

PROJECT FINANCE ANNOUNCES EXTENSION OF QUALIFYING TRANSACTION

VANCOUVER, February 23, 2010.

Project Finance Corp. (TSX V:PF.P) (“Project Finance”) announces the extension of the scheduled closing date for its Qualifying Transaction. Project Finance previously announced it had entered into a Letter Of Intent dated December 7, 2009 to acquire all the existing and outstanding equity in Cascade Creek, LLC (“Cascade”) in exchange for 40 million Project Finance common shares. The shares will be issued in several tranches in accordance with achievement of predetermined milestones.

Project Finance and Cascade have agree to reschedule the closing date from February 28, 2010 to April 30, 2010 to allow sufficient time to complete a Due Diligence Report, prepare a Valuation Report, complete the Audit of Financial Statements, and prepare filing documents.

About Cascade

Cascade’s hydroelectric project (the “Project”) located in Thomas Bay near Petersburg Alaska, is designed as a Lake Tap hydro electric generation facility and is engineered to generate 200,000 MWh of electricity per year; enough to power 200,000 homes. In a Lake Tap hydroelectric project, the lake becomes a reservoir of water which is drawn upon by way of either a siphon or drain, then delivered by penstock and tunnel to a hydroelectric generating station. The Project has the ability to store water in the existing Swan Lake, its primary source of water, and deliver energy during peak demand periods. Swan Lake is a naturally formed lake at an elevation of 1,515 feet above sea level and approximately three miles from tide water. The ability to operate this facility specifically during peak hours makes energy from this Project more valuable than traditional Run-of-River projects typically found in B.C.

In addition to supplying electricity to the local Alaskan markets, Cascade’s primary focus is the sale of electricity to the lower 48 states. In order to access the lower 48, Cascade will require interconnection with BCTC’s proposed Northwest Transmission Line at Bob Quinn Lake on Highway 37 in B.C. The B.C. Government and the Canadian Federal Government have both made financial commitments to the construction of this line, which is currently in the first stage of development.

SOURCE: Project Finance Corp.

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