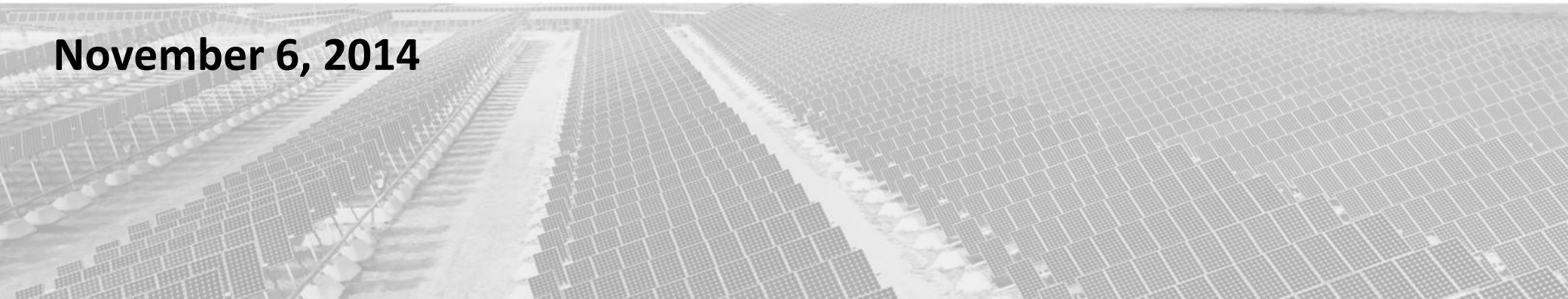




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Q3-2014 Earnings Call

November 6, 2014



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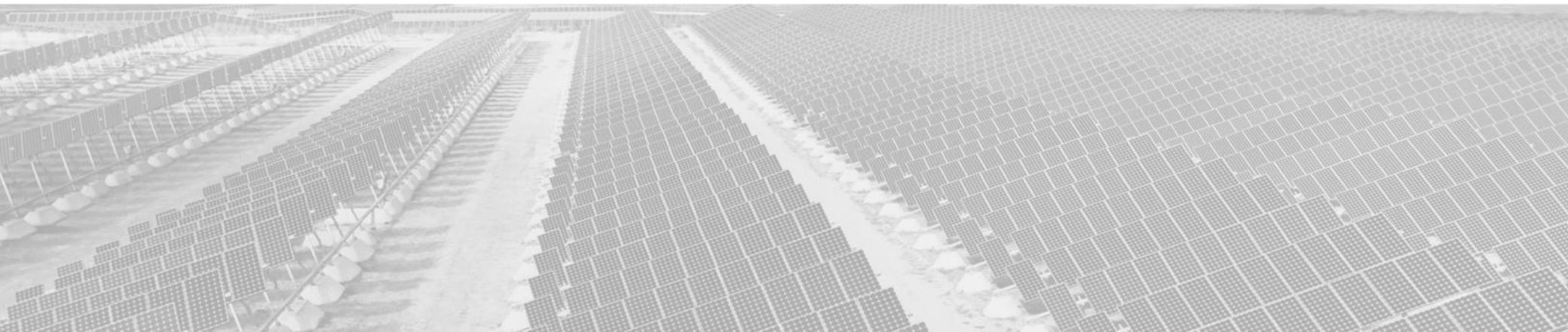
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CORPORATE OVERVIEW

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ETRION CORPORATION

Company Overview

- Independent power producer (IPP) that develops, builds, owns and operates ground-based solar photovoltaic (PV) power generation plants in three key markets (Italy, Chile and Japan)
- Listed on the Toronto Stock Exchange in Canada and the NASDAQ OMX Stockholm exchange in Sweden
- **Installed Capacity and Projects Under Construction** - 130 megawatts (MW) operational in Italy and Chile and 34 MW under construction in Japan
- **Development Pipeline** - 99 MW in Chile expected to be fully-permitted by Q1-2015 and a target of 100 MW shovel-ready in Japan by 2015 with a total of 300 MW by 2017
- **Global Platform** focused on:
 - **Geographic diversity** – entering new regions with high electricity prices, large energy demand and abundant renewable resources or strong mandate to diversify energy mix with attractive government incentives
 - **Contract diversity** – complementing Feed-in-Tariff (FiT) revenues with long-term power purchase agreements (PPAs) or merchant revenues
 - **Growth** – building a large pipeline of projects through key partnerships
 - **Yield** – preparing the company to pay dividends to shareholders

Financial Summary

Recent Share Price (TSX/OMX: ETX)	CAD\$0.54 / SEK 3.42
Shares Outstanding	334.0 million
Lundin Family Ownership	24.3%
Other Director/Management Ownership	6.7%
Revenues 2013A	US\$53.9 million
EBITDA 2013A	US\$40.3 million
Net Debt	US\$347 million
Market Capitalization	US\$158 million
Enterprise Value	US\$505 million



Notes:

- (1) US\$ refers to US dollars; CAD\$ refers to Canadian dollars; SEK refers to Swedish krona; € refers to euros.
- (2) ETX share price at closing on November 5, 2014.
- (3) Net debt as of September 30, 2014 (on a cash flow basis) includes USD 288m at the project level (including non-recourse project debt) and USD 59 million at the corporate level (including senior secured corporate bonds).

