an adverse impact on the price of Common Shares.

Discretion in the Use of Proceeds

The Corporation will have discretion concerning the use of proceeds of the Offering as well as the timing of their expenditures. As a result, investors will be relying on the judgment of the Corporation's management as to the application of the proceeds of the Offering. The management of the Corporation may use the net proceeds of the Offering in ways that an investor may not consider desirable. The results and effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Corporation's results of operations may suffer.

Possibility of Withheld Amounts

The Indenture will not contain a requirement that the Corporation increase the amount of interest or other payments to holders of Debentures in the event that the Corporation is required to withhold amounts in respect of income or similar taxes on payments of interest or other amounts on the Debentures. At present, the Corporation does not intend to withhold amounts from such payments to holders of Debentures that, for purposes of the Tax Act, are at the time of payment either (i) resident in Canada, or (ii) not resident in Canada and (A) deal at arm's length with the Corporation, and (B) are not deemed to receive such payments as dividends, but no assurance can be given that the Tax Act and other applicable income tax laws will not be changed in a manner that may require the Corporation to withhold amounts in respect of tax payable on such amounts.

Withholding and Participating Debt Interest

The Tax Act does not generally impose withholding tax on interest paid or credited to non-residents of Canada with whom the payor deals at arm's length. However, Canadian withholding tax does apply to payments of "participating debt interest", which is defined in the Tax Act as interest that is paid on an obligation where all or any portion of such interest is contingent or dependent on the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any similar criterion.

Under the Tax Act, when a debenture or other debt obligation issued by a person resident in Canada is assigned or otherwise transferred by a non-resident person to a person resident in Canada (which would include a conversion or exchange of the obligation, and a redemption or payment on maturity), the amount, if any, by which the price for which the obligation was assigned or transferred exceeds the price for which the obligation was issued is deemed to be a payment of interest on that obligation made by the person resident in Canada to the non-resident (an "Excess").

The deeming rule does not apply in respect of certain "excluded obligations" (as defined in the Tax Act), although it is not clear whether a particular Debenture would qualify as an excluded obligation. If a Debenture is not an excluded obligation, the issues that arise are whether any such Excess which is deemed to be interest is participating debt interest, and if the Excess is participating debt interest, whether that results in all interest on the obligation being considered to be participating debt interest.

The CRA has stated that it would not consider the Excess to be participating debt interest, provided that the convertible debenture in question satisfies the requirements of a "standard convertible debenture" (as that term was defined in a letter from the Joint Committee on Taxation of the Canadian Bar Association and the Canadian Institute of Chartered Accountants dated May 10, 2010), and therefore there would be no withholding tax in such circumstances (provided generally that the payor and payee deal at arm's length for purposes of the Tax Act). The Corporation believes that the Debentures should generally meet the criteria set forth in the CRA's statement. However, the application of CRA's published guidance to the Debentures is uncertain and there is a risk that CRA could take the position that amounts paid or payable to a Non-Resident Holder of Debentures on account of interest or any Excess may be subject to Canadian withholding tax at a rate of 25% (subject to any reduction in accordance with any applicable income tax treaty). The Indenture will not contain a requirement that the Corporation increase the amount of interest or other payments to holders of Debentures in the event that it is required to withhold Canadian withholding tax on the payment of interest (including any Excess that may be considered to be participating debt interest).

RELATIONSHIP BETWEEN THE CORPORATION AND CERTAIN PERSONS

TD, CIBC, BMO, NBF and Desjardins are wholly-owned indirect subsidiaries of Canadian financial institutions that are members of a syndicate of lenders that have made credit facilities available to the Corporation. Furthermore, upon closing of the Offering, the Corporation intends to use the net proceeds of the Offering in the manner described under the "Use of Proceeds" to initially prepay indebtedness under the Credit Facility (which were principally incurred in the two previous years to fund the Corporation's growth in France, to repay certain indebtedness of Alterra following the Alterra Acquisition, to fund the development of certain prospective and development projects including the 250 MW_{AC} Phoebe Solar Project and the 350.3 MW Foard City Wind Project, Texas and for other general corporate purposes). As members of the syndicate of lenders that have made the Credit Facility available to the Corporation, the financial institutions that indirectly wholly-own TD, CIBC, BMO, NBF and Desjardins will benefit from the aforementioned prepayment of the Credit Facility in proportion to their respective participation in the syndicate of lenders. Consequently, the Corporation may be considered a connected issuer of TD, CIBC, BMO, NBF and Desjardins under applicable securities laws in certain Canadian provinces.

