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Sustainable Development.

News Release For Immediate Distribution

INNERGEX ACQUIRES A 77 MW WIND PROJECT IN BRITISH COLUMBIA

- Adds its first wind project in British Columbia
- Increases the pipeline of projects under development by 33% to 308 MW net (451 MW gross)
- Contributes to cash flows by 2015

LONGUEUIL, Quebec, July 26, 2012 – Innergex Renewable Energy Inc. (TSX: INE) (“Innergex” or the “Corporation”) announces that it has entered into a definitive agreement with Finavera Wind Energy (TSX-V: FVR) to acquire its Wildmare wind energy project located in British Columbia, Canada.

The purchase price of this asset will be approximately \$22.0 million, subject to adjustments based on the realization of certain events and milestones. Other than an initial advance of \$1.0 million, there will be no disbursement prior to closing, and payments will be spread over several months. Innergex expects the transaction to close by the fall of 2012, subject to regulatory approvals and other customary closing conditions.

“This acquisition marks another milestone for Innergex, as we add our first wind project in British Columbia and expand our wind energy activities outside the province of Quebec”, states Michel Letellier, President and Chief Executive Officer of Innergex. “We are expanding our pipeline of projects under development with power purchase agreements, in order to ensure a sustainable level of growth over the long-term”, he adds.

Wildmare is a wholly-owned wind project located on Crown lands in the Peace River region of British Columbia. All of the power produced will be sold to BC Hydro under a 25-year power purchase agreement, which provides for an annual adjustment to the selling price based on a portion of the Consumer Price Index. Wildmare is expected to have a total installed capacity of 77 MW, an estimated yearly energy output of 238,200 MWh, enough to power almost 24,000 BC households, and is expected to produce revenues of approximately \$28.0 million in its first full year of operation. The Corporation believes that this project, which is currently in the permitting phase, should reach commercial operation in 2015, with construction lasting approximately 15 months. During the period prior to the closing of the transaction, the Corporation and Finavera will work together to advance the project through its environmental assessment process and to continue consultation with Finavera’s First Nation partners. The total cost of the project, including the consideration paid to acquire it, is estimated to be \$217.0 million, approximately two-thirds of which will be financed with project-level debt and the balance financed with equity.

About Innergex Renewable Energy Inc.

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 2,904 MW (gross 3,127 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.

Forward-Looking Information Disclaimer

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, benefits which may accrue to Innergex and its shareholders as a result of the acquisition, commercial operation date, installed capacity, the obtaining of required permits, average annual electricity production, construction costs and timing, project financing, business strategy, and plans and objectives of or involving Innergex.

The forward-looking information includes forward-looking financial information or financial outlook, such as revenues, estimated construction costs, and electricity production, 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, the obtaining of required permits, construction costs and timing, commercial operation date, and performance of the facility, as well as 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, design, development and construction of the new facility, 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.

- 30 -

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