ETRION AT A GLANCE

OPERATIONAL EXCELLENCE

- 60 MW of installed capacity in Italy
- Operating platform of 17 solar power plants in Italy consistently perform above plan with 99.6% availability (YTD)
- Centralised monitoring system and effective asset management structure improves efficiency and increases production

PROVEN TECHNOLOGY / TRACK RECORD

- Utility scale solar projects built using top-tier panel providers and EPC contractors (i.e., Hitachi, SunPower, ABB)
- Highly experienced management team with long-standing track record in greenfield development, project finance, construction and operations

DIVERSIFIED GROWTH PLATFORM

- Revenue regime - FiT revenues complimented with long-term PPAs or spot/merchant pricing
- Geography - Europe, Asia and South America (markets with high electricity prices, large energy demand and abundant renewable resources or strong mandates to diversify energy mix)

STRATEGIC PARTNERSHIPS

- Strong track record of forging key strategic partnerships to develop utility-scale solar projects in high growth geographies: Total S.A. in Chile and Hitachi High-Tech in Japan
- Flagship renewable energy company in the Lundin Group

YIELD PLATFORM

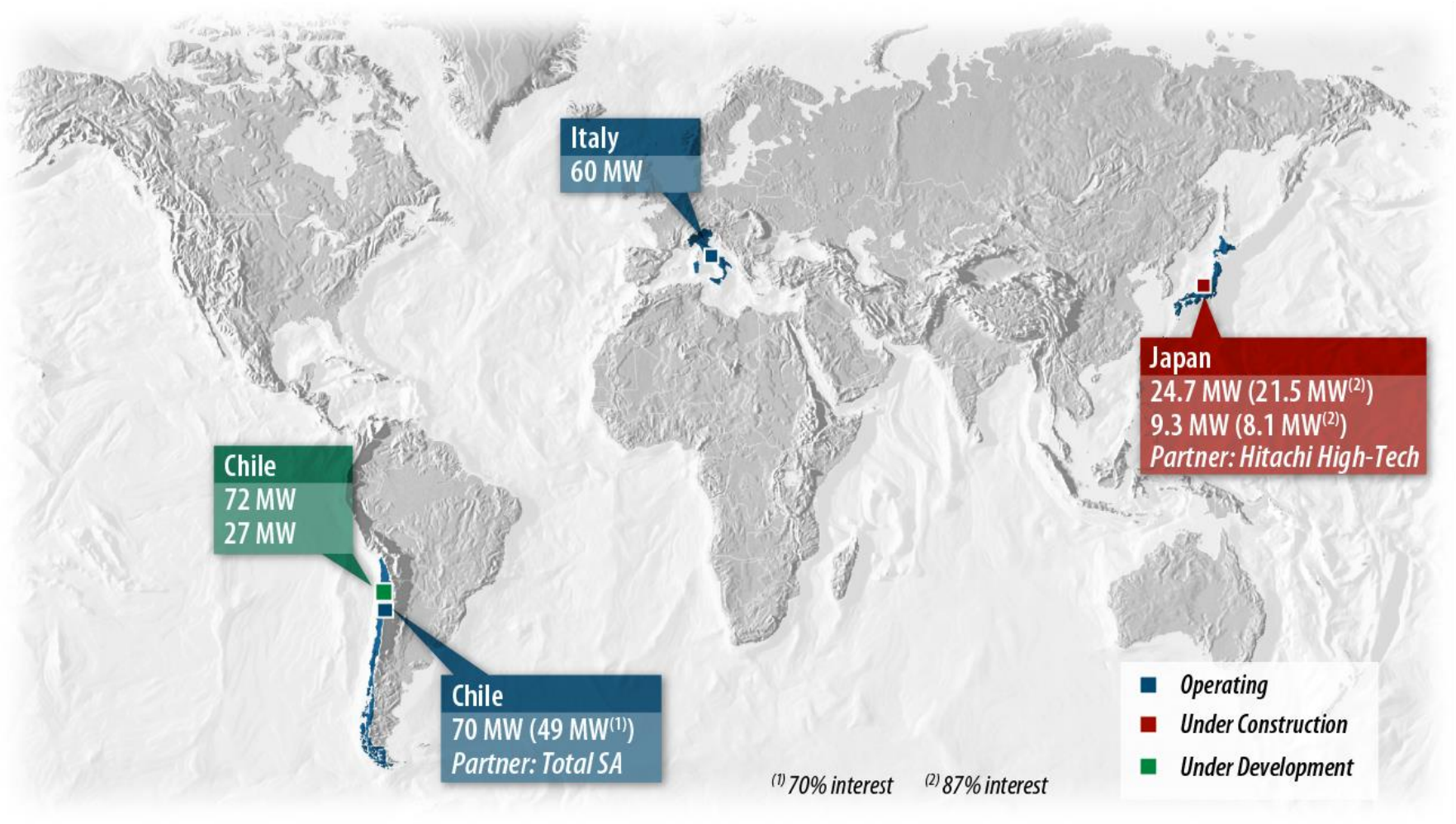
- Well positioned “YieldCo” structure due to stable cash flows from operating assets, diversified platform and visible future growth
- Easy separation of cash generating assets (YieldCo) from development capabilities (DevCo)



