

Etrion Corporation
March 2021

etrion

Powered by the Sun

Developing, building and operating solar
power generation plants

Disclaimer

These materials and the information contained herein are being presented by Etrion Corporation (the “Company”).

These materials do not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities, nor shall part, or all, of these materials or their distribution form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities. These materials do not constitute any form of commitment or recommendation on the part of the Company.

These materials do not purport to be all-inclusive or to contain all the information that prospective investors may desire in analyzing and deciding whether or not to hold or transact in the Company's shares. These materials are not a prospectus or an offer document and has not been prepared, approved or registered in accordance with the Swedish Financial Instruments Trading Act (*Sw. lag (1991:980) om handel med finansiella instrument*) or any other Swedish or foreign law. Accordingly, these materials have not been subject to review or approval by the Swedish Financial Supervisory Authority or any other Swedish or foreign authority.

Recipients of these materials must rely on their own examination of the legal, taxation, financial and other consequences of any possible holding or transaction involving the Company's shares, including the merits and risks involved. Recipients should not treat the contents of these materials as advice relating to legal, taxation or other matters and are advised to consult their own professional advisors concerning the acquisition, holding or disposal of shares in the Company.

Although the Company has endeavored to contribute towards giving a correct and complete picture of the Company herein, neither the Company nor any of its directors, officers, employees or agents nor any other person can be held liable for loss or damage of any kind, whether direct or indirect, arising from use of these materials or their contents or otherwise arising in connection therewith. More specifically, the Company and its directors, officers, employees and agents assume no responsibility whatsoever and makes no representation or warranty, expressed or implied, for the contents of these materials, including its accuracy, completeness or verification for any other statement made or purported to be made by any of them, or on their behalf.

These materials as well as any other information provided by or on behalf of the Company shall be governed by Swedish law. Any dispute, controversy or claim arising out of or in connection with such information or related matters shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The place of arbitration shall be Stockholm.

FORWARD-LOOKING STATEMENTS

This presentation 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: expectations with respect to the Company's proposed sale of its Japanese solar assets; the Company's growth plans; the timing and scope of solar projects under development or new solar projects anticipated to be developed by the Company; anticipated production and revenue from the Company's solar projects; and expected returns from the Company's solar projects in Japan 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, assumptions with respect to: the ability of the company to complete the sale of its Japanese solar assets; the ability of the Company to acquire and develop additional renewable energy projects as and when anticipated; project and financing costs; and anticipated production and revenue from the Company's current and future solar projects. 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 sale of the Japanese solar assets may not be completed as expected; the risk that the Company may not be able to identify and/or acquire additional renewable energy projects on economic terms; uncertainties with respect to the receipt or timing of all applicable permits for the development of current and additional renewable energy projects; the possibility of project cost overruns; the risk that the Company may not be able to obtain project financing on anticipated terms; the risk of reductions in FIT and spot market prices for electricity; and the possibility that the Company's projects will not produce power at the anticipated levels.

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.

Where information in this presentation has been sourced from a third party, the Company confirms that the information has been accurately reproduced and so far as the Company is able to ascertain from information published by that third party, and so far as the Company is aware, no facts have been omitted which would render the reproduced information inaccurate or misleading.

These materials and the information contained herein are not an offer of securities for sale in the United States or elsewhere and are not for publication or distribution to persons in the United States (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended (the Securities Act)). The securities in the Company have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act.

Lundin Group

Explorers | Builders | Producers



Oil and Gas Exploration and Production
Norway
lundin-petroleum.com

lundin mining

Base Metals Production:
Copper, Zinc, Lead, Nickel
Sweden, Portugal, USA
Chile, Brazil
lundinmining.com

LUNDIN GOLD

High-Grade Underground Gold Mine Development
Ecuador
lundingold.com



Oil and Gas Exploration and Production
Canada, Malaysia, France, Netherlands
international-petroleum.com



LUCARA
DIAMOND

Exceptional Quality Diamond Production
Botswana
lucaradiamond.com



Copper, Gold and Silver Exploration and Development
Chile/Argentina
filo-mining.com



Copper and Gold Exploration and Development
Chile, Argentina
ngexresources.com



Oil and Gas Exploration and Development
Kenya, Ethiopia, Extensive Exploration Portfolio
africaoilcorp.com



AFRICA ENERGY

Africa Focused Oil and Gas Exploration
South Africa, Namibia
africaenergycorp.com

