

## PRESS RELEASE

**Etrion Announces Operational Update and Preliminary 2015 Production**

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January 14, 2016, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX / OMX: ETX), a solar independent power producer, announces an operational update and preliminary production results for the year ended December 31, 2015.

**Italian Solar Assets**

During 2015, Etrion’s 100%-owned 60-megawatt (“MW”) solar portfolio in Italy produced approximately 102.4 million kilowatt-hours (“kWh”) of electricity, 1.8% more than in 2014. Etrion’s Italian solar parks receive the weighted average feed-in-tariff (“FiT”) of approximately EUR 0.30 per kWh plus the spot price for each kWh of electricity produced. During 2015, the Italian spot price averaged EUR 0.05 per kWh.

Etrion previously announced the renegotiation of all its operations and maintenance (“O&M”) contracts in Italy. This initiative reduces expected O&M expenses for the 60 MW Italian solar portfolio by approximately US\$1.6 million per year while securing a higher level of service.

**Chilean Solar Assets**

During 2015, Etrion’s 70%-owned 70 MW Salvador solar power plant in northern Chile (“Project Salvador”) produced approximately 162.9 million kWh of electricity, below expectations due to lower than expected solar irradiation and electricity curtailments applied to all generators in the area near Project Salvador to balance supply and demand due to network bottlenecks expected to be resolved in 2017.

Project Salvador began operations in January 2015 and approximately 65% of the electricity produced is currently sold on the spot market and delivered to the Sistema Interconectado Central (“SIC”) electricity network. As previously announced, Project Salvador executed a long-term power purchase agreement (“PPA”) with EE-ERN-1, an investment grade off-taker. The PPA is for approximately 35% of Project Salvador’s production for 15 years and started on January 1, 2016, at approximately US\$0.10 per kWh. Project Salvador is seeking additional PPAs to secure its long-term revenues.

The spot prices in the SIC electricity network in Chile were unusually low during 2015 and particularly low in the second half of 2015 due to a combination of local grid congestion, increasing solar and wind electricity generation, strong hydro electricity production due to wet winter conditions, aggravated by “el Nino”, and low electricity demand because of depressed mining activity as a result of the collapse in commodity prices. The average spot price received by Project Salvador in 2015 was approximately US\$0.05 per kWh. Spot prices are expected to stabilize to the long-term projections by 2017 when the Sistema Interconectado del Norte Grande (“SING”) and SIC electricity networks are scheduled to be connected and the SIC network expansion is expected to be completed.

Etrion recently amended the existing O&M contracts with Sunpower Corporation for Project Salvador. Under the new terms, which were effective October 1, 2015, Etrion has secured an annual fee reduction of approximately 35% and increased the level of service.

## Japanese Solar Assets

During 2015, Etrion's 87%-owned 9.3 MW Mito solar project in the Ibaraki Prefecture of Japan produced a total of approximately 5.5 million kWh of electricity, well above expectations. All five sites of the Mito cluster have been operational since August 2015. Under the Japanese FiT program, the Mito project has a 20-year PPA with Tokyo Electric Power Company ("TEPCO") whereby the project receives ¥40 per kWh (currently equivalent to approximately US\$0.34 per kWh) of electricity produced.

Etrion's 87%-owned 24.7 MW Shizukuishi solar project is under construction on one site in the Iwate Prefecture of Japan. The Shizukuishi project is fully funded, on schedule and is expected to be operational by the third quarter of 2016. The Shizukuishi project has a 20-year PPA with the Tohoku Electric Power utility at ¥40 per kWh. Project construction is proceeding on budget.

## Japanese Backlog

Etrion's Japanese backlog of 76 MW (gross) of solar power projects in Japan is expected to be shovel-ready in the first half of 2016. Estimated total project costs of US\$3.0 million per MW are expected to be funded with 10%-15% equity and 85%-90% non-recourse project debt. Etrion's net project equity required is estimated to be approximately US\$5.5 million in 2016 and US\$5.2 million in 2017. Etrion plans to finance these requirements with a combination of unrestricted cash, distributions from existing operations and partial sale of projects, as required. The Company does not plan to issue any equity to fund this backlog.

## About Etrion

Etrion Corporation is an independent power producer that develops, builds, owns and operates utility-scale solar power generation plants. The Company owns 139 MW of installed solar capacity in Italy, Chile and Japan. Etrion has a 25 MW solar project under construction in Japan and is also actively developing greenfield solar power projects in Japan and Chile. The Company is listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden under ticker symbol "ETX". Etrion's largest shareholder is the Lundin family, which owns approximately 24% of the Company's shares directly and through various trusts.

For additional information, please visit the Company's website at [www.etrion.com](http://www.etrion.com) or contact:

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*Note: The capacity of power plants in this release is described in approximate megawatts on a direct current ("DC") basis, also referred to as megawatt-peak ("MWp").*

*Etrion discloses the information provided herein pursuant to the Swedish Securities Market Act. The information was submitted for publication at 08:05 Central European Time (CET) on January 14, 2016.*

### Forward-Looking Information:

*This press release contains certain "forward-looking information". All statements, other than statements of historical fact, that address activities, events or developments that Etrion believes, expects or anticipates will or may occur in the future (including, without limitation, statements relating to expected reductions in O&M expenses for Etrion's Italian solar portfolio, the expected stabilization of spot electricity prices in Chile, the anticipated timing for the Shizukuishi project to become operational and for Etrion's Japanese development projects to be shovel-ready and anticipated project costs and financing requirements for the Japanese development projects). This forward-looking information reflects the current expectations or beliefs of Etrion based on information currently available to it as well as certain assumptions (including assumptions as to the impact of the renegotiated O&M contracts for the Italian*

*solar portfolio, that the SING and SIC networks will be connected and the SIC network expansion will be completed on schedule, that the Shizukuishi project will also become operational on schedule, as to the timing of receipt of necessary permits for the Japanese development projects and as to the project costs and financing requirements for the Japanese development projects). Forward-looking information is subject to a number of significant risks and uncertainties and other factors that may cause actual results to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, Etrion. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to, the risks that the reduction in O&M expenses for Etrion's Italian solar portfolio will be less than anticipated, the proposed connection of SING and SIC networks and the proposed SIC network expansion will not be completed on schedule, spot electricity prices in Chile will not stabilize as anticipated, the completion of the Shizukuishi project will be delayed, Etrion may not be able to obtain all applicable permits for the development of the Japanese development projects, Etrion may not be able to obtain the necessary financing for such projects on economic terms and the development costs for such projects may be higher than anticipated.*

*Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Etrion disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although Etrion believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty thereof.*