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**A PROVEN PLAYER IN THE
DOWNSTREAM SOLAR MARKET**

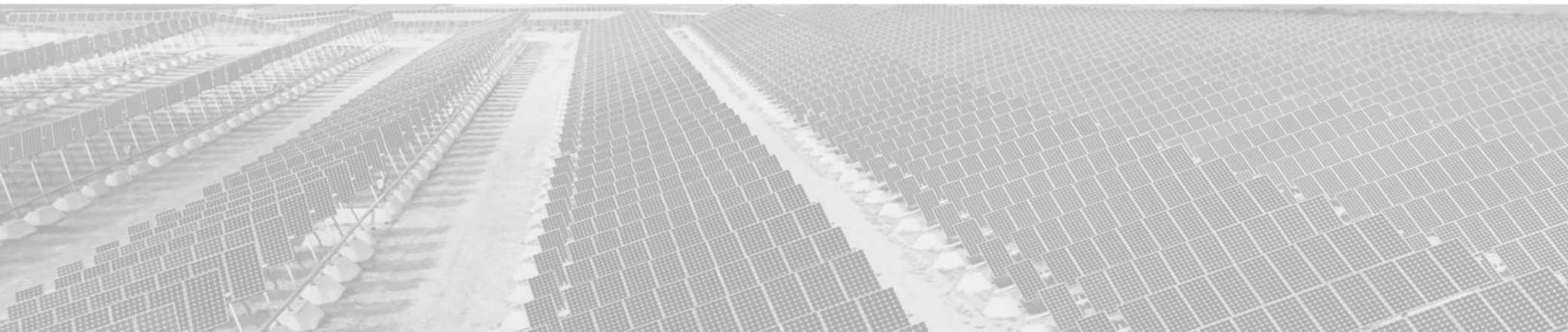
ETRION'S GLOBAL PLATFORM



- Geographic diversification across Italy, Chile and Japan
- Revenue diversification across FiT, PPAs and spot (merchant) pricing
- Etrion is constantly evaluating new opportunities in high-growth regions

OPERATING ASSETS: ITALY AND CHILE

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ITALIAN OPERATING ASSETS



Project ⁽¹⁾	MW ⁽²⁾	Revenue ⁽³⁾ US\$ million	EBITDA ⁽³⁾ US\$ million
Cassiopea (Montalto, Lazio)	24.0	24.1	20.4
Helios ITA-3 (Brindisi/Mesagne, Puglia)	10.0	7.4	6.5
Centauro (Montalto, Lazio)	8.8	8.2	6.9
Helios ITA (Brindisi/Mesagne, Puglia)	6.4	6.1	5.1
Etrion Lazio (Borgo Piave/Rio Martino, Lazio)	5.3	4.4	3.7
SVE (Matino/Oria/Ruffano, Puglia)	3.0	3.0	2.5
Sagittario (Nettuno, Lazio)	2.6	1.6	1.3
Total Operational	60.1	54.8	46.4

- 17 power plants with predictable revenues and cash flow
- 20-year FiT contract with 16 years remaining on average
- Expected to produce more than 100 million kWh of electricity in 2014
- Central monitoring system provides real-time visibility into plant performance (scalable platform for growth)

Notes:

(1) All projects are owned 100% by Etrion.

(2) Power plant capacity is shown in MW on a direct current basis, also referred to as megawatt-peak (MWp).

(3) Revenues and earnings before interest, taxes, depreciation and amortization (EBITDA) shown at the project level (excluding direct overhead) based on 2014 estimated figures translated at €/US\$ = 1.36. These figures do not reflect the proposed changes to the FiT regime in Italy.

