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NEWS RELEASE
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MORE CREEK POSITIVE PRE-FEASIBILITY STUDY COMPLETED

July 17 , 2015 – Vancouver, British Columbia – Cliff Grandison, President of Alaska Hydro Corporation, is pleased to report that Sigma Engineering Ltd. has delivered to the Company the completed positive Pre-feasibility study for the Company's proposed More Creek hydro electric project. The Pre-feasibility study shows an Internal Rate of Return of 16.85% and a Net present Value of \$51.8 Million at a discount rate of 10%.

The proposed 75 MW project located in northwest BC consists of access roads, an intake, dam, tunnel and penstocks, powerhouse and generating equipment, transmission line and interconnection to the Bob Quinn BC Hydro substation. It is approximately 11 km by road from Bob Quinn Lake on highway 37 in the Skeena region of British Columbia. The More Creek transmission line will be designed to match and intertie with B C Hydro's 287kV Northwest transmission line at Bob Quinn Lake, approximately 13 km from More Creek. The dam is designed as a roller compacted concrete dam with a reservoir height of 84 metres, and length of 300 metres and 8 metres width at the crest of the dam. The hydrology is based on 19 years of recorded water flows on More Creek. The project is expected to generate up to 345 GWh of electricity annually. The dam has an expected life span of a minimum 50 years and, with maintenance, up to 100 years. The Project Description is posted on the Company's website at www.alaskahydro.com. The financial analysis prepared by Sigma Engineering assumes a 40 year life.

The Pre-feasibility study estimates construction cost of \$238 million and a total capital cost of \$297 million including engineering, project finance and inflation. These results are based on a financing of 80 % debt with 25 year amortization and 20% equity, an expected price of \$100 per MWh escalated for inflation and an effective rate of interest of 5.5%. The project has a number of opportunities for an economic improvement, principally in dam construction costs, potential downstream benefits and development of marketable carbon credits.

For further information, please contact:

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