As of September 17, 2019, the Corporation was indebted under the Credit Facility (including letters of credit) in an amount of approximately \$558.6 million.

The Corporation is in compliance with the terms of the Credit Facility. Since the execution of the credit agreement relating to the Credit Facility, the lenders have not waived a breach, on the part of the Corporation, of such credit facility, although a waiver of certain conditions of the Credit Facility was obtained in order to carry out the Offering and to give effect to the intended use of proceeds. The financial position of the Corporation has not changed

in any material manner since the Credit Facility was entered into, except as disclosed herein. The indebtedness under the Credit Facility is secured, among others, by projects held by the Corporation, including the wind farm located in Baie-des-Sables, Québec and certain hydroelectric facilities located in Québec, security over certain receivables of the Corporation and its subsidiaries, pledges of partnership interests and share capital of certain subsidiaries, including certain subsidiaries holding operating facilities, of the Corporation, and guarantees provided by certain subsidiaries of the Corporation

The decision to issue the Debentures and the determination of the terms of the distribution were made through negotiation among the Corporation and the Underwriters. The Canadian financial institutions which are lenders to the Corporation, including the Canadian financial institutions of which TD, CIBC, BMO, NBF and Desjardins are the respective subsidiaries, did not have any involvement in such decision or determination, but have been advised of the Offering and the terms thereof. As a consequence of the Offering, neither of TD, CIBC, BMO, NBF and Desjardins will receive any benefit in connection with the Offering other than their respective share of the Underwriters' fee.

MARKET AND INDUSTRY DATA

The Corporation has obtained the market and industry data and other statistical information presented in the documents incorporated by reference in this short form prospectus from a combination of third party information and publicly available information. Although the Corporation believes these publications, reports and publicly available information to be reliable, it has not independently verified any of the data or other statistical information contained therein, nor has it ascertained the underlying economic or other assumptions relied upon by these sources and cannot and does not provide any representation or assurance as to the accuracy or completeness of the information or data, or the appropriateness of the information or data for any particular analytic purpose. The Corporation has no intention and undertakes no obligation to update or revise any such information or data, whether as a result of new information, future events or otherwise, except as required by law.

INTEREST OF EXPERTS

Certain legal matters in connection with the Offering will be passed upon on behalf of the Corporation by McCarthy Tétrault LLP and on behalf of the Underwriters by Fasken Martineau DuMoulin LLP. As at the date hereof, (i) the partners and associates of McCarthy Tétrault LLP, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares; (ii) the partners and associates of Fasken Martineau DuMoulin LLP, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares.

The combined financial statements of the Cartier Wind Farms as at and for the year ended December 31, 2017, have been audited by Deloitte LLP, 4605-A Lapinière Boulevard, Suite 200, Brossard, Quebec, J4Z 3T5, Canada, as stated in their report incorporated by reference herein. Deloitte LLP have advised that, as at the date of their report incorporated by reference herein, they were independent with respect to the Cartier Wind Farms within the meaning of the Code of Ethics *Ordre des comptables professionnels agréés du Québec*.

AUDITOR, TRANSFER AGENT AND REGISTRAR AND DEBENTURE TRUSTEE

The auditors of the Corporation are KPMG LLP, 600 de Maisonneuve Blvd. West, Suite 1500, Montréal, Québec, H3A 0A3, and they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant bodies in Canada.

