

# Etrion Announces Update on Solar Projects in Chile with 99 MW of Advanced Pipeline

January 14, 2015, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX/ OMX: ETX), a solar independent power producer, announces an update to its solar photovoltaic projects in Chile.

## Management Comments

Marco A. Northland, Etrion’s Chief Executive Officer, commented: “I am very pleased with the significant progress our Chilean team has achieved to date in construction and development. Etrion is one of the early movers in solar power generation in Chile and today has 70 MW operational and more than 99 MW under development.”

Mr. Northland continued, “Chile is one of the most attractive solar markets in the world. Chile has very high solar irradiation, an investment grade credit rating, a deregulated electricity sector with contracts denominated in US dollars, significant energy demand from the mining sector and high wholesale electricity prices. This combination of factors makes Chile one of the first solar markets in the world to reach grid parity, where solar is competitive with traditional sources of power generation without the need for government subsidies.”

## Chilean Project in Operation (70 MW)

As previously announced, Etrion completed construction of the 70 megawatt (“MW”) Salvador solar park in northern Chile (“Project Salvador”) in November 2014, several months ahead of schedule and under budget. Project Salvador is owned initially 70 percent by Etrion, 20 percent by Total S.A. (CAC: TOTF.PA) and 10 percent by a local developer. The solar park was built by SunPower Corporation (“SunPower”) (NASDAQ: SPWR) and has a long-term, fixed-price operation and maintenance agreement with SunPower. In 2014, Project Salvador produced approximately 6.7 million kilowatt-hours (“kWh”) of electricity during commissioning and testing. Project Salvador is expected to enter full operational phase by February 2015.

Project Salvador will initially operate on a merchant basis where the electricity produced will be sold on the spot market and delivered to the Sistema Interconectado Central (“SIC”) electricity network. In order to secure a portion of the revenues, Project Salvador expects to sign a long-term power purchase agreement (“PPA”) with an investment grade off-taker in Q1-2015. Project Salvador recently signed a binding letter of intent with the off-taker to outline the commercial terms of the PPA for approximately 35 percent of Project Salvador’s production. The PPA is expected to be for 15 years starting January 1, 2016, at approximately US\$0.10 per kWh indexed to the US Consumer Price Index (“CPI”).

## Chilean Advanced Project Development Pipeline (99 MW)

Etrion has an advanced development project pipeline in Chile of four projects totaling 99 MW outlined below. These projects are owned 100 percent by Etrion and are expected to have all permits in place to be shovel-ready in Q1-2015.

The Aguas Blancas solar projects in the Antofagasta region include three sites, 2A, 2B and 2C, with a total capacity of 72 MW in the Sistema Interconectado del Norte Grande (“SING”) electricity network.

Aguas Blancas 2A is a 32 MW site with the land concession decree expected in Q1-2015. The environmental impact assessment has been received, the interconnection contract has been agreed and the mining rights have been secured.

Aguas Blancas 2B is a shovel-ready 24 MW site. The land concession decree has been signed, the environmental impact assessment has been received and the mining rights have been secured. The interconnection contract and the PPA with a mining company are under advanced negotiations.

Aguas Blancas 2C is a 16 MW site with the land concession decree signed. The environmental impact assessment has been received, the interconnection contract has been agreed and the mining rights have been secured.

Las Luces is a 27 MW solar project in the Atacama region with one site in the SIC electricity network. The land concession decree has been signed, the environmental impact assessment has been received, the interconnection contract is under advanced negotiations and the PPA negotiations have started.

Etrion should be in a position to start construction of these pipeline projects once the Company secures PPAs and the necessary non-recourse project financing. The projects are expected to be operational within twelve months from the date construction commences. More information about Etrion’s project pipeline is available in the updated corporate presentation available on the Company’s website at [www.etrion.com](http://www.etrion.com).

Etrion plans to finance its projects under development through the most efficient combination of cash on hand, non-recourse project loans, corporate debt and/or equity financing.

## About Etrion

Etrion Corporation is an independent power producer that develops, builds, owns and operates utility-scale solar power generation plants. The Company owns 130 MW of installed solar capacity in Italy and Chile. Etrion has 34 MW of solar projects 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 percent 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:

Pamela Chouamier – Investor Relations

Telephone: +41 (22) 715 20 90

**Subscribe to receive Etrion's press releases by email as soon as they are published. [Click here to subscribe](#)**

*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, 2015.*

*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 the anticipated timing for Project Salvador to become fully operational, the anticipated timing and terms of a long-term PPA for Project Salvador with an investment grade off-taker, the anticipated timing for permitting and construction of the Company's Chilean pipeline projects and the Company's financing plans for such 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 that all necessary financing and regulatory or other approvals will be obtained as and when required). 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 failure to obtain necessary financing or approvals to complete construction of the solar projects or to operate them as and when expected, unexpected delays in starting or completing the construction of the solar projects and resulting delays in the start of operations and the inability of Etrion to enter into PPAs for its Chilean projects.*

*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.*