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News Release
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INNERGEX COMPLETES ITS JOINT VENTURE PARTNERSHIP WITH ENERGÍA LLAIMA IN CHILE

LONGUEUIL, Quebec, July 3, 2018 – Innergex Renewable Energy Inc. (TSX: INE) (“Innergex” or the “Corporation”) is proud to announce that it has completed its previously announced joint venture partnership with Energía Llaima for a 50% ownership in the company.

Energía Llaima is an innovative and growing renewable energy player located in Santiago, Chile. It owns a major interest in the 12 MW Energía Coyanco hydro project and in the 34 MW solar thermal facility Pampa Elvira. Energía Llaima’s development portfolio includes two hydro projects in advanced stage of development, the 109 MW Central Frontera and the 16 MW Central El Canelo, as well as other early development stage projects. It also has been selected in a bid process to acquire the 140 MW Duqueco hydro project which includes two facilities in Chile, for which closing should occur shortly.

Innergex invested an initial amount of US\$10 million (C\$12.8 million) through available funds under its corporate revolving credit facilities and has agreed to invest an additional US\$100 million (C\$140.5 million) over a 12-month period, of which US\$90 million will be used for the acquisition of the Duqueco hydro project.

The Energía Coyanco hydro project and the Pampa Elvira solar project should generate projected Adjusted EBITDA of approximately US\$6.5 million (C\$8.3 million) annually.

“We are delighted to take roots in Chile through this joint venture with Energía Llaima. We share a strong commitment to further expand the business and to growing our presence in the South American energy market,” said Michel Letellier, President and Chief Executive Officer of Innergex. “We remain committed to producing cost efficient, clean and reliable renewable energy in respect of the environment and surrounding communities. This partnership meets all of our strategic goals.”

“Welcoming Innergex as a partner in our company makes all of our growth plans more achievable,” said Ian Nelson, Chief Executive Officer of Energía Llaima. “We intend to become a larger player in Chile and throughout South America by developing and acquiring high quality assets. Innergex’s vast experience and expertise will allow us to continue building on our success.”

About Innergex Renewable Energy Inc.

The Corporation develops, acquires, owns and operates hydroelectric facilities, wind farms, solar photovoltaic farms and geothermal power generation plants. As a global player in the renewable energy sector, Innergex conducts operations in Canada, the United States, France, Iceland and Chile. Innergex manages a large portfolio of assets currently consisting of interests in 66 operating facilities with an aggregate net installed capacity of 1,655 MW (gross 2,932 MW), including 35 hydroelectric facilities, 25 wind farms, four solar farms and two geothermal facilities. Innergex also holds interests in five projects under development with a net installed capacity of 719 MW (gross 800

MW) two of which are currently under construction and prospective projects at different stages of development with an aggregate net capacity totalling 8,180 MW (gross 8,850 MW). Innergex Renewable Energy Inc. is rated BBB- by S&P. The Corporation's strategy for building shareholder value is to develop or acquire high-quality facilities that generate sustainable cash flows and provide an attractive risk-adjusted return on invested capital and to distribute a stable dividend.

About Energía Llaima

Energía Llaima's has a majority interest in a 12 MW hydro facility located in the San José de Maipo district in the Metropolitan Region. This facility produces an average of 75,000 MWh sold through various PPA's and on the spot market. The company also has a majority interest in a 34 MW solar thermal facility in the Sierra Gorda district in the Atacama Region. This innovative facility, the second largest in the world, supplies approximately 54,000 MWh of heat energy to a large mining company which uses the energy in their electro-winning process. Energía Llaima's development portfolio includes two hydro projects in advanced stage of development, the 109 MW Central Frontera and the 16 MW Central El Canelo, as well as other early development stage projects.

Non-IFRS measures disclaimer.

Readers are cautioned that Adjusted EBITDA is not a measure recognized by IFRS and have no standardized meaning prescribed by it, and therefore may not be comparable to those presented by other issuers. Innergex believes that this indicator is important, as it provides management and the reader with additional information about its cash generation capabilities and facilitates the comparison of results over different periods. References in this press release to "Adjusted EBITDA" are to revenues less operating expenses, general and administrative expenses and prospective project expenses. Readers are cautioned that Adjusted EBITDA should not be construed as an alternative to net earnings as determined in accordance with IFRS.

Forward-Looking Information Disclaimer

To inform readers of the Corporation's future prospects, this press release contains forward-looking information within the meaning of applicable securities laws ("Forward-Looking Information"). Forward-Looking Information can generally be identified by the use of words such as "approximately", "may", "will", "could", "believes", "expects", "intends", "should", "plans", "potential", "project", "anticipates", "estimates", "scheduled" or "forecasts", or other comparable terminology that state that certain events will or will not occur. It represents the projections and expectations of the Corporation relating to future events or results as of the date of this press release.

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

Forward-looking statements are based on certain key expectations and assumptions made by Innergex, including expectations and assumptions concerning availability of capital resources; economic and financial conditions; project performance and the timing of receipt of the requisite shareholder, court, regulatory and other third-party approvals. Although Innergex believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Innergex can give no assurance that they will prove to be correct.

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

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

Principal Assumptions	Principal Risks and Uncertainties
<p>Expected production</p> <p>For each facility, the Corporation determines a long-term average annual level of electricity production ("LTA") over the expected life of the facility, based on engineers' studies that take into consideration a number of important factors: for hydroelectricity, the historically observed flows of the river, the operating head, the technology employed and the reserved aesthetic and ecological flows; for wind energy, the historical wind and meteorological conditions and turbine technology; for solar energy, the historical solar irradiation conditions, panel technology and expected solar panel degradation; and for geothermal power, the historical geothermal resources, natural depletion of geothermal resources over time, the technology used and the potential of energy loss to occur before delivery. Other factors taken into account include, without limitation, site topography, installed capacity, energy losses, operational features and maintenance. Although production will fluctuate from year to year, over an extended period it should approach the estimated long-term average.</p>	<p>Improper assessment of water, wind, sun and geothermal resources and associated electricity production</p> <p>Variability in hydrology, wind regimes, solar irradiation and geothermal resources</p> <p>Natural depletion of geothermal resources</p> <p>Equipment failure or unexpected operations and maintenance activity</p> <p>Natural disaster</p>
<p>Projected Adjusted EBITDA</p> <p>For each facility, the Corporation estimates annual operating earnings by subtracting from the estimated revenues the budgeted annual operating costs, which consist primarily of operators' salaries, insurance premiums, operations and maintenance expenditures, property taxes, royalties and cost of power (if applicable); these are predictable and relatively fixed, varying mainly with inflation (except for maintenance expenditures and cost of power).</p>	<p>Production levels below the LTA caused mainly by the risks and uncertainties mentioned above</p> <p>Unexpected seasonal variability in the production and delivery of electricity</p> <p>Lower-than-expected inflation rate</p> <p>Changes in the purchase price of electricity upon renewal of a PPA</p> <p>Lower revenues caused mainly by the risks and uncertainties mentioned above</p> <p>Variability of facility performance and related penalties</p> <p>Unexpected maintenance expenditures</p>

Although the Corporation believes that the expectations and assumptions on which Forward-Looking Information is based are reasonable, readers of this press release are cautioned not to rely unduly on this Forward-Looking Information since no assurance can be given that they will prove to be correct. The forward-looking statements contained in this press release are made as of the date hereof and Innergex undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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