Deloitte LLP was the Corporation's auditor for the year ended December 31, 2017, and until February 21, 2018, and throughout the period covered by the financial statements on which Deloitte LLP reported, Deloitte LLP was independent of the Corporation within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*. Effective May 15, 2018, KPMG LLP was appointed as auditors of the Corporation. A change of auditor notice was filed on SEDAR on April 9, 2018 in accordance with applicable securities laws.

The transfer agent and registrar for the Common Shares is AST Trust Company (Canada), at its principal office located in Montréal, Québec and Toronto, Ontario. The Debenture Trustee under the Indenture and the transfer agent of the Debentures will be AST Trust Company (Canada), at its principal office located in Montréal, Québec.

AGENT FOR SERVICE OF PROCESS

Ouma Sananikone, member of the Board of Directors, resides outside of Canada and has appointed Innergex Renewable Energy Inc., 1225 Saint-Charles Street West, 10th Floor, Longueuil, Québec, J4K 0B9, as agent for service of process.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission, price revision or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, price revision or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

Original purchasers of Debentures under the Offering will have under the Indenture a contractual right of rescission against the Corporation following the issuance of the Common Shares to such purchaser upon the conversion of the Debentures. The contractual right of rescission will entitle original purchasers to receive the amount paid for the Debentures upon surrender of the Common Shares in the event that this short form prospectus (including the documents incorporated by reference herein) and any amendment contains a misrepresentation, as such term is defined in the *Securities Act* (Québec), provided that the conversion of the Debentures takes place within 180 days of the date of the purchase of the Debentures under this short form prospectus, and the right of rescission is exercised within 180 days of the date of purchase of the Debentures. This contractual right of rescission will be consistent with the statutory right of rescission described under section 217 of the *Securities Act* (Québec), and is in addition to any other right or remedy available to original purchasers under section 217 of the *Securities Act* (Québec) or any other applicable law. In an offering of convertible securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the Debentures are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

GLOSSARY OF TERMS

The following terms used in this short form prospectus have the meanings set forth below, unless otherwise indicated:

“**2018 MD&A**” has the meaning attributed thereto under “*Documents Incorporated by Reference*”;

“**4.25% Convertible Debentures**” has the meaning attributed thereto under “*Recent Developments – Notice of Redemption of the 4.25% Convertible Debentures*”;

“**4.75% Convertible Debentures**” means the 4.75% unsecured subordinated convertible debentures of the Corporation maturing on June 30, 2025;

“**allowable capital loss**” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*”;

“**Alterra**” means Alterra Power Corp;

“**Alterra Acquisition**” means the acquisition of all of the issued and outstanding common shares of Alterra by the Corporation completed on February 6, 2018 pursuant to an arrangement agreement dated as of October 30, 2017;

“**Beneficial Owner**” has the meaning attributed thereto under “*Description of the Debentures – Book Entry, Delivery and Form*”;

“**Board of Directors**” means the board of directors of the Corporation;

“**BMO**” has the meaning attributed thereto on the front page;

“**Cartier Acquisition**” means the acquisition by the Corporation from TransCanada PipeLines Limited of 62% interest in the Cartier Wind Farms and of 50% interest in the operating entities of the Cartier Wind Farms being Cartier Wind Energy Inc., Cartier Wind Energy (AAV) Inc., Cartier Wind Energy (BDS) Inc., Cartier Wind Energy (CAR) Inc., Cartier Wind Energy (GM) Inc., Cartier Wind and Energy (MS) Inc., which acquisition was completed on October 24, 2018;

“**Cartier BAR**” has the meaning attributed thereto under “*Documents Incorporated by Reference*”;

“**Cartier Wind Farms**” means the five wind farms in the Gaspé peninsula in Québec known as Baie-des-Sables, Carleton, Gros-Morne, L’Anse-à-Valleau and Montagne Sèche;

“**Cash Change of Control**” has the meaning attributed thereto under “*Description of the Debentures – Change of Control*”;

“**Cash Change of Control Conversion Price**” has the meaning attributed thereto under “*Description of the Debentures – Change of Control*”;