PROJECT SALVADOR – TOTAL/ETRION PARTNERSHIP

SALVADOR (70 MW)



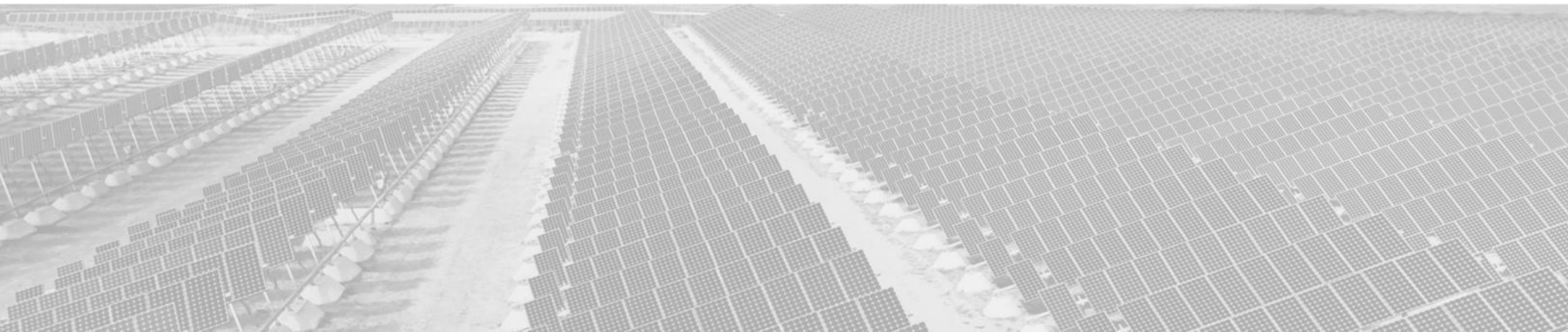
Project Details	
Capacity	70 (49 net) MW
Irradiation Yield	2,916 kWh/kWp
Revenue Stream	Merchant project in the SIC (spot market pricing with ability to secure future PPAs)
Production	200 (140 net) GWh/year
Land	Government concession
Start of Construction	Q4-2013
Start of Operations	Q4-2014

Notes:

- (1) Etrion acquired a 70% interest in the project with an equity contribution of approximately US\$42 million. Following payback of the equity contribution, Etrion's ownership will decrease to 50.01%. After 20 years of operations, Etrion's ownership will decrease to zero.
- (2) Notice to proceed with construction was given to SunPower in December 2013, and the project was connected to the grid on November 3, 2014.

EXPANSION PLANS: CHILE

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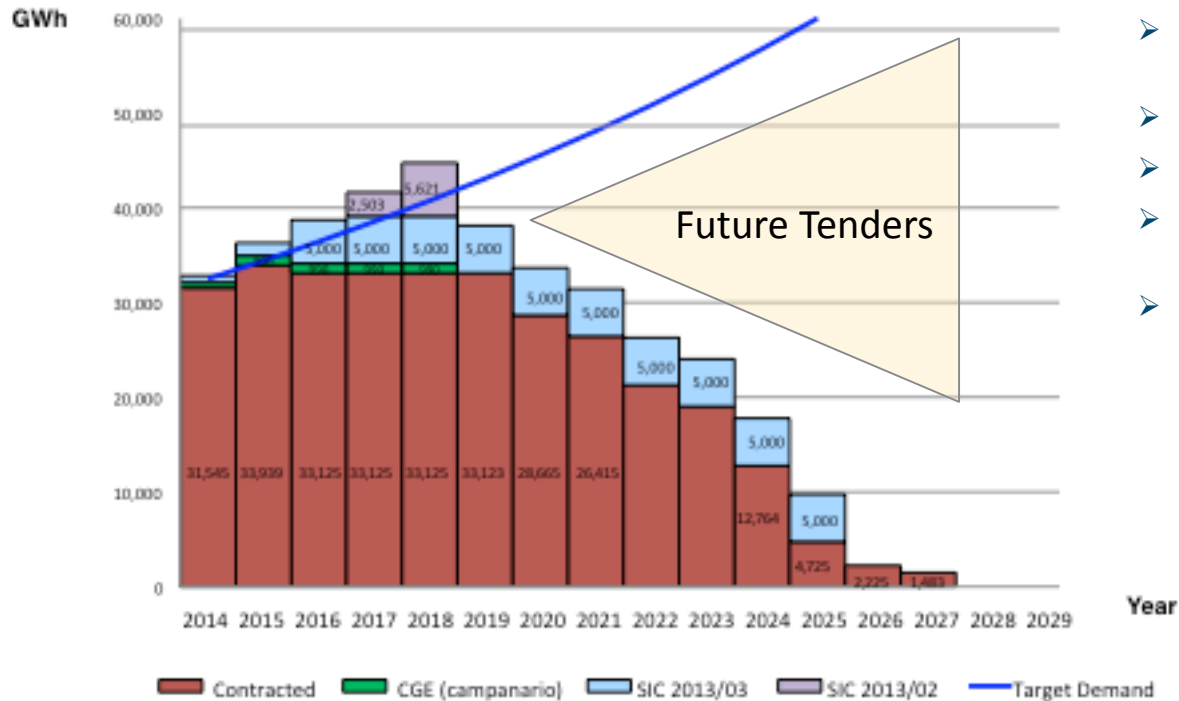
CHILE – SOLAR PIPELINE