Denison Mines

Uranium Development and Exploration
Canada
denisonmines.com



SHAMARAN
petroleum corp

Oil Production
Kurdistan
shamaranpetroleum.com

etron

Solar Power Generation
Japan
etron.com

MINING



OIL & GAS SOLAR



330,000
carats
DIAMONDS
per year

263,000
tonnes
COPPER
per year

157,000
tonnes
ZINC
per year

155,000
boepd
OIL
per year

330,000
tonnes
NICKEL
per year

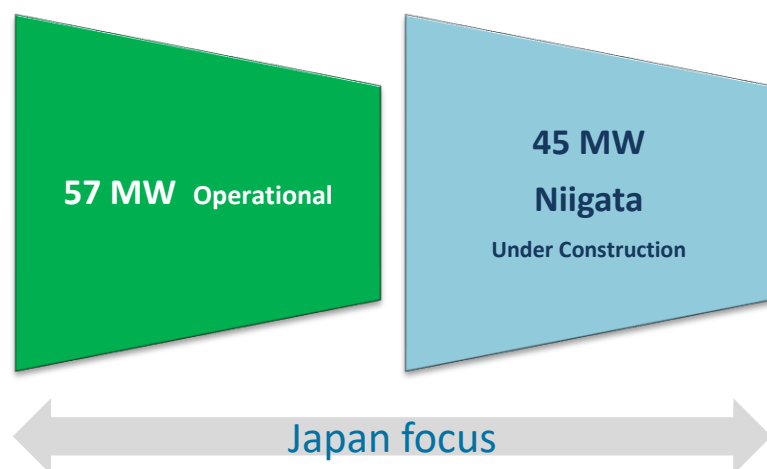
330,000
GWh
SOLAR ELECTRICITY
per year

Etrion Corporation

Company Overview

- Solar development platform focused in Japan, among the top 5 largest energy markets in the world
- 11 solar plants operational and 1 under construction with aggregate capacity of 102 MWs in Japan
- Company fully funded

Japan Asset / Pipeline Highlights



Financial Summary

Recent Share Price (TSX/OMX: ETX) ^{(1) (2)}	C\$0.41 / SEK 2.91
Shares Outstanding ⁽³⁾	334.1MM
Lundin Family Ownership	36.0%
Other Director/Management Ownership	5.7%
Revenues 2020	US\$21.4 MM
Project-level EBITDA 2020	US\$16.6 MM
Restricted / Unrestricted Cash as of December 31, 2020	US\$37.0 MM / \$8.9 MM
Market Capitalization ⁽²⁾	US\$104.9MM
Number of Employees	17

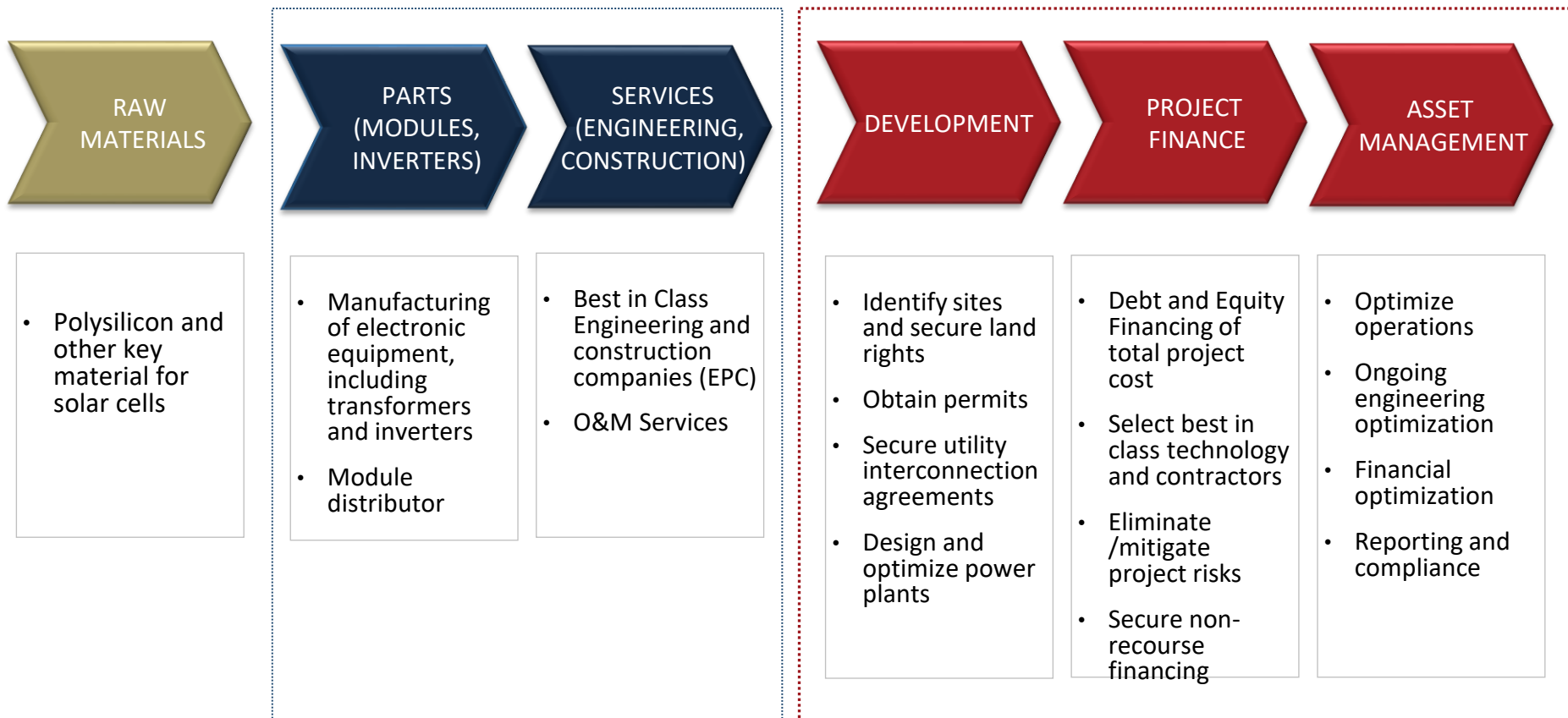
Notes:

(1) US\$ refers to US dollars; C\$ refers to Canadian dollars; SEK refers to Swedish krona

