



**ALASKA HYDRO CORPORATION**  
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TSX Venture Exchange: AKH  
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(\$US Funds unless stated otherwise)

**NEWS RELEASE**  
**NOT FOR DISSEMINATION IN THE UNITED STATES**

**ALASKA HYDRO REPORTS 2010 FINANCIAL RESULTS**

**May 3, 2011 – Vancouver, British Columbia – Alaska Hydro Corporation** (the “Company”) today reported 2010 financial results. The net loss for the years ended December 31, 2010 was \$1,695,809 compared with a \$316,743 net loss for the same period in 2009. Total expenditures on the Company’s Cascade Creek hydroelectric projects in southern Alaska were \$1,193,269 for the year compared to \$209,101 for the same period in 2009. The company has a working capital deficit of \$143,749 at December 31, 2010. The Company’s Consolidated Financial Statements and Management’s Discussion and Analysis are available at <http://www.sedar.com>.

***2010 and Recent Highlights***

- Alaska Hydro and Cascade Creek complete business combination
- New board and executive management team
- Equity financing of \$1,295,548 net
- On February 3, 2011 Cascade Creek issued its Draft License Application for the proposed 70MW Cascade Creek Hydroelectric Project at Thomas Bay, Alaska to the Federal Energy Regulatory Commission (“FERC”).

“Alaska is continuing its focus toward development of its Cascade Creek Hydroelectric Project.” said Thom Fischer, Alaska Hydro President and CEO “This years successful combination of companies and subsequent submission of the Draft License Application has continued advancement toward the Company goal of becoming a power producer.”

For further information, please contact:

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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 is 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 <http://www.sedar.com>. Interested persons may visit the project's website at <http://www.alaskahydro.com.com> to view project details and licensing documents.

*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 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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