#	COUNTRY	REGION	PROJECT NAME	CONTRACT REGIME	SITES	MW	STATUS	PROBABILITY	OWNERSHIP	SHOVEL-READY
1	Chile	SING (Northern)	Aguas Blancas	Merchant + PPA	2	40	<ul style="list-style-type: none"> - Application for land filed in April 2013, and the tender for the land has been won. CUO Decree is expected to be signed in Q4-2014. - Completion of environmental impact assessment is expected in Q4-2014. 	P50	100%	Q1-2015
2	Chile	SING (Northern)	Aguas Blancas	Merchant + PPA	1	32	<ul style="list-style-type: none"> - Application for land filed in April 2013. Due to registry delay, decree expected to be signed in Q1-2015. - Completion of environmental impact assessment is expected in Q4-2014. 	P10	100%	Q1-2015
3	Chile	SIC (Central)	Las Luces	Merchant + PPA	1	27	<ul style="list-style-type: none"> - Application for land filed in April 2013, and the tender for the land has been won. CUO Decree is expected to be signed in Q4-2014. - Completion of environmental impact assessment is expected in Q1-2015. 	P50	100%	Q1-2015
					4	99				

- Etrion's project development pipeline in Chile includes 99 MW
- Construction start dates will depend on ability to secure PPAs and project financing

CHILE LONG-TERM OPPORTUNITY

Regulated Market SIC – Contracted vs Demand



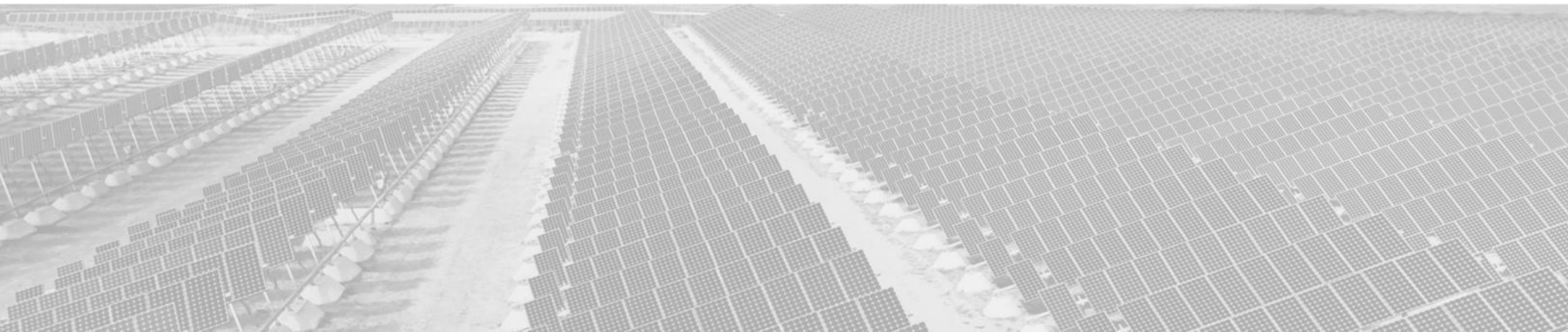
New Energy Policy

- Promote the development of renewable energy to meet government objectives of 20% by 2025
- Promote introduction of power generation using own resources
- Expand network connectivity (SIC-SING) and reduce congestion
- Reduce long-term energy prices. PPAs in SIC region increased from \$70/MWh in 2007 to \$133/MWh in 2013
- Modify the tender process for the regulated market to enable ERNC sources to effectively compete

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Supply - Contracted in SIC [GWh-year]	31.545	33.939	33.125	33.125	33.125	33.123	28.665	26.415	21.280	19.030	12.764
Demand SIC (04/2014) [GWh-year]	32.066	33.547	34.946	36.256	37.575	38.903	40.240	41.586	42.942	44.307	45.681
Contracted (%)	98,4%	101,2%	94,8%	91,4%	88,2%	85,1%	71,2%	63,5%	49,6%	43,0%	27,9%

EXPANSION PLANS: JAPAN

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HITACHI/ETRION PARTNERSHIP



Etrion on track to meet objective of reaching at least 100 MW under construction or shovel-ready by 2015 in Japan

