

CONTOURGLOBAL SIGNS AGREEMENT WITH GOVERNMENT OF ARMENIA TO ACQUIRE THE 405 MW VOROTAN HYDRO CASCADE FOR \$180 MILLION USD AND MAKE \$70 MILLION USD CAPITAL INVESTMENT TO MODERNIZE THE PLANTS

29 JANUARY 2014

Largest single US private investment in Armenia's history adds to Contour's growing Eastern European and Renewable Energy Portfolios

NEW YORK, Jan. 29, 2014 /PRNewswire/ -- ContourGlobal and the Government of Armenia announced today that they have signed an agreement for ContourGlobal to purchase and modernize the Vorotan Hydro Cascade, a series of three hydroelectric power plants totaling 405 MW on the Vorotan River in southern Armenia, for a purchase price of \$180 million USD. The cascade is one of the largest and most flexible power generating facilities in Armenia and the Caucasus.

This acquisition represents the largest single U.S. private investment in Armenia's history and the first U.S. investment in Armenia's energy sector. The Vorotan Hydro Cascade accounts for roughly 15 percent of the installed capacity of Armenia's electricity system and provides sufficient energy to power 250,000 homes.

Under the terms of the agreement, ContourGlobal Hydro Cascade, a direct and wholly owned subsidiary of ContourGlobal, will own and operate the three hydroelectric facilities located on the Vorotan river and will supply power to the Armenian grid under a long-term power purchase agreement. ContourGlobal will also invest \$70 million over the next six years in a refurbishment program to modernize the plants and improve their operational performance, safety, reliability, and efficiency. ContourGlobal expects the modernization to create 150 near-term jobs in addition to the 150 long-term technicians employed at the plants.

"Our signing of this agreement is the culmination of approximately two years of fruitful collaboration with the Government of Armenia and its agencies," said Mr. Joseph C. Brandt, ContourGlobal's President and Chief Executive Officer. "We are thrilled to have the opportunity to play an integral role in the Armenian power system and to make a significant and lasting contribution to a key part of the country's infrastructure. I look forward to working together with the Government of Armenia towards a successful conclusion of this transaction."

The acquisition will add to ContourGlobal's growing presence in Eastern Europe, where it owns power generation facilities in Bulgaria, Ukraine, Romania, and Poland, and will contribute to ContourGlobal's renewable energy portfolio, which currently comprises approximately 1000 MW of hydro, wind, solar and biogas production in Latin America, Europe and Africa.

Mr. Armen Movsisyan, the Armenian Minister of Energy and Natural Resources, stated, "We are pleased to enter into this agreement with ContourGlobal, a proven and experienced owner and operator of power generating facilities around the world. We are confident that ContourGlobal will successfully own, maintain, and operate this important power complex and are gratified by ContourGlobal's planned investment, which will improve the stability, security, and performance of the Armenian power system for many years to come."

Mr. Garry Levesley, Executive Vice President and Regional CEO for ContourGlobal Eastern Europe, stated: "I am delighted to be signing this transaction on behalf of ContourGlobal today. I look forward to working closely with the Government of Armenia and its State Agencies on this critical project in the coming years. ContourGlobal has extensive knowledge and experience in operating in the region and looks forward to adding these significant power plants into our portfolio and making further improvements and investments in them."

About ContourGlobal

ContourGlobal is a New York based international power-generation company with approximately 3500 MW in operations or under construction in 17 countries and on four continents. ContourGlobal's 1650 employees manage, own and operate a portfolio of 33 power plants utilizing a wide range of fuel types and technologies including renewable energy production based upon Hydro, wind, solar and biomass, as well as an extensive fleet of conventionally powered thermal power plants. In the wider Eastern Europe area, ContourGlobal currently owns and operates approximately 1100 MW of power generation businesses in Bulgaria, Ukraine, Romania, and Poland and eagerly anticipates adding the plants in Armenia to this portfolio.