

## PRESS RELEASE

### **Etrion Announces an Update on Development Activities in Chile**

June 20, 2012, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), an independent power producer, is pleased to announce an update on its development activities in Chile, as part of its strategy to expand its operations into the Americas.

#### **Development Activities in Chile**

With an office now in Santiago, Chile, Etrion is in a strong position to develop a sustainable platform for future growth in the Americas and has made excellent progress on its development activities to date. Specifically, the Company is negotiating its first power purchase agreement, to construct a 5 megawatt (“MW”) solar power project with expected project realization in 2013. In addition, Etrion is pursuing other opportunities to provide solar electricity to mining companies with varying energy requirements located throughout the country and expects additional power purchase agreements to be signed before the end of the year.

The cost of solar generation has dropped significantly enabling Etrion to provide competitive electricity solutions to mining companies through power purchase agreements denominated in United States dollars in areas of high solar irradiation, without the need of subsidies. Chile is a country with abundant renewable resources (i.e., high solar irradiation), high wholesale electricity prices and a large energy demand, making it an ideal country for Etrion to grow and diversify through new opportunities.

#### **Current Operations**

Etrion’s current platform, of approximately 60 MW of operating solar power projects in Italy, continues to perform above budget. During the first five months of 2012, the Company produced over 40 million kilowatt hours of solar electricity, approximately 10% above plan.

#### **Management Comments**

Marco A. Northland, the Company’s Chief Executive Officer, commented: “I am very pleased with the progress we are making in Chile. Projects we are discussing with potential clients are at grid parity, which is very exciting news for our industry. We are also pleased to confirm access to long-term financing in Chile at competitive terms. There is still a lot of work to do however Chile is a sustainable market which we can develop without being at the mercy of subsidy changes. Long-term cost reduction trends in solar should enable Etrion to become ever more competitive with other sources of energy. If we are at grid parity today, we should be in better position tomorrow.”

## About Etrion

Etrion Corporation is an independent power producer that owns and operates renewable assets. Etrion currently owns approximately 60 MW of operational, ground-based solar photovoltaic power plants in Italy. The Company is listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden (ticker symbol “ETX”). Etrion’s largest shareholder is the Lundin family, which owns approximately 22% of the Company’s shares through various trusts.

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

Cheryl Eversden – Chief Financial Officer  
Telephone: +41 22 715 20 90

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

### *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 growth plans) constitute forward-looking information. 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, without limitation, the ability of the Company to acquire additional renewable energy projects, enter into power purchase agreements with industrial clients and obtain project financing on economic terms. 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 risk that the Company may not be able to identify and/or acquire additional renewable energy projects, successfully conclude power purchase agreements or obtain project financing on economic terms.*

*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, 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.*