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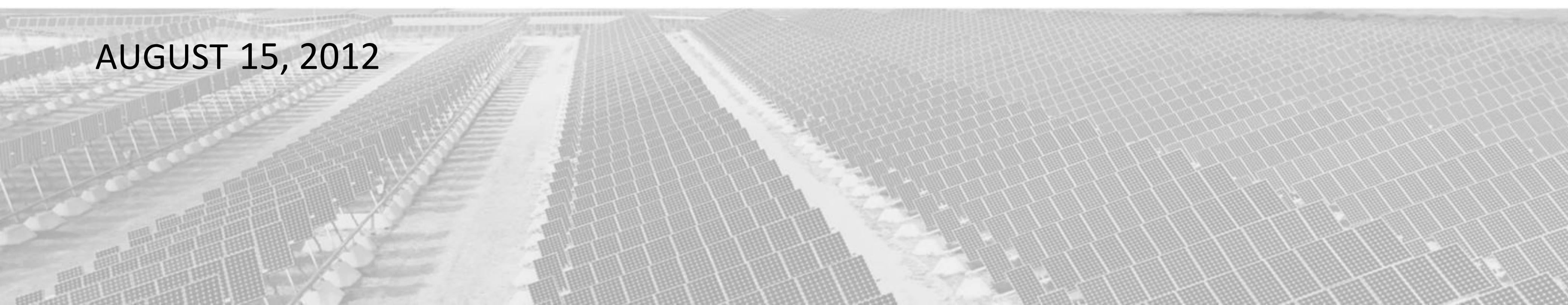
Q2-2012 EARNINGS CALL



AUGUST 15, 2012

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Operational Update

Company Overview

Overview

- Etrion is an independent power producer (IPP) that owns and operates renewable assets
- Current operations in Europe with new growth expected in the Americas
- Focus is on power purchase agreements (PPAs) with industrial clients in the Americas complemented by high quality Feed-in-Tariff (FiT) environments like Italy
- Future growth will be driven by markets with:
  - large energy demand
  - high electricity prices
  - abundant renewable resources (i.e., solar, wind and hydro)
  - reliable government support to renewable energy

Corporate Information

- Stock exchange listings: Toronto Stock Exchange in Canada and NASDAQ OMX Stockholm exchange in Sweden (ticker symbol, “ETX”)
- Shares outstanding: 205.7 million
- Market cap: approximately CAD$72 million
- Major shareholder: Lundin family (22%)
- Corporate bond listing (€60 million): Oslo Alternative Bond Market

Assets overview

- 60 MWp of ground-based solar photovoltaic (PV) power power plants operational in Italy
- Development and acquisition opportunities
- Growth focused on the Americas

Ground-based solar photovoltaic (PV) parks

Etrion’s 3.5 MWp Borgo Piave solar PV park in Italy

Downstream Player

Raw material (poly) → Parts (modules, inverters) → Services (EPC, Engineering) → Development → Finance → IPP (build, own, operate)

EPC = engineering, procurement and construction

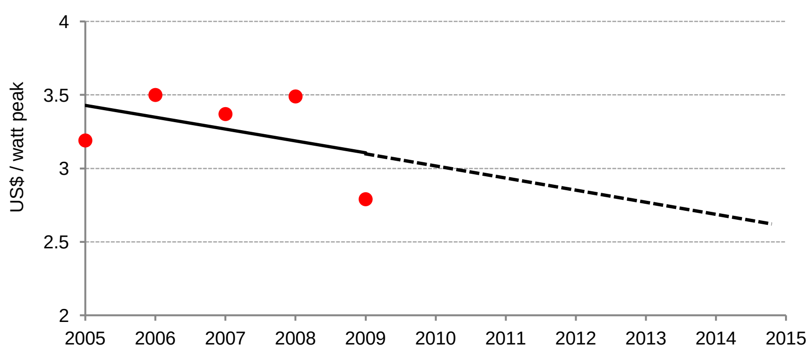
- Raw material (e.g., polysilicon) required to make wafers and ingots, which in turn are utilized for the construction of solar cells