(2) ETX share price at closing on March 12, 2021

(3) ETX shares outstanding as of December 31, 2020

Downstream solar developer



Our focus is Japan

1 Among top 5 largest energy markets in the world

2 Solar supported by a Feed-in-Tariff program

3 Among highest electricity prices in OECD

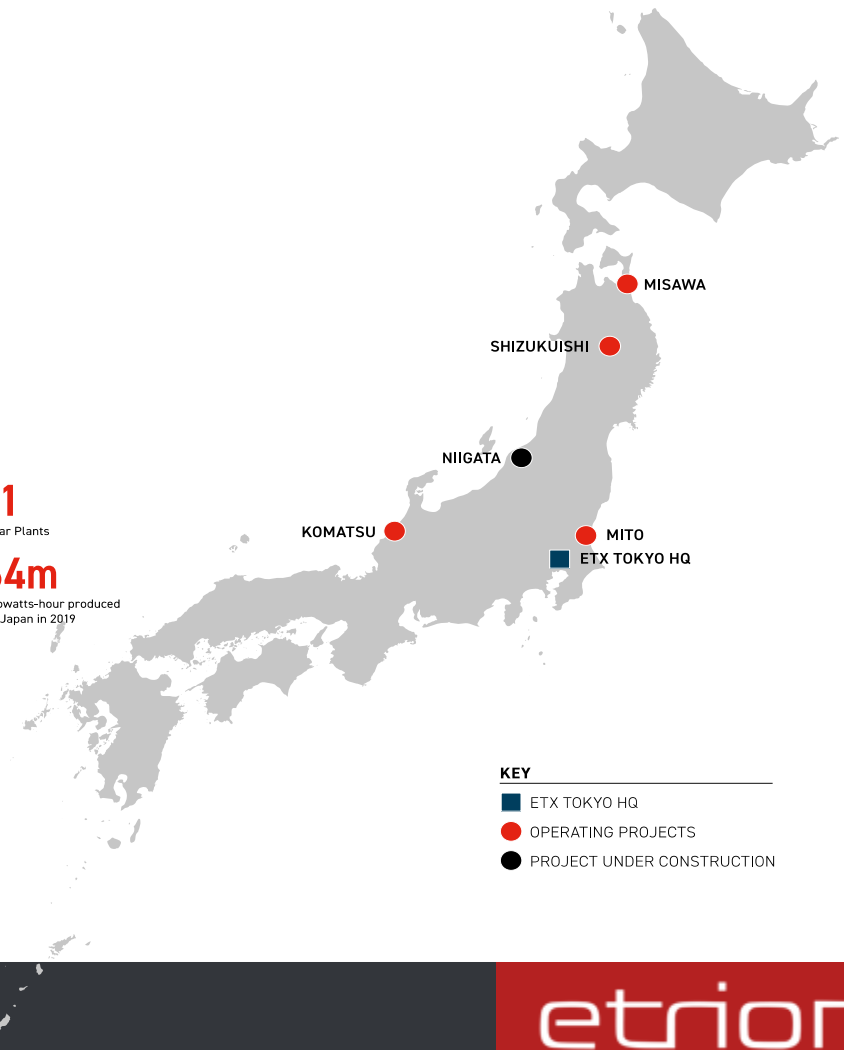
4 Strategic partnerships

5 Low cost financing

6 Energy sector deregulated in 2016

7 Strong institutional demand for yield

11
Solar Plants
64m
Kilowatts-hour produced
for Japan in 2019



Etrion's commitment to the environment

Respecting host country's history and nature

- Honoring wildlife – plan construction around the “garuma gull” bird nesting cycle
- Respecting local history - use geophysical survey techniques for the early detection of archaeological sites prior to the construction of solar plants
- Successful landscape integration of solar farms with surroundings



Corporate responsibility and sustainable investments

Our approach

- Understanding community and regional needs
- Master the local dynamics
- Demonstrate cultural sensitivity
- Leverage our international expertise complementing local partner's know-how

