



ALASKA HYDRO CORPORATION
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NEWS RELEASE
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ALASKA HYDRO REVISES PREFEASIBILITY REPORT ON MORE CREEK PROJECT

March 19, 2018 – Vancouver, British Columbia – Cliff Grandison, President of Alaska Hydro Corp. (the Company), announced the receipt of an updated Prefeasibility Study on the Company's 75 MW More Creek hydroelectric project in north western BC. The company engaged Golder Associates to review and comment on the selection of the type and design of the proposed More Creek hydroelectric dam. This report commented on several designs and concluded with the recommendation that a poured concrete arch dam would be less expensive and faster to build than the proposed roller compacted concrete dam initially proposed for the site. Golder also reviewed the location of the dam site in More Creek canyon and recommended a location 400 metre downstream of the original planned site. The change in the location of the dam site reduces the length of the power tunnel and related costs.

The revised prefeasibility study incorporating these changes results in the construction cost estimate being reduced from \$238,109,400 to \$191,247,020 a saving of \$46,862,380. The Internal Rate of Return (IRR) increased from 16.85% to 29.26% and the Net Present Value (NPV) increased from \$51,791,914 at a discount rate of 10% to \$105,296,538, discounted at 10%, an increase of \$53,504.624.

The improved IRR and NPV confirms the robust economics of the standalone More Creek Project. However, the Company has recently acquired an Investigative Use Permit to examine the feasibility of a diversion of water from Forrest Kerr Creek to the More Creek water shed. The preliminary feasibility study on which this application was based indicated that the diversion would increase the More Creek hydroelectric generation by approximately 100 GWh for a total of a projected 448GWh. The addition of the Forrest Kerr diversion to the More Creek project is the subject of a further prefeasibility study.

For further information, please contact:

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Certain statements contained in this release may constitute forward-looking information. These statements may relate to future events or future performance, including receipt of a water licence in respect of the proposed project, receipt of land tenure in respect of lands relating to the proposed project, completion of a preliminary economic assessment, environmental assessments, prefeasibility and feasibility studies and project financing, receipt of TSX Venture Exchange acceptance, receipt of a satisfactory outcome in consultations with First Nations, receipt of applicable permits, anticipated project development timelines and anticipated demand for hydro electricity. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. Any forward-looking information contained in this release is made as of the date hereof and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and

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