



ALASKA HYDRO CORPORATION
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TSX Venture Exchange: AKH

NEWS RELEASE
NOT FOR DISSEMINATION IN THE UNITED STATES

ALASKA HYDRO GRANDFATHERED UNDER FEDERAL ENVIRONMENTAL
ASSESSMENT ACT

August 26, 2019 – Vancouver, British Columbia – Cliff Grandison President of Alaska Hydro Corporation (AKH.H) (The Company) reported that although the new Federal Government Impact Assessment Act came into force August 28, 2018 and replaces the Canadian Environmental Assessment Act (2012) the Company's More Creek project has been grandfathered under the old Act. The Company received Guidelines for its application for an EA Certificate on December 22, 2016 and is in the process of assembling the required information. The Company has been advised that it must provide this information by August 28, 2022 to be eligible for a review under the old Act.

The significant benefit to Company under this transition provision is the ability to proceed as planned. Not only can we stay the course there have been three EA Certificates awarded in the vicinity of the More Creek project for hydro projects that provide both a template and information useful to the preparation of the More Creek Application which will significantly reduce the cost of the Application and time required for the collection and assembly of data.

The Company is currently exploring ways to fund the cost of the Application and a final feasibility study. Discussions with potential investors or Joint Venture Partners are focussed on an initial funding of approximately \$2 million.

The demand for electricity in the northwest BC has substantially increased with the recent announcement of the proposed Chevron Woodside LNG plant at Kitimat, the commencement of the construction of the Trans Mountain pipeline and the commencement of work on the LNG Canada plant at Kitimat. In addition, there are several major mining projects in northwest BC that are in the permitting stage or have permits in hand. These projects have electricity requirements exceeding BC Hydro's current local capacity to supply.

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 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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