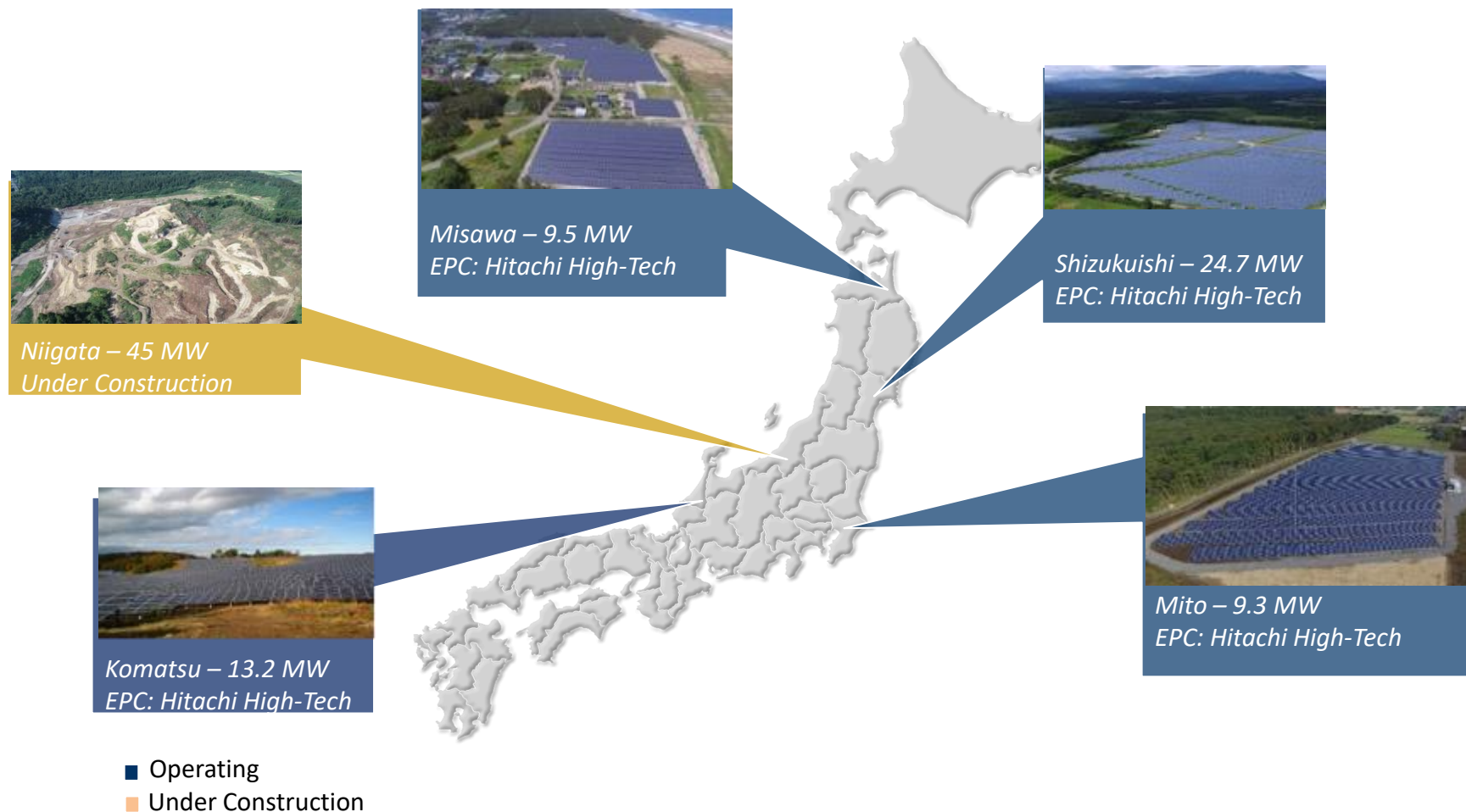


Examples of community benefits

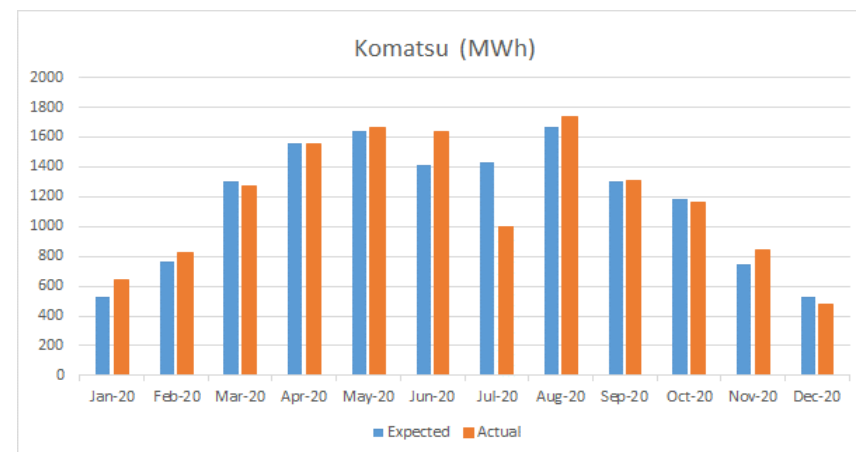
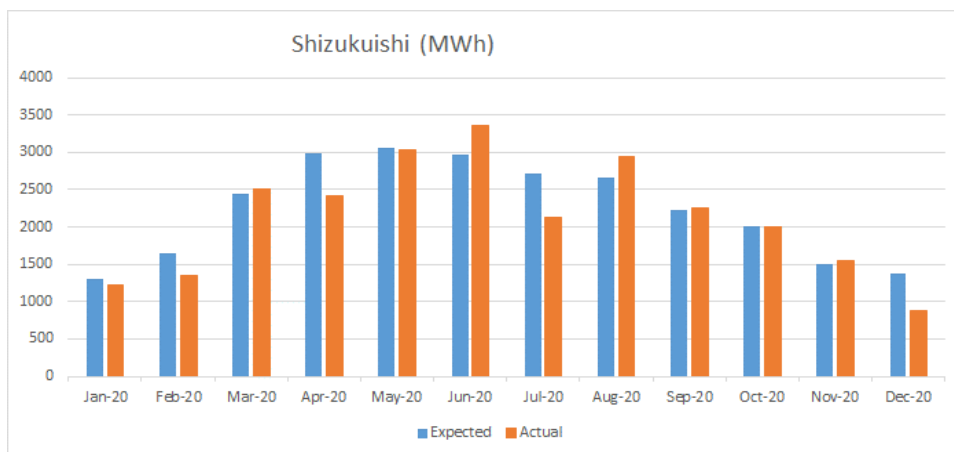
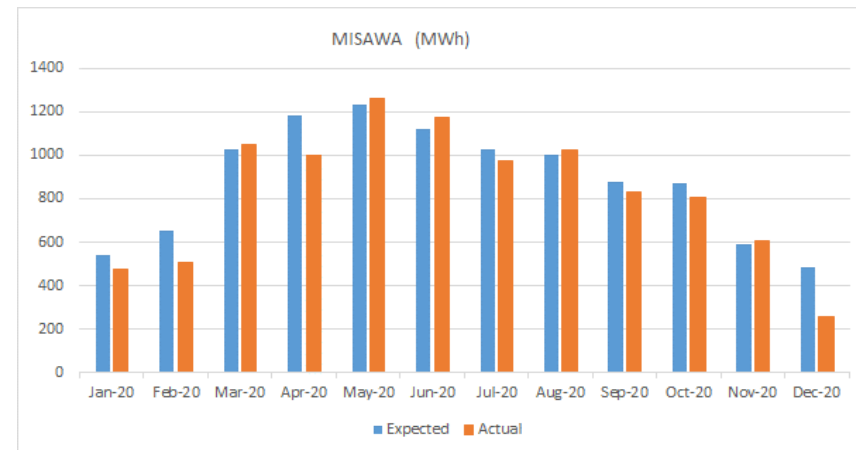
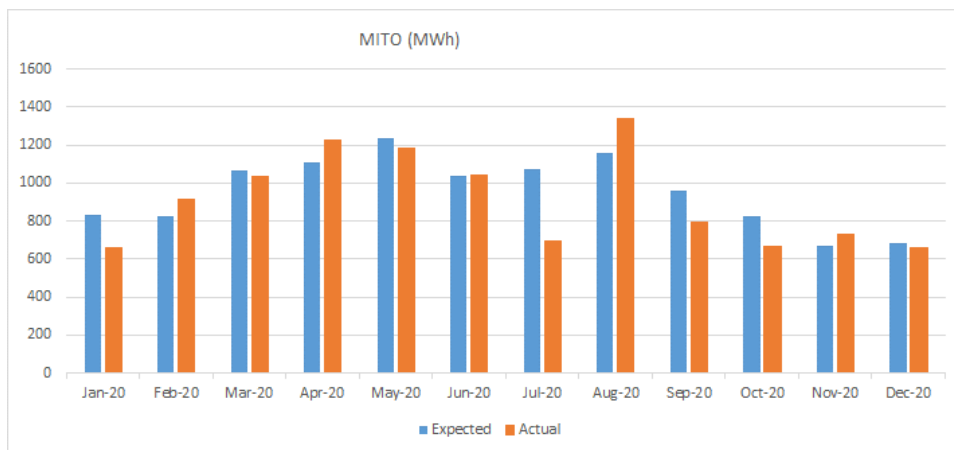
- We organize tours and educational activities on environmental matters for schools
- Sponsor local sport events for the communities
- Provided financial assistance to rebuild a school destroyed by a natural disaster in north of Chile



