

PRESS RELEASE

### **Etrion Partners with Phoenix Solar to Build 3.5 MW Solar Power Plant in Italy**

July 19, 2010, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX), an independent solar power producer, and Phoenix Solar AG (“Phoenix Solar”) (ISIN DE000A0BVU93), a leading photovoltaic system integrator listed on the German TecDAX, today announced an agreement to build a 3.5 megawatt (“MW”) solar power plant in the Lazio region of Italy. Phoenix Solar will design and construct the plant, and provide operations and maintenance services.

Marco Northland, Etrion’s CEO, commented, “We are pleased to partner with Phoenix Solar on this project and look forward to expanding our relationship in the near future. The 3.5 MW solar plant in Borgo Piave, Lazio is part of our internal development portfolio and demonstrates our Italian team’s execution capability converting business development pipeline into installed megawatts.”

Ulrich Reidenbach, Chief Sales Officer for Phoenix Solar, said, “We are delighted that Etrion has chosen Phoenix Solar for our expertise in constructing large scale solar parks. We hope to continue our cooperation in the near future with additional projects.”

The 3.5 MW ground-based solar photovoltaic (“PV”) plant is expected to produce over 5 million kilowatt hours (“kWh”) of electricity and approximately 2 million euros of cash flow (“EBITDA”) per year. The plant is expected to benefit from the 2010 feed-in-tariff of 0.346 euros per kWh plus a market price of approximately 0.08 euros per kWh.

The Italian feed-in-tariff is a premium purchase price for renewable electricity that is guaranteed by the Italian government for 20 years from the start of operations.

The solar plant will use Trina modules with crystalline, fixed-tilt technology and SMA inverters. Construction is targeted to begin by August 2010, and grid connection is expected by the end of 2010.

The Phoenix Solar contract price is approximately 10 million euros. Etrion intends to fund the project through a bridge loan from its major shareholder, Lundin Petroleum. The bridge loan carries interest at LIBOR plus 3%. Etrion expects to re-finance 80-85% of project costs with a long-term non-recourse bank loan before the end of the year.

## About Phoenix Solar

Phoenix Solar AG, which has its headquarters in Sulzemoos near Munich, is a leading international photovoltaic system integrator. With total revenues of EUR 473 million, the Group achieved an EBIT of EUR 12.2 million in the financial year 2009. The company develops, plans, builds and takes over the operation of large-scale photovoltaic plants and is a specialist wholesaler for complete power plants, solar modules and accessories. The Group is a leader in photovoltaic system technology. It focuses on the consistent lowering of system costs. With a sales network throughout Germany, and subsidiaries in Spain, Italy, Greece, France, Singapore, Oman and Australia, the Group currently has a workforce of more than 300 employees. The shares of Phoenix Solar AG (ISIN DE000A0BVU93) are listed on the official market (Prime Standard) of the Frankfurt Stock Exchange and on the TecDAX, Deutsche Börse AG's technology index.

## About Etrion

Etrion Corporation is focused on building, owning and operating electrical power plants based on renewable sources of energy, including solar photovoltaic. The Company is listed on the Toronto Stock Exchange (ticker symbol "ETX") and is based in Geneva, Switzerland with an office in Rome, Italy. Etrion is owned 45% by Lundin Petroleum, a Swedish independent oil and gas company traded on the NASDAQ OMX Stockholm exchange (ticker symbol "LUPE"), and approximately 13% by the Lundin family through various trusts.

For additional information, please visit the Company's website at [www.etrion.ch](http://www.etrion.ch) 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 timing of the construction and grid connection of the 3.5 MW solar project in Borgo Piave, the production capacity thereof and the expected cash flow therefrom and the proposed re-financing of the project) 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 price at which the Company will be able to sell electricity from the project and an assumption that the Company will be able to realize EBITDA margins for the projects that are equivalent to the average margins for similar 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 possibility of project cost overruns or unanticipated costs and expenses or delays in construction, the failure to obtain re-financing for the project on anticipated terms and the failure to obtain necessary regulatory and other approvals.*

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