- Solar cells are then assembled and packaged in order to form solar panels, which are used in the construction of the solar plant

- Third parties provide different services to the project sponsor such as EPC

- Solar facilities are developed in new markets
- Financing is secured with third parties
- EPC and operations and maintenance (O&M) contracts are negotiated and managed
- Renewable assets are owned and operated by the independent power producer (IPP)

Photovoltaic module price curve since 2005



Source: US Energy Information Administration

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Value chain characteristics:

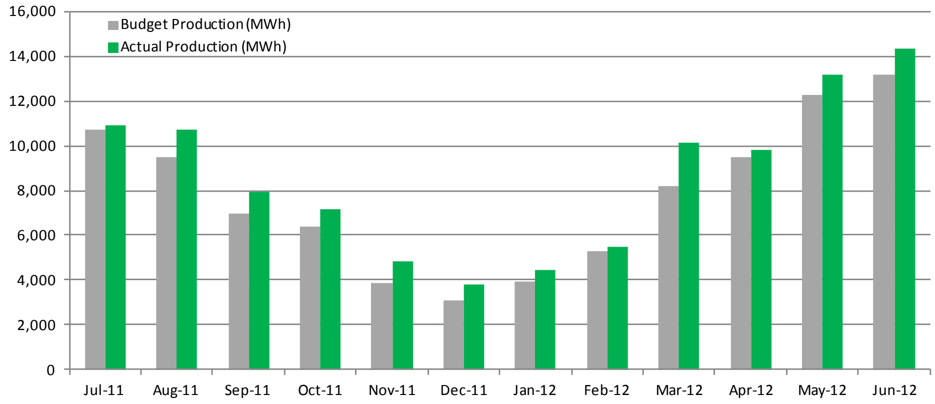
- Small group of multinational businesses, a number of them vertically integrated
- Oversupply of modules and competition are compressing margins upstream
- Predictable returns downstream for independent power producers (IPPs) like Etrion

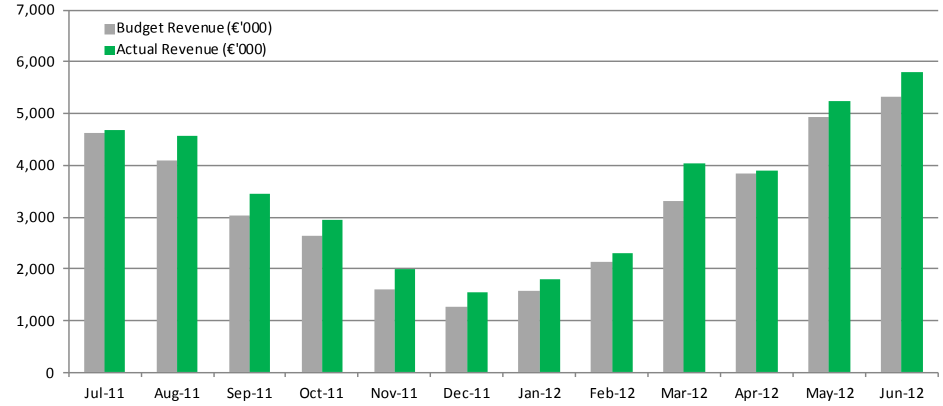
Strategic Direction and Growth Drivers

- Enter new geographical region
- Complement FiT revenues with PPA revenues
- Develop vertical market to serve large industrial clients
- Diversify technology
- Prepare platform for dividend distributions
- Technology cost reduction road map

Operating Performance

Revenue and production above expectation by more than 10% on average over last 12 months