Our presence



12-month actual operational performance – through Q4 2020



- 2020 operational results within mid range full year guidance



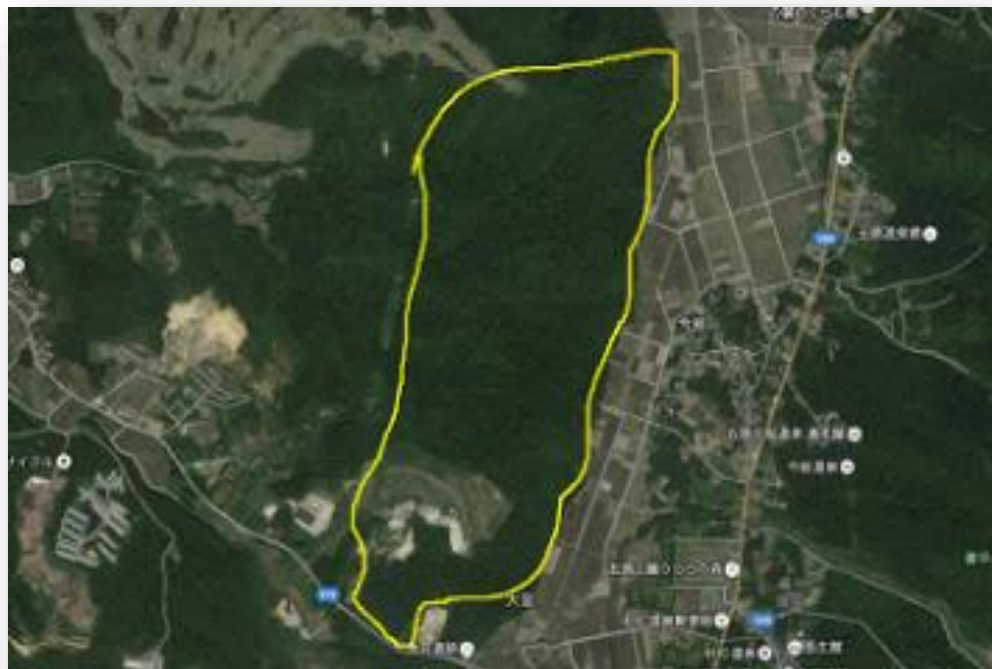
etrion

Niigata – Under construction
45 MW solar park

Niigata – 45 MW

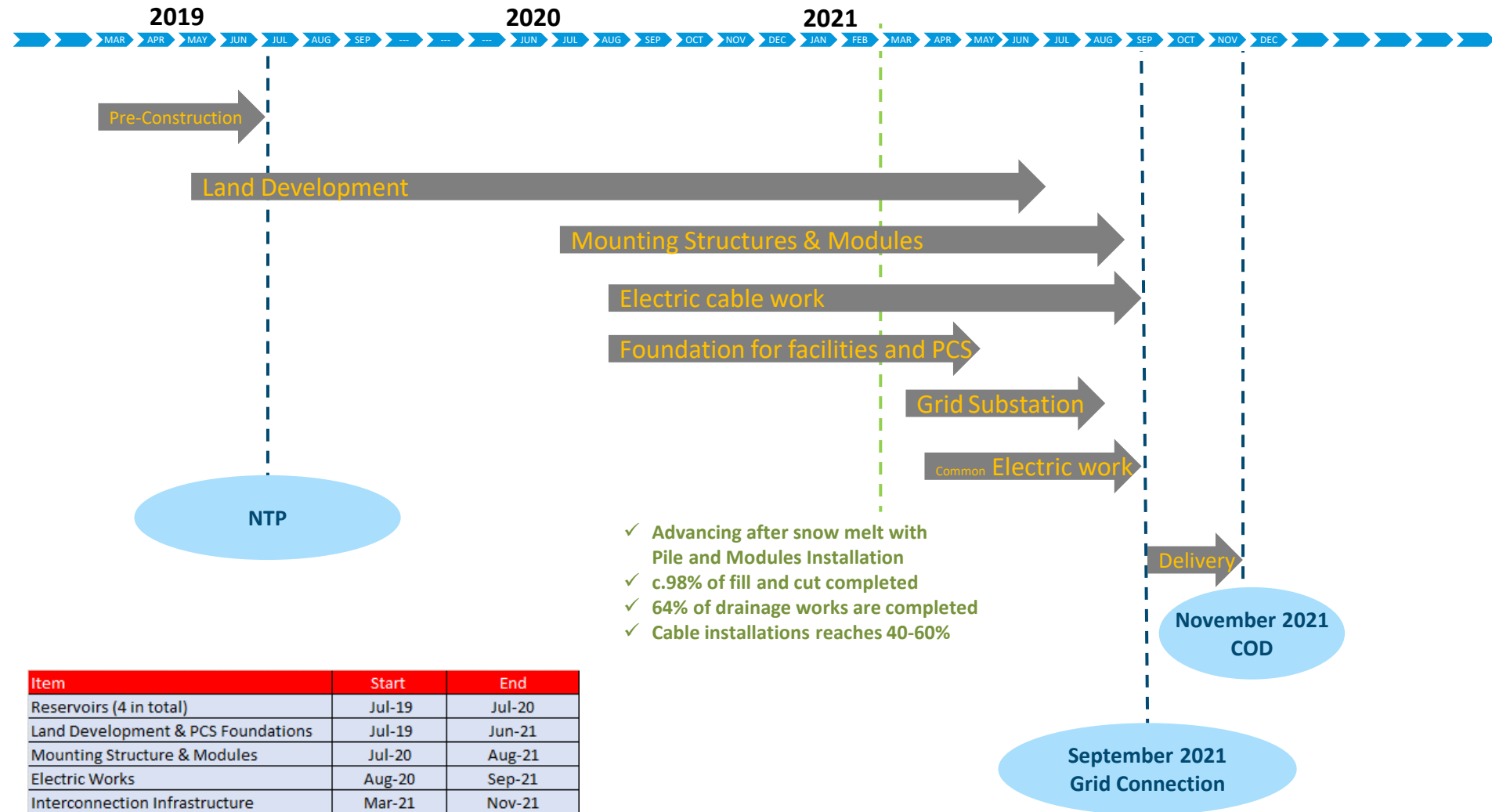
Key project metrics

Ownership	100% ETX
Capacity	45 MW
Region / Utility	Tohoku
PPA Price	¥36/kWh - FiT until March 2040
Irradiation	1,050 kWh/kWp
Total Capex	US\$ 154.2M
Finance Structure	BBB Green Project Bond, US\$ 146.5M (JPY 15.9 billion)
Debt tenor	Construction period plus 16.8 years.
Interest rate	All-in non-recourse project loan interest rate of 1.2%
Total Equity	US\$ 7.7M
EPC Contractor	Toyo Engineering
O&M Contractor	TMEIC / TAG
AMS Provider	Etrion
COD Target	Q4-2021
Average ⁽¹⁾ Revenue	US\$ 15.5 m/year
Average EBITDA	US\$ 13.7 m/year
Average free cash flow at project level	US\$ 3.6m/ year