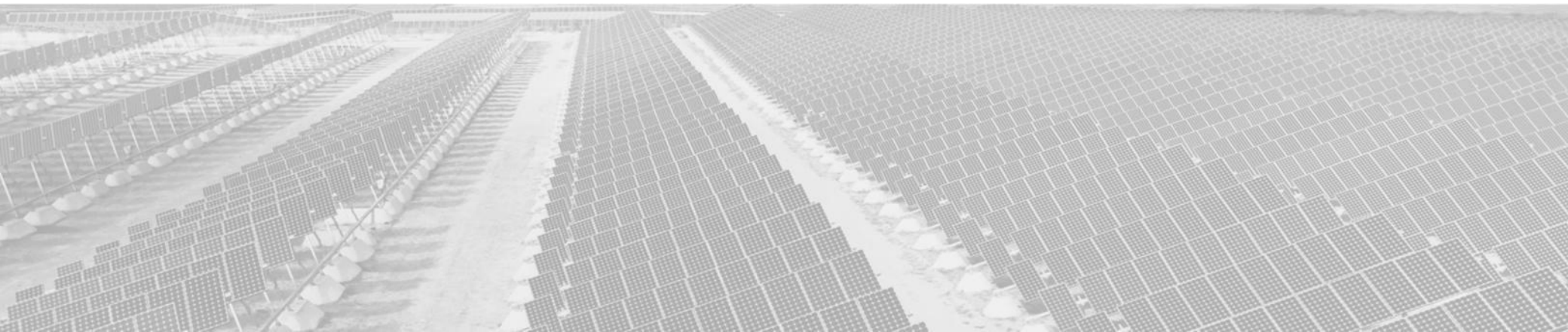
	SHIZUKUISHI ⁽¹⁾	MITO ⁽¹⁾
Capacity	24.7 (21.5 net) MW	9.3 (8.1 net) MW
Irradiation Yield	1,047 kWh/kWp	1,118 kWh/kWp
Revenue Stream	FiT (paid in JPY): JPY 40 (US\$0.40)/kWh Term: 20 years	FiT (paid in JPY): JPY 40 (US\$0.40)/kWh Term: 20 years
Production	25.6 (22.2 net) GWh/year	10.3 (9.0 net) GWh/year
Total Project Cost	US\$89 million (US\$77.3 million net)	US\$34.1 million (US\$29.7 million net)
Revenue ⁽²⁾	US\$10.2 million (US\$8.9 million net)	US\$4.1 million (US\$3.6 million net)
EBITDA ⁽²⁾	US\$7.4 million (US\$6.4 million net)	US\$3.2 million (US\$2.8 million net)
Land	Leased from individual landowner	Leased from individual landowner
Start of Construction	Q4-2014	Q4-2014
Completion of Construction	Q4-2016 ⁽³⁾	Q4-2015

Notes:

- (1) Etrion has entered into a development agreement with Hitachi High-Tech, a subsidiary of Hitachi, Ltd, for the development, finance, construction, ownership and operation of utility-scale solar power plants in Japan. Etrion will own approximately 87% of the projects, and Hitachi High-Tech will own the remaining approximate 13%. An exchange rate of US\$/JPY 100 has been used.
- (2) Revenue and EBITDA projections represent the first full year of operations.
- (3) Shizukuishi will connect through the Tohoku Electric Power Co., Inc. utility which requires up to 29 months for grid connection. However, construction may be accelerated reaching connection within 15 months of the start of construction.

Q3-2014 FINANCIAL REVIEW

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FINANCIAL RESULTS

US\$'000	Q3-14	Q3-13
Revenues	17,129	19,414
Operating expenses	-2,067	-2,128
G&A expenses	-1,914	-1,412
Other income	85	7
EBITDA	13,231	15,881
Depreciation and amortization	-5,113	-5,022
Net finance costs	-4,752	-6,542
Income before taxes	3,366	4,317
Tax expense	-2,173	-3,261
Net results	1,193	1,056

- Revenues – 12% lower due to less solar irradiation and a reduction in the spot market price in Italy offset by FX variations
- Operating expenses – 3% lower mainly due to a reduction in O&M costs and other operating expenses offset by FX variations
- G&A expenses – higher due to higher headcount due to expansion in Chile and Japan, other non-recurring items and FX variations
- Net finance costs – 27% lower costs primarily due to foreign exchange gains as result of approximately 8% devaluation of the Euro vs US dollar in the third quarter of 2014
- Net tax expense – 30% lower due to a reduction in taxable income at the project level and a reduction to the applicable tax rate in Italy from 38% to 34% offset by FX variation

FINANCIAL POSITION

US\$'000	Sep-14	Dec-13
Assets		
Property plant and equipment	454,253	357,644
Intangible assets	32,122	31,446
Derivative financial instruments	14,406	8,856
Trade and other receivables	26,992	3,464
Total non-current assets	527,773	401,410
Trade and other receivables	20,946	21,927
Cash and cash equivalents	147,243	94,914
Current assets	168,189	116,841
Total assets	695,962	518,251

Liabilities		
Borrowings	482,896	417,432
Derivative financial instruments	39,561	27,019
Deferred tax liabilities	1,166	2,316
Provisions and other liabilities	22,617	13,442
Total non-current liabilities	546,240	460,209
Trade payables	67,416	35,360
Current tax liabilities	3,960	757
Borrowings	18,294	21,152
Derivative financial instruments	8,882	9,110
Provisions and other liabilities	3,202	3,001
Total current liabilities	101,754	69,380
Total liabilities	647,994	529,589
Total equity (including non-controlling interest)	47,968	-11,338