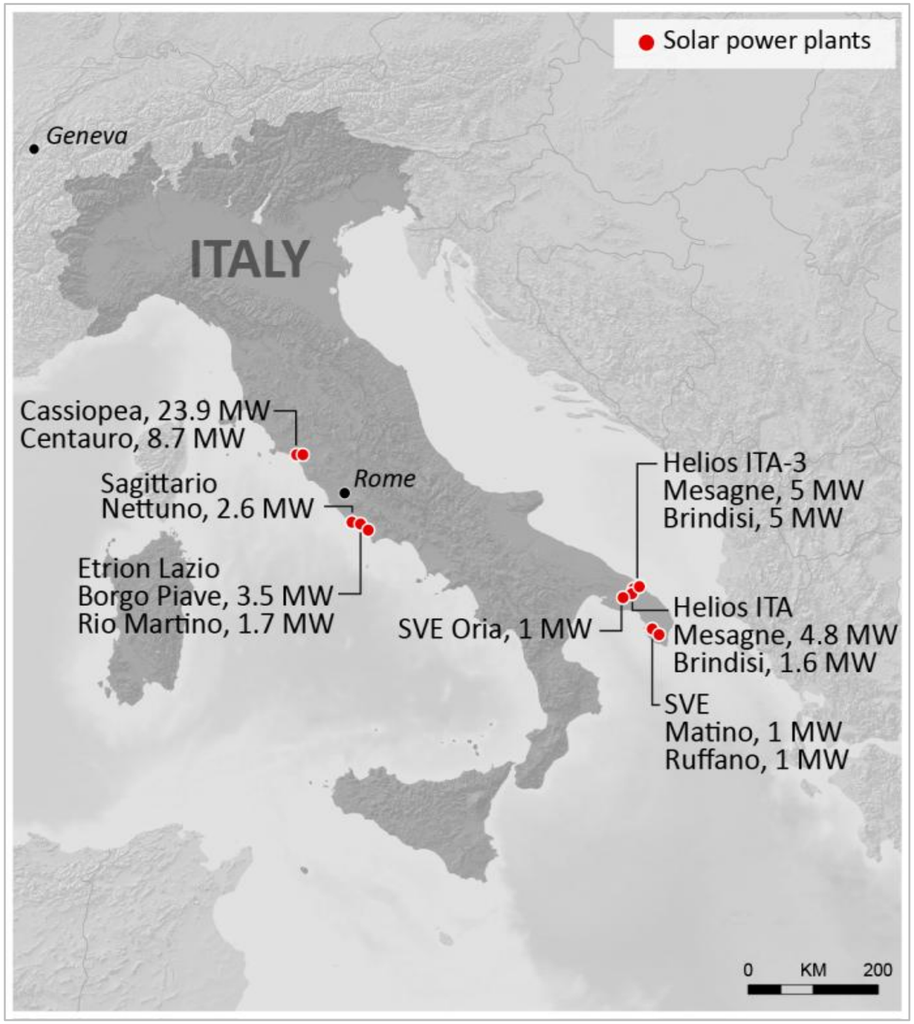


- Proven track record of operational excellency
- Predictable revenues enabling long term forecasting
- Over 88 million kWh produced in 2011, sufficient to power over 25,000 homes (over 100 million kWh expected to be produced in 2012)

Notes:

1. *Production fluctuation month to month is due primarily to solar irradiation seasonality. However, on an annual basis, solar irradiation in Italy varies less than 10%.*
2. *Revenues shown include Cassiopea (23.9 MW), Centauro (8.7 MW), Helios ITA (6.4 MW) and SVE (3 MW), Borgo Piave (3.5 MW) and Rio Martino (1.7 MW) since July 2011; and Helios ITA-3 (10 MW) and Sagittario (2.6 MW) since September 2011.*

Current Platform - Italy



(Currency: EUR million)

