

## Etrion Financing Update and Investor Conference Call

Written by Australian Business

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GENEVA--( [BUSINESS WIRE](#) )--Regulatory News:

“We are very fortunate to have such strong support from the Lundin family in order to fund our pipeline. Their vision to see Etrion competitive in a non-subsidy market is becoming a reality with the realization of this project.”

Etrion Corporation (“Etrion” or the “Company”) (STO:ETX)(TSX:ETX), an independent power producer that owns and operates renewable assets, today announced a financing update and investor conference call following recent developments on its solar pipeline in Chile.

### Financing Update

In order to fund Etrion’s current development activities in Chile, the Company has obtained a US\$42 million unsecured loan from a company affiliated with Etrion’s largest shareholder, the Lundin family, at an annual interest rate of 12% with a 12-month maturity. The Lundin family loan, along with cash on hand, will be used to develop and build the following previously announced solar projects in Chile:

- Project Salvador: a 70 megawatt (“MW”) solar photovoltaic (“PV”) power plant in the Atacama region of Chile that will initially operate on a spot market (“merchant”) basis with revenues based in US dollars and the ability to secure future power purchase agreements (“PPAs”). Project Salvador will be built using SunPower high-efficiency, single-axis tracker technology and will be owned 70% by Etrion, 20% by Total S.A. (“Total”) and 10% by Solventus Energías Renovables (“Solventus”). The total project cost of approximately US\$200 million will be financed 70% through US dollar-denominated, non-recourse project debt from the Overseas Private Investment Corporation (“OPIC”) with a 19.5-year tenor. The remaining 30% equity portion will be funded by Etrion, Total and Solventus, based on their respective ownership interests. Construction of Project Salvador is expected to commence by December this year, and the solar project is expected to be operational by the first quarter of 2015 at the latest.

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· Aguas Blancas: an 8.8 MW solar PV power plant in the Antofagasta region of Chile owned 100% by Etrion. Aguas Blancas will sell electricity through a 15-year take-or-pay US dollar-denominated PPA with Atacama Minerals Chile S.C.M. The total project cost, including costs related to the licenses, permits, development and construction, is estimated to be US\$25 million, a portion of which is expected to be financed through US dollar-denominated, non-recourse project debt with international financial institutions, with the remaining equity portion to be funded by Etrion. Construction of Aguas Blancas is expected to commence in the fourth quarter this year, subject to Etrion arranging the necessary debt financing, and the solar project is expected to be operational in the second quarter of 2014.

Once these projects are connected, Etrion is expected to be cash flow positive with a clear path to dividends. These projects will provide a diversified solar power generation platform, in terms of both contract regime and geography, complementing Etrion's current 60 MW operating platform in Italy and providing counter-seasonal revenues.

In connection with the signing of the purchase agreement for Project Salvador, a company affiliated with the Lundin family will have a US\$42 million letter of credit issued to Total on behalf of Etrion for total consideration of 2,500,000 common shares in Etrion. As a result, the Lundin family will own 25.4% of the issued and outstanding shares of Etrion directly and through various trusts. As Etrion funds its equity portion of Project Salvador from the Lundin family loan, the availability under the letter of credit will be reduced accordingly.

The provision of the Lundin family loan to Etrion and the issuance of common shares to the Lundin family constitute "related party transactions" under Multilateral Instrument 61-101 and are exempt from the minority shareholder approval and valuation requirements, as applicable, under such instrument.

### Company Comments

Ian H. Lundin, the Company's Chairman, said, "Etrion is a pioneer in securing attractive returns for solar power generation in a non-subsidy environment. Our family has been active in the mining sector in Chile for several years, and we look forward to supplying the industry with clean, renewable energy."

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Marco A. Northland, Etrion's Chief Executive Officer, commented: "We are very fortunate to have such strong support from the Lundin family in order to fund our pipeline. Their vision to see Etrion competitive in a non-subsidy market is becoming a reality with the realization of this project."

Mr. Northland continued, "The next 12 months will be transformational for Etrion as we build and connect our first two projects in Chile, doubling our installed capacity and significantly increasing our cash flow. These projects bring us much closer to our long-term goal of providing an attractive balance of yield and growth to shareholders."

### Investor Conference Call

Management will host an investor conference call today at 10:00am Eastern Daylight Time (EDT) / 4:00pm Central European Summer Time (CEST) in order to update investors on developments in Chile.

Conference call dial-in details:

North America: +1-416-340-2216/ Toll Free: +1-866-226-1792

Europe Toll Free: 00-800-9559-6849

Webcast:

A webcast will be available at <http://www.investorcalendar.com/IC/CEPage.asp?ID=17165>

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A webcast link and presentation will also be available on the Company's website at [www.etrion.com](http://www.etrion.com)

A replay of the telephone conference will be available until October 26, 2013.

Replay dial-in details:

North America: +1-905-694-9451 / Toll Free: +1-800-408-3053

Europe Toll Free: 00-800-3366-3052

Pass code for replay: 5848183

About Etrion

Etrion Corporation is an independent power producer that owns and operates renewable assets. The Company currently has approximately 60 MW of operational, ground-based solar photovoltaic power plants in Italy. Etrion is pursuing opportunities in Chile to complement its existing business by developing solar projects with long-term PPAs or at merchant. The Company is listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden. Etrion's largest shareholder is the Lundin family, which currently owns 24.5% 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)

Note: The capacity of power plants in this release is described in approximate

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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 and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication in Sweden at 8:25am Central European Summer Time on September 26, 2013.

### 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 the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements relating to the Company’s anticipated plans to build, operate and finance the Project Salvador and Aguas Blancas solar projects, their anticipated construction and operation start dates, the terms and methods under which the projects will be built and operate, the expected impact of the projects on the Company’s operating capacity, cash flows and dividends, and the estimated total cost of each of the projects). This forward-looking information reflects the current expectations or beliefs of the Company based on information currently available to the Company as well as certain assumptions (including that all necessary financing and regulatory or other approvals will be obtained and that the projects will be developed and operated in a manner consistent with Etrion’s expectations). Forward-looking information is subject to a number of significant risks and uncertainties and other factors that may cause the actual results of the Company 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 the Company. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to, the failure to obtain the necessary financing or approvals to complete construction of the Project Salvador and Aguas Blancas solar projects or to operate them as expected, the failure to satisfy conditions precedent to the transactions as well as unexpected delays in starting or completing the construction of the projects and resulting delays in the start of operations.

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, the Company 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 the Company believes that the assumptions inherent in the forward-looking information are reasonable,

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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 therein.

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