- Balance Sheet strengthened due to US\$80 million private placement completed in January 2014 and the €20 million gross proceeds from the bond refinancing in April 2014
- Balance Sheet reflects typical solar infrastructure business model:
 - Corporate bond (US\$102.2 million) - €80 million senior secured bond with 8.0% annual interest and 5-year maturity
 - Non-recourse project loans in Italy/Chile/Japan (US\$399.0 million)
- Positive working capital of US\$66 million and cash on hand of US\$147 million (\$108.7 million restricted/\$38.3 million unrestricted)
- Positive net equity of US\$47.9 million (including non-controlling interest in Project Salvador, Shizukuishi and Mito of US\$2.9 million)
- PP&E - higher due to investment in Project Salvador in Chile offset by depreciation of operational assets in Italy
- Intangible assets - higher due to capitalization of \$3 million of development costs associated with projects in Chile and Japan offset by amortization of operational assets in Italy and FX differences
- Trade and other receivables – higher mainly due to seasonal revenues and input VAT related to the construction of Project Salvador
- Long-term borrowings – higher due to increased size of corporate bond and additional funds drawn under Project Salvador and Shizukuishi facility
- Derivative financial instruments: higher due to fall in Euribor 6-month interest rate affecting interest rate swaps for Italian portfolio. Project Salvador in Chile has fixed-rate debt.

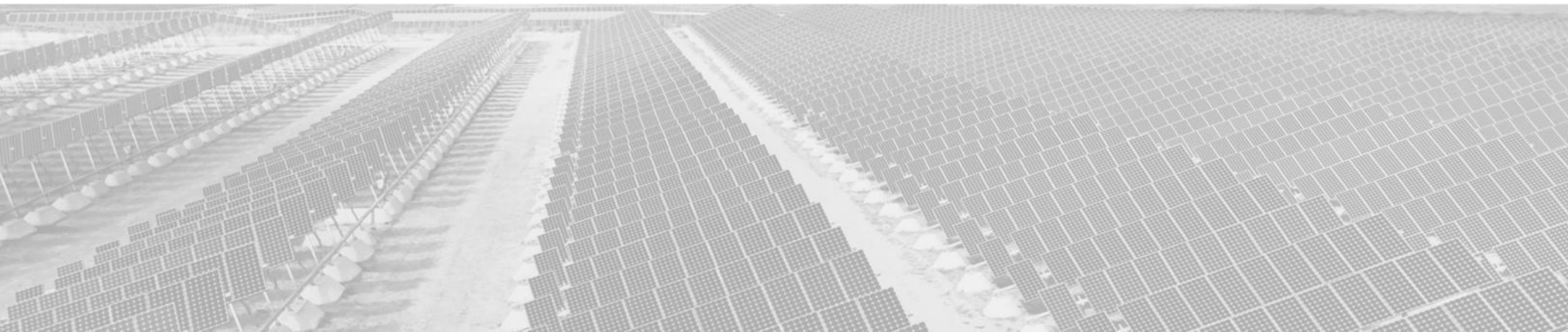
CASH FLOW STATEMENT

US\$'000	Restricted	Unrestricted	Total
December 31, 2013 cash balance	86.4	8.5	94.9
Project level EBITDA	40.4		40.4
Corporate G&A		-5.2	-5.2
Taxes paid	-3.2		-3.2
Working capital	-33.6	2.8	-30.8
Operating cash flow	3.6	-2.4	1.3
Capital expenditures	-77.0	-5.2	-82.2
Net proceeds from issuance of shares		76.4	76.4
Proceeds from bank loans	84.5		84.5
Interest on non-recourse project loans	-18.7		-18.7
Repayment of bank loans	-14.5		-14.5
Proceeds from corporate bond		23.9	23.9
Interest on corporate bond		-4.1	-4.1
Repayment of Lundin bridge loan		-18.4	-18.4
Etrion's equity contributions to Project Salvador, Shizukuishi and Mito	40.3	-40.3	0.0
Contributions from Project Salvador's non-controlling interests	9.9		9.9
Financing cash flow	101.4	37.5	138.9
Exchange rate differences	-5.8	0.1	-5.7
September 30, 2014 cash balance	108.7	38.5	147.2