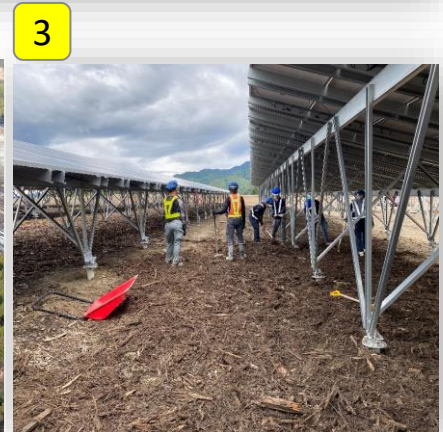
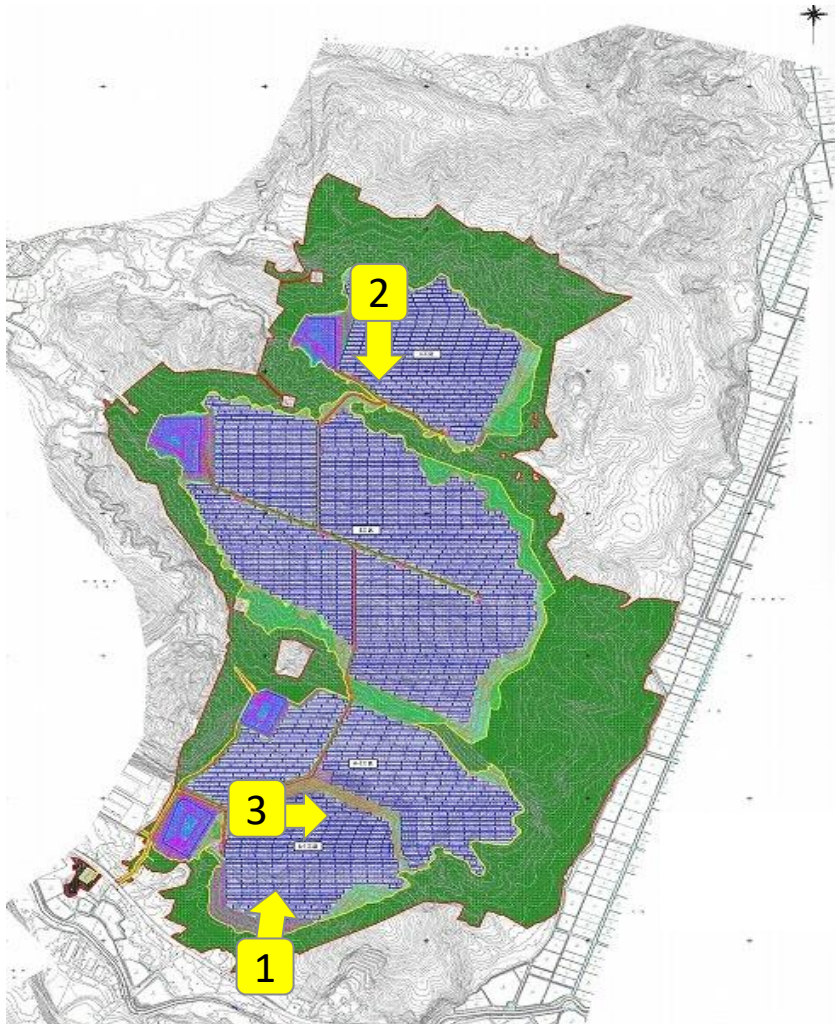


⁽¹⁾ Average refers to the first 5 years of operations based on historical weather forecast. Actual results will depend on actual weather conditions and other operational matters.

NIIGATA PROJECT TIMELINE (WIP 72.0% at December 31, 2020)



Great Progress considering the Covid 19 and Exceptionally hard Winter



Sales Process Japanese Assets

- Sales process kicked off in summer of 2020
- Phase 1: Strong demand from Japanese and foreign investors during non-binding offer. Completed end Q3-2020
- Phase 2: short list selected for Phase 2. Binding offers submitted and parties selected for final negotiations.
- Phase 3:
 - 4 Operating Assets. Consortium selected. Target to sign stock purchase agreement before end of April. Transaction subject to shareholder approval. Closing expected approximately by end of June
 - Niigata project. Different consortium selected. Target to sign stock purchase agreement before end of April. Closing subject to shareholder approval, expected approximately by end of June.

Management is confident agreements will be signed but major obstacles remain to be resolved over the next few weeks to sign. There is a possibility of further delays and risk of not closing.

Financial Results

2020 highlights

US\$ millions <small>otherwise indicated</small>	Q4-20	Q4-19	2020	2019
	Three months		Twelve months	
Production KWh millions	10.6	10.4	60.6	63.6

Discontinued operations

Revenue	3.9	3.6	21.4	21.9
Project-EBITDA	2.8	2.4	16.6	16.5
Depreciation and amortization	(0.1)	(2.3)	(7.0)	(9.1)
Net finance costs	(2.8)	(1.1)	(6.1)	(4.8)
Net income tax	(0.1)	0.3	(0.5)	(0.5)
Net (loss) income	(0.2)	(0.7)	3.0	2.1

Continuing operations

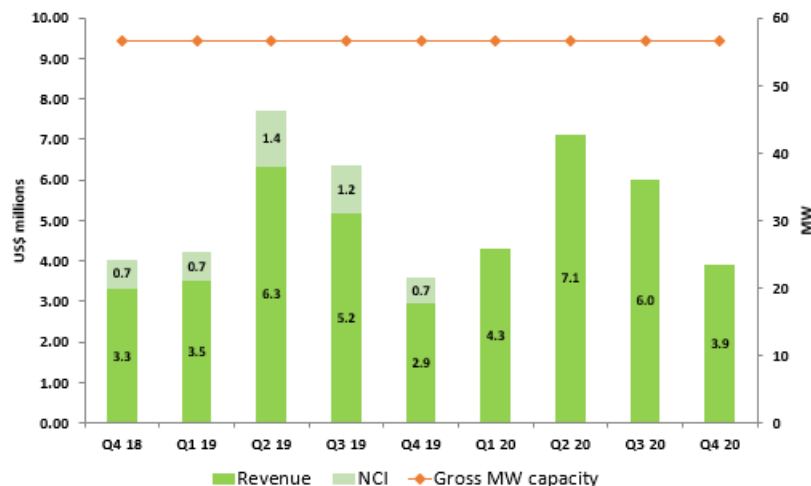
Gain on sale of project rights	-	-	33.4	2.8
Gain on disposal of investment	-	-	3.3	-
Corporate G&A	(3.5)	(2.4)	(8.2)	(5.2)
Other expenses	-	-	(1.9)	-
Corporate-EBITDA	(3.5)	(2.4)	26.6	(2.4)
Net finance costs	(1.1)	(3.1)	(4.3)	(2.5)
Net income tax	0.3	(0.1)	(2.8)	(1.9)
Net (loss) income	(4.3)	(5.6)	19.5	(6.8)