“**Cash Change of Control Effective Date**” has the meaning attributed thereto under “*Description of the Debentures – Change of Control*”;

“**CDS**” has the meaning attributed thereto on the front page;

“**Change of Control**” means (i) an acquisition by a person or group of persons acting jointly or in concert (within the meaning of the Securities Act (Québec)) of ownership of, or voting control or direction over, 50% or more of the Common Shares; or (ii) the sale or other transfer of all or substantially all of the consolidated assets of the Corporation (provided that a sale of less than 50% of the fair market value of the consolidated assets of the Corporations shall be deemed not to constitute a sale of all or substantially all of its consolidated assets);

“**CIBC**” has the meaning attributed thereto on the front page;

“**Closing Date**” has the meaning attributed thereto on the front page;

“**Common Shares**” has the meaning attributed thereto on the front page;

“**Common Share Interest Payment Election**” has the meaning attributed thereto under “*Description of the Debentures – Interest Payment Election*”;

“**Convention**” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*”;

“**Conversion Price**” has the meaning attributed thereto on the front page;

“**Corporation**” has the meaning attributed thereto on the front page;

“**CRA**” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations*”;

“**Credit Facility**” means the seventh amended and restated credit agreement dated December 19, 2018 between the Corporation, as borrower, certain subsidiaries as guarantors, and a syndicate of financial institutions as lenders, as amended;

“**Current Market Price**”, at any date, means the volume-weighted average trading price for the Common Shares on the TSX for the 20 consecutive trading days ending on the fifth trading day prior to the applicable date;

“**Debenture Certificates**” has the meaning attributed thereto under “*Description of the Debentures – Book Entry, Delivery and Form*”;

“**Debenture Trustee**” has the meaning attributed thereto under “*Description of the Debentures*”;

“**Debentureholder**” means a holder of Debenture;

“**Debentures**” means up to \$125,000,000 aggregate principal amount of 4.65% convertible unsecured subordinated debentures;

“**Desjardins**” has the meaning attributed thereto on the front page;

“**Development Projects**” has the meaning attributed thereto under “*Cautionary Statement on Forward-Looking Information – Future-Oriented Financial Information*”;

“**Event of Default**” has the meaning attributed thereto under “*Description of the Debentures – Events of Default*”;

“**Foard City Wind Project**” means the 350.3 MW wind farm project located in Foard county, Texas, U.S.;

“**Forward-Looking Information**” has the meaning attributed thereto under “*Cautionary Statement on Forward-Looking Information*”;

“**Holder**” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations*”;

“**HS Orka**” has the meaning attributed thereto under “*Documents Incorporated by Reference*”;

“**IFRS**” means the International Financial Reporting Standards incorporated in the CPA Canada Handbook;

“**IFRS 16**” has the meaning attributed thereto under “*Earnings Coverage Ratio*”;

“**Indenture**” has the meaning attributed thereto under “*Description of the Debentures*”;

“**Innergex**” has the meaning attributed thereto on the front page;

“**Interest Obligation**” has the meaning attributed thereto under “*Description of the Debentures – Interest Payment Election*”;

“**Interest Payment Date**” has the meaning attributed thereto on the front page;

“**Maturity Date**” has the meaning attributed thereto on the front page;

“**MW**” means megawatt;

“**MW_{AC}**” means megawatt alternative current;

“**MW_{DC}**” means megawatt direct current;

“**NBF**” has the meaning attributed thereto on the front page;

“**Non-Resident Holder**” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*”;

“**Offering**” has the meaning attributed thereto on the front page;

“**Offering Price**” has the meaning attributed thereto on the front page;

“**Over-Allotment Option**” has the meaning attributed thereto on the front page;

“**Participants**” has the meaning attributed thereto under “*Description of the Debentures – Book Entry, Delivery and Form*”;

“**Phoebe Solar Project**” means the 250 MW_{AC}/315 MW_{DC} photovoltaic solar project located in Winkler county, Texas, U.S.;

