

News Release

Xantrex and Shanghai Electric Sign Joint Venture Agreement for China Renewable Energy Market

VANCOUVER, B.C., March 15, 2007 – Xantrex Technology Inc. (TSX:XTX) today announced that it has entered into an agreement to form a joint venture with Shanghai Power Transmission & Distribution Co., Ltd. (SPTD), (CH:600627) a member of Shanghai Electric Group (HK:2727) to design, manufacture and sell solar and wind power electronics products exclusively for the renewable energy market in China from a facility to be built in Shanghai, China.

“The establishment of this joint venture with a member of the Shanghai Electric Group is an important milestone in creating a strong presence for Xantrex in China,” said Mossadiq Umedaly, Xantrex’s Chairman. “The renewable energy market in China, which has the potential to be very large, is integral to our long-term growth plans, and Shanghai Electric is a resourceful and strategically attractive partner.”

Dinan Huang, President of the Shanghai Electric Group said, “We searched extensively for the best partner and are very pleased to secure this joint venture agreement with Xantrex. Together we will address the rapidly growing renewable energy market in China, which complements our leading electricity generation, transmission and distribution businesses.”

The joint venture, to be owned 49% by Xantrex and 51% by SPTD, will be known as Shanghai Electric Xantrex Power Electronics Co., Ltd. The total initial investment will be US\$20 million and the new entity will have a registered capital of US\$10 million. The joint venture is expected to receive final approval from the Chinese government in the next few weeks.

China’s new Renewable Energy law has made one of the largest state-sponsored commitments toward renewable energy by requiring 15 percent of the country’s energy mix to be from renewable energy sources by the year 2020.

“This joint venture will provide Xantrex access to China’s Renewable Energy market, while ensuring that customers in China benefit from the quality and reliability of our proven technology made in China by our joint venture” said Xantrex CEO, John Wallace.

“Based on technology licensed from Xantrex, the joint venture will develop a power electronics and control product line as well as manufacturing and service capability to meet the requirements for the rapidly growing solar and wind market in China” concluded Liang Feng, President of SPTD.

About Xantrex Technology Inc.

Xantrex (www.xantrex.com) is a world leader in the development, manufacturing and marketing of advanced power electronic products and systems for the renewable, portable, mobile, and programmable power markets. The company’s products convert and control raw electrical power from any central, distributed, renewable, or backup power source into high-quality power required by electronic and electrical equipment. Headquartered in Vancouver, British Columbia, the company has facilities in Arlington, Washington; Livermore and San Diego, California; Elkhart, Indiana; Barcelona, Spain; and Reading, England. Xantrex is listed on the Toronto Stock Exchange under the ticker symbol "XTX".

About Shanghai Electric Group

Shanghai Electric (www.chinasec.com/en/index.html) is the single largest Chinese enterprise engaged in the design, manufacture and sale of mechanical and electrical systems equipment and general contracting projects. Its businesses encompass more than ten industries and include Power Generation, Power Transmission and Distribution, Electromechanical integration, Transport, and Environmental Protection equipment.

About Shanghai Power Transmission & Distribution

Shanghai Power Transmission & Distribution (www.sptd.com.cn/emain.asp) is a member of the Shanghai Electric Group specializing in manufacturing power transmission & distribution equipment and high voltage & low voltage electric apparatus and is one of the largest producers of power transmission & distribution equipment in China. SPTD owns over 20 large and medium enterprises, including joint ventures with large companies such as Siemens, ABB, Schneider, and Areva.

Note that this news release contains forward-looking statements related to Xantrex Technology Inc. Such statements reflect the current views of Xantrex with respect to future events and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in these forward-looking statements.

For further information, please contact:

Donna Clark

604-422-2601

investor.relations@xantrex.com