

## PRESS RELEASE

### **Etrion Releases Second Quarter 2011 Interim Financial Statements**

August 10, 2011, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), an independent solar power producer, today released its condensed consolidated interim financial statements and related management discussion and analysis (“MD&A”) for the three and six months ended June 30, 2011.

#### **Second Quarter 2011 Highlights**

- Produced 29.3 million and 42.1 million kilowatt-hours (“kWh”) of solar electricity from five solar power projects (Cassiopea, Centauro, Etrion Lazio, Helios ITA and SVE) during the three and six months ended June 30, 2011, respectively.
- Generated solar electricity revenue of US\$17.8 million and US\$25.1 million during the three and six months ended June 30, 2011, respectively.
- Recognized a positive adjusted EBITDA for the renewable energy segment of US\$16.6 million and US\$22.5 million during the three and six months ended June 30, 2011, respectively.
- Commenced construction of the 10 megawatt (“MW”) Helios ITA-3 and 2.6 MW Nettuno solar power projects, both expected to be connected to the electricity grid in the third quarter of 2011.
- Issued US\$87 million (€60 million) of corporate bonds in the Norwegian bond market at 9% annual interest with a 4-year maturity.
- Repaid the outstanding principal and interest associated with the US\$87 million (€60 million) credit facility provided by a subsidiary of Lundin Petroleum AB.

#### **Management Comments**

Marco Northland, the Company’s CEO, commented, “With a fully-funded solar portfolio of 60 MW, Etrion has substantial revenues and cash flows from operations. Our solar parks have been producing almost 10% above budget, and we look forward to increasing cash flow as we add additional capacity.”

#### **Second Quarter 2011 Results**

For the three and six months ended June 30, 2011, the Company reported a net loss of US\$2.1 million (loss per share of US\$0.01) and US\$3.6 million (loss per share of US\$0.02), respectively, compared to a net loss of US\$4.2 million (loss per share of US\$0.03) and US\$7.7 million (loss per share of US\$0.05), respectively, for the comparable periods in 2010. The Company generated its first revenues from the sale of solar electricity in June 2010.

At June 30, 2011, the Company had 187,536,120 common shares outstanding and a cash balance of US\$45.2 million.

## About Etrion

Etrion Corporation acquires, develops, builds, owns and operates solar power plants. Etrion currently owns 47.2 MW of operational, ground-based solar photovoltaic (PV) power plants and has 12.6 MW under construction in Italy. The Company is listed on the Toronto Stock Exchange and the NASDAQ OMX Stockholm exchange (ticker symbol "ETX"). Etrion's largest shareholder is the Lundin family, which owns approximately 25% 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:

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### *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 cash flow increase and certain information relating to solar electricity revenue which is subject to confirmation of both the applicable feed-in-tariff ("FiT") to which the Company is entitled by the state-owned company Gestore Servizi Energetici and the applicable spot market price by the local utility for electricity sales to the national grid) 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 as to the ability of the Company to finance and develop its existing pipeline of solar projects to increase cash flow and confirmation of the applicable FiT and spot market price for electricity sales. 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 projects may not be developed on suitable terms and the lack of confirmation or reduction of the applicable FiT and the spot market price for electricity sales by the designated entities.*

*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.*