“**Preferred Shares**” has the meaning attributed thereto under “*Description of Share Capital*”;

“**PPA**” means power purchase agreement, energy supply agreements, electricity supply agreements or renewable energy supply agreements for power projects;

“**Proposed Amendments**” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations*”;

“**RBC**” has the meaning attributed thereto on the front page;

“**RDSP**” has the meaning attributed thereto under “*Eligibility for Investment*”;

“**Redemption Date**” has the meaning attributed thereto under “*Description of the Debentures – Payment upon Redemption or Maturity*”;

“**Resident Holder**” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*”;

“**RESP**” has the meaning attributed thereto under “*Eligibility for Investment*”;

“**RRIF**” has the meaning attributed thereto under “*Eligibility for Investment*”;

“**RRSP**” has the meaning attributed thereto under “*Eligibility for Investment*”;

“**Securities**” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations*”;

“**Securities Commissions**” has the meaning attributed thereto under “*Description of the Debentures – Reports to Holders*”;

“**Senior Indebtedness**” has the meaning attributed thereto in the Indenture;

“**Share Payment Election**” has the meaning attributed thereto under “*Description of the Debentures – Payment upon Redemption or Maturity*”;

“**Series A Preferred Shares**” has the meaning attributed thereto under “*Description of Share Capital*”;

“**Series C Preferred Shares**” has the meaning attributed thereto under “*Description of Share Capital*”;

“**Tax Act**” means the Income Tax Act (Canada), R.S.C. 1985, c.1, (5th Supp.), as amended, including the regulations promulgated thereunder, as amended from time to time;

“*taxable capital gain*” has the meaning attributed thereto under “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*”;

“**TD**” has the meaning attributed thereto on the front page;

“**Term Sheet**” has the meaning attributed thereto under “*Documents Incorporated by Reference*”;

“**TFSA**” has the meaning attributed thereto under “*Eligibility for Investment*”;

“**TSX**” has the meaning attributed thereto on the front page;

“**Underwriters**” has the meaning attributed thereto on the front page;

“**Underwriting Agreement**” has the meaning attributed thereto under “*Plan of Distribution*”; and

“**U.S. Securities Act**” has the meaning attributed thereto on the front page.

CERTIFICATE OF THE CORPORATION

Dated: September 18, 2019

This short form prospectus, together with the documents incorporated herein by reference, constitutes, full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada.

By: *(s) Michel Letellier*
Michel Letellier
President and Chief Executive Officer

By: *(s) Jean-François Neault*
Jean-François Neault
Chief Financial Officer

On behalf of the Board of Directors

By: *(s) Jean La Couture*
Jean La Couture
Director

By: *(s) Daniel Lafrance*
Daniel Lafrance
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: September 18, 2019

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada.

TD SECURITIES INC.	CIBC WORLD MARKETS INC.	BMO NESBITT BURNS INC.	NATIONAL BANK FINANCIAL INC.
By: <i>(s) Abe Adham</i> Name: Abe Adham Title: Managing Director	By: <i>(s) James Brooks</i> Name: James Brooks Title: Managing Director	By: <i>(s) Nicolas Brunet</i> Name: Nicolas Brunet Title: Managing Director	By: <i>(s) Martin Robitaille</i> Name: Martin Robitaille Title: Managing Director

RBC DOMINION SECURITIES INC.

By: *(s) Robert Nicholson*
Name: Robert Nicholson
Title: Managing Director

DESJARDINS SECURITIES INC.

By: *(s) François Carrier*
Name: François Carrier
Title: Managing Director

CANACCORD GENUITY CORP.	INDUSTRIAL ALLIANCE SECURITIES INC.	RAYMOND JAMES LTD.
By: <i>(s) Steve Winokur</i> Name: Steve Winokur Title: Managing Director	By: <i>(s) David Beatty</i> Name: David Beatty Title: Managing Director	By: <i>(s) James A. Tower</i> Name: James A. Tower Title: Managing Director