



**ALASKA HYDRO CORPORATION**  
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TSX Venture Exchange: AKH  
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**NEWS RELEASE**  
**NOT FOR DISSEMINATION IN THE UNITED STATES**

**ALASKA HYDRO UPDATES CASCADE CREEK STATUS**

**July 16, 2012 – Vancouver, British Columbia – Alaska Hydro Corporation** (the “Company”) today provides all stakeholders with a status update for the Cascade Creek hydropower project. Cliff Grandison, Co-chairman of the Company, advises that the Federal Energy Regulatory Commission (“FERC”) has not yet set a date for the Company’s requested re-hearing of its application for a preliminary permit. FERC typically meets once a month except for August. The earliest the request could now come before the Commission is September 21, 2012.

However, the Commission could grant the Application by way of a notification process that could expedite the issuance of a preliminary permit. In this procedure the Commission is able to sign off without a formal meeting. The Company has no assurance that the Commission will expedite the process with this procedure. The Company must therefore wait for a FERC decision before proceeding.

Since the Company does not have “site control” any cash used to finance costs incurred without the preliminary permit could be lost to the Company with no chance of recovery. Consequently the Company's focus is the preservation of capital and the identification of additional sources of capital for ongoing corporate expenses and future development and permitting costs.

For further information, please contact:

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(604) 929-3961

Or

Doug Bishop, President & CEO  
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**About Alaska Hydro Corporation**

The Company is engaged in the acquisition and development of renewable energy projects, focused primarily on hydropower projects in northern climates. The Company owns Cascade Creek, LLC which has been developing the Cascade Creek project located in Thomas Bay near Petersburg, Alaska. The Cascade Creek project is a 70 MW lake syphon hydropower project, the largest private hydropower project being developed in Alaska. The Cascade Creek project would bring additional energy and capacity to the Southeast Alaskan region, with opportunity to export and import excess energy and capacity to and from the Pacific Northwest and Southwest States through a proposed transmission interconnection in British Columbia. Further information regarding the business of the Company and Cascade can be found in the Company’s filing statement which is available at [www.sedar.com](http://www.sedar.com). Interested persons may visit the project’s website at [www.alaskahydro.com](http://www.alaskahydro.com) to view project details and licensing documents. All project documents

may be viewed on the Cascade website [www.thomasbayhydro.com](http://www.thomasbayhydro.com) at this time, or on the FERC website [www.ferc.gov](http://www.ferc.gov).

*Certain statements contained in this release constitute forward-looking information. These statements relate to future events or future performance. 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. In particular, this release contains forward-looking information relating to the Offering, the business of the Company and the Cascade Creek Project. The 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 assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.*

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