



ALASKA HYDRO CORPORATION
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TSX Venture Exchange: AKH

(US Funds unless stated otherwise)

NEWS RELEASE
NOT FOR DISSEMINATION IN THE UNITED STATES

ALASKA HYDRO OUTLINES PROPOSED HYDROELECTRIC PROJECT IN NORTHWEST BC

November 26, 2014 – Vancouver, British Columbia – Alaska Hydro Corporation (the “Company”) reports that it has submitted an application for a water licence under the *Water Act* (British Columbia) to generate hydro electricity in north western British Columbia. The Company has also applied for a related investigative licence under the *Lands Act* (British Columbia). The water licence application is for the proposed More Creek Hydroelectric Project (the “Proposed Project”) located 130 km north of Stewart, BC and will be accessible from Highway 37 by an 11.5 km. road intersecting the highway just north of Devil Creek. The Company has been advised by the Ministry of Forests, Lands and Natural Resources Operations (the “Ministry”) that its applications have been received. The Proposed Project is intended to refocus and reset the Company’s hydro electric development objectives.

The Proposed Project

The proposed licence will allow the Company to divert up to 80 cu meters per second of water from More Creek to the proposed More Creek power house. The Proposed Project will include a storage dam, powerhouse and transmission line. The storage dam, to be located at the head of the More Creek Canyon, will be a roller compacted earth fill, concrete dam approximately 300 metres crest length, about 84 meters high and 4 to 5 meters crest width. It is expected to have a live storage capacity of 870 million cubic meters of water. The proposed intake structure is to be located on the east bank of the More Creek Canyon and will divert water to the above ground powerhouse through a 1000 meter long, 5.5 meter wide tunnel and returned to More Creek above its confluence with the Iskut River. The proposed powerhouse design currently contemplates three vertical Frances type turbines coupled with salient pole electric generators with a total capacity of approximately 75 MW. Subject to completing a facilities study, compliance with any intertie protocols and any other requirements of BC Hydro, a 13 km long, 135 KV transmission line is planned to connect the More Creek Project to BC Hydro’s substation at Bob Quinn Lake. The Proposed Project is projected to generate 306 GWhr of electricity annually.

The Proposed Project is subject to numerous conditions, including but not limited to: final acceptance by the Ministry; completion of a preliminary economic assessment demonstrating economic viability; completion of preliminary and final environmental assessments and receipt of an environmental assessment certificate; completion of an archeological impact assessment; completion of a feasibility study; completion of project financing; acceptance by the TSX Venture Exchange; consultations with affected First Nations; and receipt of applicable permits in advance of construction.

The Company has also commissioned and received a scoping study in respect of the Proposed Project prepared by an independent engineering consulting firm.

It is anticipated that studies and investigations related to the preliminary economic assessment, environmental assessment, archeological impact assessment, feasibility study and First Nations matters will take approximately two years. Final design, procurement and construction are expected to take up to three years.

The market for electricity in the north of British Columbia is forecasted to be strong and the demand for clean reliable energy should be very high as proposed new mining projects and LNG plants are developed. The demand for electricity from currently proposed LNG plants alone may exceed 50% of BC Hydro's total load. This demand for new supply and system upgrades is expected to result in an increase in rates of 28% over five years, according to B.C. Hydro. The need for additional clean hydroelectricity becomes acute if the government's commitment to generate 93% of its energy needs from clean energy if the proposed LNG plants use gas driven generators to produce electricity.

The Company has received the approval of the TSX Venture Exchange ("TSXV") in respect of the acquisition of its interest in the Proposed Project.

Application for Re-instatement

The Company has applied to the TSXV for re-instatement of its common shares trading. The Exchange has advised that when a satisfactory reinstatement to trading application has been received that it will reinstate the Company by issuing an Exchange bulletin. The TSXV has advised the Company that it is not currently in compliance with continuing listing requirements for a Tier 2 issuer and that if it has not performed certain agreed-upon milestones in relation to the Proposed Project by February 24, 2015, the Company may face immediate transfer of its listing to the NEX board of the TSXV at that time.

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, feasibility studies and project financing, receipt of a satisfactory outcome in consultations with First Nations, receipt of applicable permits, anticipated project development timelines, anticipated demand for hydro electricity, re-instatement of the Company's shares to trading on the TSXV and the potential transfer of the listing of Company's shares to the NEX board of the TSXV if certain project milestones are not met. 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.