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News Release For Immediate Distribution

BC HYDRO WAIVES ITS RIGHT OF FIRST REFUSAL ON THE MILLER CREEK FACILITY

LONGUEUIL, Quebec, June 21, 2012 – Innergex Renewable Energy Inc. (TSX: INE) (“Innergex” or the “Corporation”) announces that BC Hydro has waived its right of first refusal to acquire the Miller Creek hydroelectric facility, which was triggered by the signing of a purchase and sale agreement between the Corporation and Capital Power Corp. (TSX: CPX) announced last week. Innergex still expects the transaction to close in July 2012, subject to regulatory approvals and other customary closing conditions.

Recap of acquisition announcement

In a [press release](#) dated June 14, 2012, Innergex announced it had signed a purchase and sale agreement to acquire from Capital Power Corp. (TSX: CPX) all the units of the entity owning the Brown Lake and Miller Creek hydroelectric facilities located in British Columbia, Canada, for total consideration of \$69.2 million.

Brown Lake is a 7.2 MW facility commissioned in 1996 and located on Crown land near Prince Rupert in the North Coast region of the province. It has an average annual production of 51,800 MWh, all of which is sold to BC Hydro under a 20-year power purchase agreement that expires in 2016. The Corporation also announced its intention to double the plant’s installed capacity, for an additional investment of approximately \$20.0 million.

Miller Creek is a 33 MW facility commissioned in 2003 and located on Crown land near Pemberton, in the Lower Mainland region of the province. It has an average annual production of 97,900 MWh, all of which is sold to BC Hydro under a 20-year power purchase agreement that expires in 2023, with BC Hydro holding two consecutive five-year renewal options. The Corporation also announced that it plans to undertake an \$8.5 million capital expenditure program to improve the plant’s efficiency.

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

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

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

Innergex Renewable Energy Inc. (TSX: INE) is a leading Canadian independent renewable power producer. Active since 1990, the Company develops, owns, and operates run-of-river hydroelectric facilities, wind farms, and solar photovoltaic farms and carries out its operations in Quebec, Ontario, British Columbia, and Idaho, USA. Its portfolio of assets currently consists of: (i) interests in 26 operating facilities with an aggregate net installed capacity of 494 MW (gross 880 MW), including 20 hydroelectric operating facilities, five wind farms, and one solar photovoltaic farm; (ii) interests in 9 projects under development or under construction with an aggregate net installed capacity of 231 MW (gross 374 MW), for which power purchase agreements have been secured; and (iii) prospective projects with an aggregate net capacity totaling 2,844 MW (gross 2,977 MW). Innergex Renewable Energy Inc. is rated BBB- by S&P and BBB (low) by DBRS.

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

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