

Etrion Announces Successful Repurchase of EUR 40 Million of Its Corporate Bonds

December 19, 2016, Miami, Florida, United States – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), a solar independent power producer, pursuant to its previous announcement on December 12, 2016 of an offer (the “**Buy-Back Offer**”) to repurchase for cash a portion of the Company’s 8% Senior Secured Bonds due 2019 (the “**Bonds**”), announces today that it has decided to purchase a nominal amount of approximately EUR 40 million of Bonds via the Buy-Back Offer for offers up to and including a price of 100% of par value (the “**Repurchase Price**”) plus accrued unpaid interest. These Bonds will be cancelled.

Settlement of purchases pursuant to the Buy-Back Offer will take place on December 21, 2016. All purchases will be made at the Repurchase Price plus accrued and unpaid interest.

Paul Rapisarda, Etrion’s Chief Financial Officer, commented: “The company is pleased with the response from our bondholders and outcome of this initiative. It will enable us to materially reduce our corporate debt and related interest expenses, while maintaining a strong cash balance to support our continued growth in Japan.”

Following completion of the repurchase of Bonds, the Company will have outstanding approximately EUR 40 million in nominal amount of Bonds and its annual interest cost will be reduced by 50%.

The results of the Buy-Back Offer are being published on www.stamdata.no, the information service of the Bonds’ trustee, Nordic Trustee. Requests for more information may be directed to the Manager for the Buy-Back Offer, Pareto Securities, at etrion@paretosec.com.

Disclaimer

The distribution of the Buy-Back Offer to Bondholders in certain jurisdictions may be restricted by law. Persons into whose possession the Buy-Back Offer to Bondholders comes are required by the Company and the Manager for the Buy-Back Offer to inform themselves about, and to observe, any such restrictions.

General

This announcement is neither an offer to purchase nor the solicitation of an offer to sell any of the securities described herein, nor shall there be any offer or sale of such securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Buy-Back Offer is made solely pursuant to the Buy-Back Offer to Bondholders dated December 12, 2016.

This announcement must be read in conjunction with the Buy-Back Offer to Bondholders. This announcement and the Buy-Back Offer to Bondholders contain important information which should be read carefully before any decision is made with respect to the Buy-Back Offer. If any Bondholder is in any doubt as to the action it should take, it is recommended that such Bondholder seek its own financial and legal advice, including as to any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to offer Bonds in the Buy-Back Offer. None of the Company or the Manager makes any recommendation as to whether Bondholder should participate in the Buy-Back Offer.

About Etrion

Etrion Corporation is an independent power producer that develops, builds, owns and operates utility-scale solar power generation plants. The Company recently concluded the sale of Etrion S.p.A. which owned 53.4

MW of solar power plants in Italy. The Company currently owns 111 MW of installed solar capacity in Italy, Chile and Japan. Etrion has 23 MW of solar projects under construction in Japan and is also actively developing additional greenfield solar power projects in Japan. 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.

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”).

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Etrion discloses the information provided herein pursuant to the Swedish Securities Market Act. The information was submitted for publication at 08:05 a.m. CET on December 19, 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 the Buy-Back Offer). 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 ability of Etrion to purchase Bonds pursuant to the Buy-Back Offer and to grow its operations in Japan). 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: Etrion may not be able to conclude the purchase of all or any of the Bonds sought pursuant to the Buy-Back Offer; Etrion may not be able to obtain all applicable permits for the development of its current 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; and Etrion may not be able to source additional projects in Japan on economic terms to the extent 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.

For additional information, please visit the Company’s website at www.etrion.com or contact:

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