Project	MWp	Revenue	EBITDA
Cassiopea (Montalto, Lazio)	23.9	18.3	16.4
Centauro (Montalto, Lazio)	8.7	6.3	5.8
Helios ITA (Mesagne/Brindisi, Puglia)	6.4	4.8	4.1
SVE (Oria/Matino/Ruffano, Puglia)	3.0	2.2	1.9
Borgo Piave, Lazio	3.5	2.0	1.8
Rio Martino, Lazio	1.7	1.0	0.9
Helios ITA-3 (Brindisi, Puglia)	5.0	2.7	2.4
Helios ITA-3 (Mesagne, Puglia)	5.0	2.7	2.4
Sagittario (Nettuno, Lazio)	2.6	1.2	1.0
Total Operational	**59.8**	**41.3**	**36.8**

Notes:

1. All projects owned 100% by Etrion.

2. EBITDA = earnings before interest, taxes, depreciation and amortization (excluding internal management fees of approximately €1 million per year).

3. Revenues and EBITDA are annual estimates.

4. Power plant capacity is referred to as megawatt-peak (MWp) on a direct current (DC) basis.

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Growth Plan - Chile

Overview

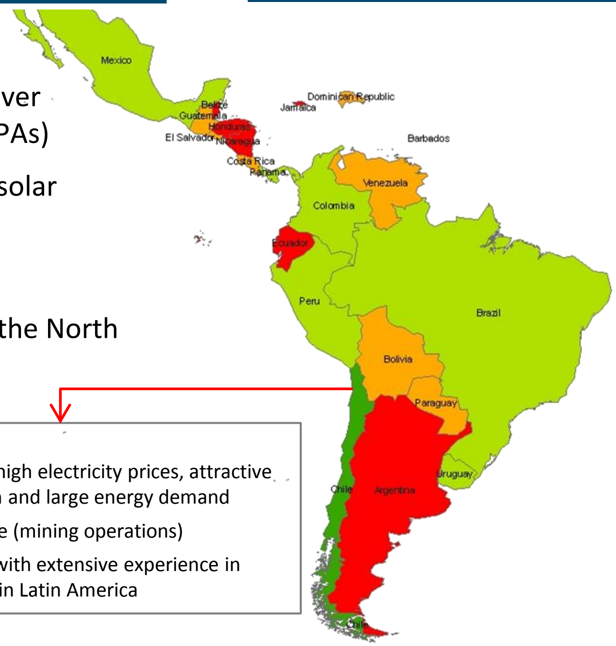
- Focus is on power purchase agreements (PPAs) with industrial clients in the Americas, initially Chile
- Leverage the Lundin Group (strong presence in natural resources sector) to become a niche power generation player in this sector
- Explore mini-hydro to complement solar portfolio

Recent Activities

- Established Etrion Chile to expand into the Americas and to serve local market
- Commenced the developed of first 5 MW project with expected project realization in 2013
- Targeted several multinational mining companies to address off-grid and on-grid power generation solutions

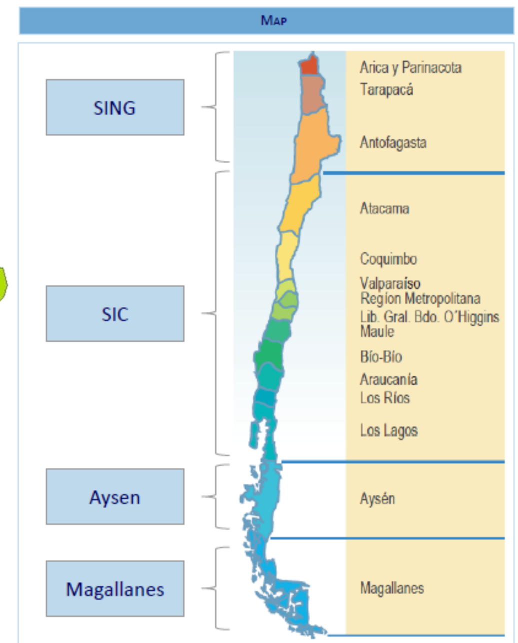
Market Validation

- Key drivers for success:
  1. mature PPA market (i.e., industrial users with over 2 MW consumption are obliged to enter into PPAs)
  2. abundant renewable resources (i.e., attractive solar irradiation)
  3. high wholesale electricity prices
  4. large energy demand (i.e., energy shortages in the North due to high growth in mining sector)
  5. available long-term financing
  6. low cost of debt