2020 Highlights

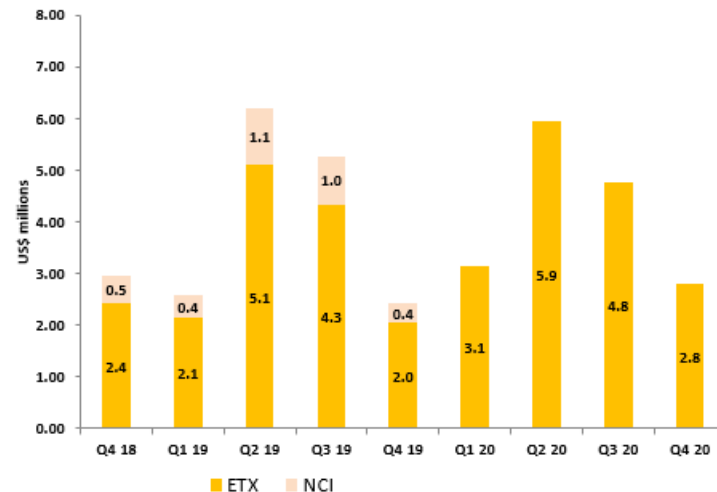
- 2020 production (-4.7%), revenue (-2.3%) and project-EBITDA (+0.8%) vs Q4-19 driven by unfavourable weather conditions
- 2020 financials are presented as per IFRS 5, assets held for sale and discontinued operations (applicable since Q3-20)
- The application of IFRS 5 is impacting the net results of Solar Japan segment since depreciation stopped on September 30, 2020 (date of classification as assets held for sale)
- Corporate G&A is higher than prior year due to lower capitalized development costs for the Yokkaichi project.
- Yokkaichi litigation costs are now reflected as part of professional fees in G&A together with Project Moses transaction expenses.
- October 23, 2020, Etrion completed the sale of its interest in the Mie 60 MW solar project and recognised a net gain of \$33.4 million
- May 14, 2020 Etrion recognised an income from arranging the sale of PV Salvador in exchange of cash proceeds of US\$3.3 million
- 45 MW Niigata project approximately 72% completed end Q4-20

Performance of Japanese assets

Revenue from electricity sales



Project-level EBITDA



- Steady revenue and project-level EBITDA in Japan.
- Strong performance quarter after quarter only impacted by seasonality
- Q4-20 project-level EBITDA increase (+13.7%) due to a good performance of the solar plants and a reduction in Opex

Non-controlling interest (NCI) = Hitachi and Tamagawa

Financial results

Etrion consolidated results

2020 Segment information			
US\$ millions	Japan	Corp	TOTAL
Revenues	21.4	-	21.4
Operating expenses	(4.4)	-	(4.4)
G&A expenses	(0.4)	(8.0)	(8.4)
Gain on sale of solar project rights		33.4	33.4
Other income	-	3.3	3.3
Other expense	0.0	(1.9)	(1.8)
EBITDA	16.6	26.8	43.5
Depreciation and amortization	(7.1)	(0.1)	(7.2)
Net finance costs	(6.1)	(4.3)	(10.4)
Loss before taxes	3.5	22.4	25.8
Tax expense	(0.5)	(2.8)	(3.3)
Net loss	3.0	19.5	22.6
EBITDA margin (%)	78%		

- US\$ 33.4 Net gain on sale of Mie 60 MW solar project rights
- US\$ 3.3 Income from arranging the sale of PV Salvador

- Steady revenue and project-level EBITDA in Japan
- Significant corporate-level EBITDA and net income

COVID-19 impact on the business

- All IT the systems in place enable the company to run the business remotely. Cloud based accounting, finance, email, file storage and video conference services, enable the company to experience minimum disruption and operate business-as-usual
- All employees have been advised to work from home as much as possible
- All travel are limited to essential travel only
- Operational assets do not require onsite operators except when a repair is required. O&M contractors are operating without disruption
- No impact on revenue stream since all power generation is paid on fixed price.
- Niigata project under construction is on track. Delivery of modules (from China) is currently not affected. Construction labor on site is currently not affected

Summary

Summary

- Strong financial performance in all key operating metrics demonstrating excellent execution in all operational activities
- Fully funded with no additional capital required to complete construction of the Niigata project
- Management expects to reach agreement with parties to sell substantially all its assets by April although no assurance can be given in this regard.
- Completion of the sale of the Japanese assets would be subject to certain condition precedents, including all necessary shareholder and regulatory approvals as applicable.

Contact Information

Christian Lacueva
Chief Financial Officer
clacueva@etrion.com

Marco A. Northland
Chief Executive Officer
mnorthland@etrion.com

Martin Oravec
Chief Investment Officer
moravec@etrion.com

Etrion Corporation
Rue du Commerce 4
1204 Geneva, Switzerland
info@etrion.com
www.etrion.com

