

Etrion Announces Agreement to Sell Niigata Solar Project to Japanese Consortium for Total Cash Consideration of approximately JPY 6.3 billion

April 9, 2021, Geneva, Switzerland – Etrion Corporation (“Etrion” or the “Company”) (TSX: ETX) (OMX: ETX), a solar independent power producer, today announces that Solar Resources Holding Sàrl (“SRH”), Etrion Services (Japan) K.K. (“ESJKK”) and Etrion (Japan) K.K. (“EJKK”), wholly-owned subsidiaries of the Company, have entered into agreements (the “Transfer Agreements”) to sell their interests in the Company’s 45 MW Niigata solar project under construction (“Niigata Project”) with Renewable Japan Co. Ltd (“RJ”), and Daiichi Life Insurance Company Limited (“DL”) (collectively, the “Consortium”) for an aggregate net purchase price of approximately JPY 6.3 billion (approximately USD 57.7 million), subject to certain adjustments at closing.

Completion of the sale of the Niigata Project pursuant to the Transfer Agreements is subject to certain conditions precedent including, all necessary regulatory, shareholder and third-party approvals. The closing of the Niigata Project transaction is currently expected to take place before the end of June 2021. The Niigata project and the previously announced 3 operating assets (Komatsu, Mito and Shizukuishi) are being sold with their respective project debts, which means that the total cash consideration announced, less transaction related expenses, will be received by the Company at their respective completion dates.

The sale of the Niigata Project together with the previously announced sale of Etrion’s Komatsu, Shizukuishi and Mito operating projects would represent a sale of all or substantially all of the Company’s assets or undertaking. Under the provisions of the *Business Corporations Act* (British Columbia), the Company’s governing corporate law statute, the sale of all or substantially all of its undertaking requires approval by way of special resolution, which is a resolution approved by at least two-thirds of the votes cast on the matter at a meeting of shareholders. The Company has scheduled an annual and special meeting of shareholders to approve the sale of its projects and other matters for May 27, 2021.

If the sales of its projects are completed, the Company intends to cause its subsidiaries to deliver the net proceeds from the transactions to the Company. Following receipt of such proceeds, the Company intends to complete an initial cash distribution of the majority of the proceeds to the shareholders by way of a return of capital.

If the foregoing transactions are completed, the Company will not have any significant assets or active business operations. The Board may consider pursuing new business opportunities but if no attractive opportunities arise within a reasonable period of time, the Board intends to pursue the settlement of the outstanding liabilities of the Company and effect the dissolution of the Company. Immediately prior to or concurrently with such dissolution, the Board anticipates that it would authorize the distribution of any remaining proceeds from the transactions and any other cash reserves of the Company to the shareholders.

Management Comments

Marco A. Northland, Etrion’s Chief Executive Officer, commented: “We are very pleased to announce the signature of the agreements for the sale of Project Niigata, our 45MW project under construction with estimated connection to the electricity grid in the fourth quarter of 2021. I am extremely proud of our team that continues to deliver brilliantly, from development, financing, construction and operations. This sale demonstrates once again our ability to monetize solar assets at multiples of our original investment.”

Etrion was advised on this transaction by Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

About Etrion

Etrion Corporation is an independent power producer that develops, builds, owns and operates utility-scale solar power generation plants. The Company owns and operates 57 MW of solar capacity and owns the 45 MW Niigata project under construction, all in Japan. The Company is listed on the Toronto Stock Exchange in Canada and the Nasdaq Stockholm

exchange in Sweden under ticker symbol “ETX”. Etrion’s largest shareholder is the Lundin family, which owns approximately 36% of the Company’s shares directly and through various trusts.

For additional information, please visit the Company’s website at www.etrion.com or contact:

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Note: The capacity of power plants in this release is described in approximate megawatts on a direct current (“DC”) basis, also referred to as megawatt-peak (“MWp”).

This information is information that Etrion Corporation is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 12:35 p.m. CET on April 9, 2021.

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 proposed sale of its Japanese solar assets, the distribution of proceeds therefrom and the possible dissolution of the Company) 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, the ability of the Company to complete the sale of the Japanese assets. 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 Company may not be able to complete the sale of the Japanese assets, effect a distribution of proceeds or dissolve the Company. Reference is also made to the risk factors disclosed under the heading “Risk factors” in the Company’s AIF for the year ended December 31, 2020 which has been filed on SEDAR and is available under the Company’s profile at www.sedar.com.

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.