Chile:
- a country with high electricity prices, attractive solar irradiation and large energy demand
- Lundin presence (mining operations)
- CEO is Chilean with extensive experience in doing business in Latin America

The Americas



Financial Review



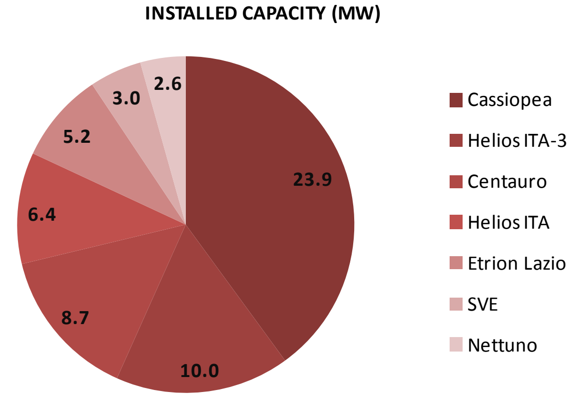
Q2-2012 Highlights

OPERATIONS

- 60 megawatts ("MW") of operational solar power projects
- Produced 37.4 million kilowatt-hours ("kWh") of solar electricity (2011: 29.3 million)
- For the quarter, produced approximately 7% more electricity than budgeted and 28% more electricity than prior year

FINANCIAL

- Generated solar electricity revenues of US$19.2 million (2011: US$17.8 million)
- Recognized EBITDA of US$16 million / 83% margin (2011: US$12.9 million / 72% margin)



Summary

	Three months ended		Six months ended	
	June 30 2012	June 30 2011	June 30 2012	June 30 2011
Production[1] (MWh)	37,355	29,282	57,483	42,063
Revenue[1] (US$'000)	19,198	17,829	29,936	25,106
Gross profit (US$'000)	13,490	12,933	18,631	15,377
Net income/(loss) (US$'000)	756	(2,124)	(1,545)	(3,645)
Adjusted net income before non-cash items[2] (US$'000)	5,897	3,591	7,256	2,792
EBITDA[2] (US$'000)	15,999	12,919	25,146	17,941
EBITDA margin	83%	72%	84%	71%
Operating cash flow[3] (US$'000)	6,702	(7,787)	11,785	(17,033)
Working capital[3] (US$'000)	25,057	(8,920)	25,057	(8,920)

Notes:

(1) Production is based on megawatt-hours ("MWh") of electricity produced. Prices are received in Euros ("€") and have been translated to US dollars ("US$") at the average €/US$ exchange rate for the three and six months ended June 30, 2012, of 1.30 (2011: 1.40). The average price per kilowatt-hour produced dropped from US$0.49 in the second quarter of 2011 to US$0.43 in the second quarter of 2012, as a result of: (a) exchange rate variations; and (b) new projects being added in the third quarter of 2011 with a lower Feed-in-Tariff ("FiT").

(2) Adjusted net income before non-cash items and earnings , before interest, depreciation and amortization ("EBITDA") are non-International Financial Reporting Standard measures .

(3) Operating cash flow refers to cash flows before investing and financing activities and effects for foreign exchange rate differences. Working capital refers to current assets less current liabilities.