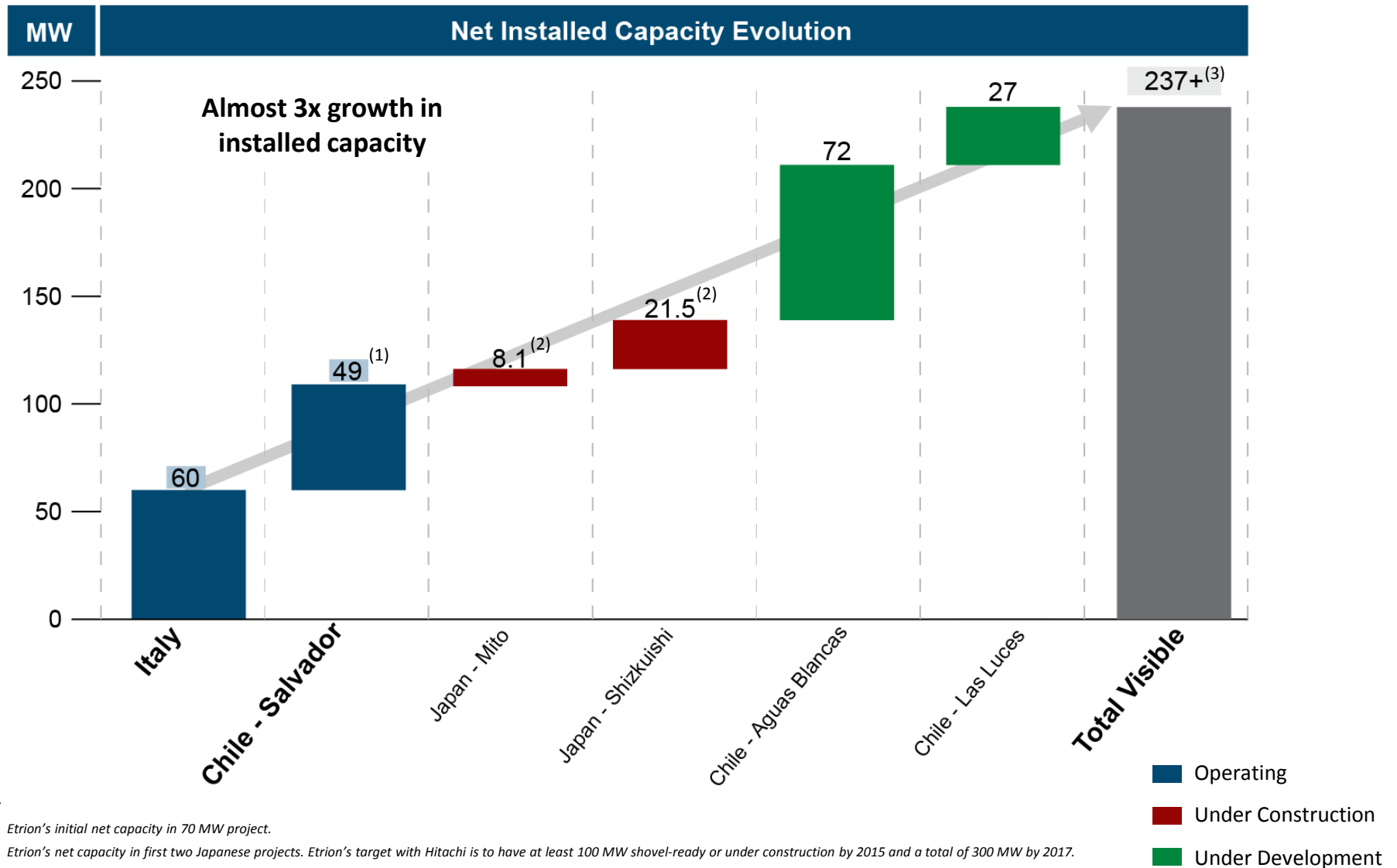
Restricted cash balance of operating platform, including Project Salvador, expected to be US\$20-40 million, depending on timing of cash distributions and debt service payment at project level

SUMMARY

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OVERALL PROJECT PORTFOLIO – POTENTIAL GROWTH



CONCLUSION

Attractive returns in downstream solar power generation sector

➤ Global Platform

- Well positioned to expand within Europe, Asia and the Americas
- Systems in place to effectively manage operations across multiple jurisdictions
- Proven ability to secure high-return projects and attract strong partners (Total, Hitachi)

➤ Solid Capital Structure

- Non-recourse project finance from banks with 70-85% leverage
- Corporate bonds (e.g., recent EUR 80 million senior secured bond listed in Oslo with April 2019 maturity)
- Lundin family financial support (e.g., US\$42 million unsecured bridge facility repaid January 2014)
- Canadian and Swedish stock exchange listings (e.g., recent US\$80 million private placement)

➤ Strong Management

- Operational know-how with over 300 MW of solar parks built in major EU markets and in Chile
- Track record in corporate/project finance, as well as mergers and acquisitions
- Extensive experience building successful international businesses
- Multicultural, multilingual team of approximately 35 employees

➤ Yield Plus Growth Plan

- Yield – clear path to dividends by 2015 with stable revenue and EBITDA
- Diversity – in terms of geography (Italy/Chile/Japan) and contract regime (FiT/PPA/Merchant)
- Critical mass – gaining scale in terms of MW, EBITDA, market cap and trading volume
- Growth – almost doubled installed capacity in 2014 with large pipeline for future growth

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