Financial Results

(US$'000)	Q2-2012 (Three months)			Q2-2012 (Six months)		
	2012	2011	Variance	2012	2011	Variance
Revenue	19,198	17,829	1,369	29,936	25,106	4,830
Operating expenses	(862)	(419)	(443)	(1,453)	(1,029)	(424)
General and administrative expenses[1]	(2,925)	(3,952)	1,027	(5,328)	(7,522)	2,194
Other income	588	(539)	1,127	1,991	1,386	605
EBITDA[2]	**15,999**	**12,919**	**3,080**	**25,146**	**17,941**	**7,205**
Depreciation and amortization	(4,913)	(4,564)	(349)	(9,989)	(8,851)	(1,138)
Net finance costs	(7,370)	(8,173)	803	(14,190)	(10,708)	(3,482)
Income tax expense	(2,960)	(2,306)	(654)	(2,512)	(2,027)	(485)
Net income/(loss)	**756**	**(2,124)**	**2,880**	**(1,545)**	**(3,645)**	**2,100**
Adjustments for non-cash item items:						
- Other income (exchange right)[3]	-	-	-	(1,403)	-	(1,403)
- Liquidation damages[4]	-	(247)	247	-	(2,189)	2,189
- EPC cancellation fee[5]	-	580	(580)	-	580	(580)
- Depreciation and amortization	4,913	4,564	349	9,989	8,851	1,138
- Fair value movements (derivatives)[6]	148	507	(359)	56	(1,448)	1,504
- Share-based payment	80	311	(231)	159	643	(484)
Adjusted net income before non-cash items[2]	**5,897**	**3,591**	**2,306**	**7,256**	**2,792**	**4,464**

EBITDA margin of 83%

Net income during Q2-2012

Non-recurring/ non-cash items

Recurring/ non-cash items

EBITDA margin of 84%

Non-recurring/ non-cash items

Recurring/ non-cash items

Notes:

(1) EBITDA and adjusted net income before non-cash items are non-IFRS measures.

(2) Other income recognized in 2012, related to the 10% equity interest in the Company's subsidiary, Solar Resources Holding Sarl ("SRH"), previously held by Marco A. Northland, the Company's Chief Executive Officer and director ("Mr. Northland"), to adjust the previously recognized share-based payment expense for the portion of the performance condition not met at conversion (March 30, 2012).

(3) Liquidation damages were received in 2011, associated with delays encountered by the EPC contractors responsible for the construction of two solar power projects (Etrion Lazio and SVE).

(4) An expense of US$0.6 million was recognized during 2011, for the EPC contract cancellation fee related to the Helios ITA-3 solar power project.

(5) At June 30, 2012, all of the Group's derivative financial instruments (i.e., interest rate swap contracts) qualified for hedge accounting with only the ineffective portion of fair value movements included within profit or loss (within finance costs/income).

Financial Position

(US$'000)	Q2-2012	YE-2011	Variance[1]
Non-current assets	**385,235**	**408,144**	**(22,909)**
Property, plant and equipment and intangible assets	358,146	377,778	(19,632)
Available for sale investments	2,061	2,061	-
Other (trade and other receivables and deferred tax)	25,028	28,305	(3,277)
Current assets	**64,380**	**59,432**	**4,948**
Trade and other receivables	33,128	19,776	13,352
Cash and cash equivalents (including restricted cash)	31,252	39,656	(8,404)
Total assets	**449,615**	**467,576**	**(17,961)**
Non-current liabilities	**411,723**	**425,696**	**(13,973)**
Borrowings	372,759	390,825	(18,066)
Other liabilities (derivatives, deferred income tax and provisions)	38,964	34,871	4,093
Current liabilities	**39,323**	**39,318**	**5**
Borrowings	17,948	16,030	1,918
Trade and other payables	4,341	12,791	(8,450)
Other (derivatives, income tax and provisions)	17,034	10,497	6,537
Total liabilities	**451,046**	**465,014**	**(13,968)**
Total equity[2]	**(1,431)**	**2,562**	**(3,993)**
Working capital (i.e., current assets less current liabilities)	**25,057**	**20,114**	**4,943**

Working capital of US$25.1 million

Borrowings: US$390.7 million
- Corporate bond (US$75.6 million) at 9% with 4-year maturity
- Project loans (US$234.1 million)

Notes:

(1) Balance sheet movements are primarily attributable to: (a) exchange rate variations due to the weakening of the Euro against the US dollar (as underlying assets and liabilities are primarily denominated in Euros); (b) the conversion of Mr. Northland's 10% equity interest in the Company's subsidiary, SRH, releasing the US$5.3 million (€4 million) liability to equity; and (c) an increase to the net liability position of the Group's derivative financial instruments (interest rate swaps) due to a lower forecasted euribor curve.

(2) Total equity includes share capital (US$33.3 million), contributed surplus (US$10.1 million), net losses associated with cash flow hedges (US$16.7 million) and net gains associated with currency translation adjustments (US$0.7 million) and accumulated deficit (US$28.8 million). Excluding the net losses associated with cash flow hedges, the Company's net equity would have been positive (US$15.3 million) at June 30, 2012.

Net Debt Position

Net Debt Position (IFRS)

(US$'000)	Q2-2012	YE-2011
Borrowings		
Non-recourse loans		
Cassiopea (BIIS, Societe Generale and WestLB)	136,472	142,638
Etrion Lazio/Helios ITA-3/Sagittario (Natixis Portfolio)[1]	73,464	75,833
Centauro (Barclays)	50,137	52,402
Helios ITA (Societe Generale and Dexia)	38,732	41,216
SVE (Centrobanca)	15,541	16,374
Corporate debt		
Corporate bond	76,361	78,392
Total borrowings	**390,707**	**406,855**
Cash and cash equivalents (including restricted cash[2])	(31,252)	(39,656)
Net debt position	**359,455**	**367,199**

Net Debt Position (Cash-flow basis)

(US$'000)	Q2-2012	YE-2011
Borrowings		
Total borrowings (per consolidated financial statements)	390,707	406,855
VAT facilities[3]	(22,746)	(26,201)
Accrued interest[4]	(3,034)	(3,436)
Transaction costs[4]	10,615	11,586
Total borrowings (excluding non-cash items)	**375,542**	**388,804**
Cash and cash equivalents (including restricted cash[2])	(31,252)	(39,656)
Adjusted net debt position	**344,290**	**349,148**

Notes:

(1) Natxis portfolio includes Natixis, WestLB and Mediocreval.

(2) Restricted cash relates to cash and cash equivalents held at the project level that is restricted by the lending banks for future repayment of interest and principal and working capital requirements related to the specific project.

(3) Value added tax ("VAT") is excluded from total borrowings as this is a cash-in/cash-out item (i.e., VAT facility will be repaid using proceeds from input VAT).

(4) Borrowings per the consolidated financial statements include accrued interest, net of transaction costs, in accordance with IFRS. These non-cash items are excluded from total borrowings to calculate the Group's net debt position on a cash flow basis.

Conclusion

Attractive returns in downstream solar power generation sector

- **Stable Cash Flow Platform**
  - Long-term IPP player
  - Significant revenue and EBITDA
  - Solar parks performing more than 10% above plan
  - Stock exchange listings in Canada and Sweden (with equity research coverage from several analysts)
- **Unique Capital Structure**
  - Non-recourse project finance from top European lender with 80-85% leverage
  - Lundin Group financial support
  - Corporate bonds
- **Strong Management**
  - Operational know-how with over 250 MWp of solar parks built in major EU markets
  - Completed 60 MWp Etrion solar portfolio in Italy in 18 months
  - Proven track record for project development in Italy, Germany, Spain, England, UK, Israel, Chile and France
  - Extensive experience building successful businesses in the Americas
- **Growth Plan**
  - Diversity (in terms of geography, contract regime (FiT/PPA) and technology)
  - Yield (clear path to dividends)
  - Critical mass (scale in terms of MWp, EBITDA, market capitalization and trading volume)

Contacts

Etrion Corporation

Marco Northland, CEO
Cheryl Eversden, CFO

Rue du Stand 60-62
CH - 1204 Geneva
Switzerland

Phone: +41 22 715 20 90
Email: info@etrion.com
Website: www.etrion.com