



## **Pristine Power Inc. Announces Closing and Funding of York Energy Centre Financing**

**Calgary, Alberta – August 25, 2010** – Pristine Power Inc. (TSX: PPX) (“Pristine” or the “Company”), an independent Canadian developer and operator of electricity and steam generation facilities, today announced that it has achieved financial close and funding for its 400 MW York Energy Centre project in Ontario. Under the terms of the financing, a syndicate of financial institutions, led by Union Bank, ING Capital LLC and Royal Bank of Canada and including Bank of Nova Scotia, Siemens Financial Ltd., National Bank of Canada, Canadian Western Bank and Allied Irish Banks, PLC, will provide construction and term non-recourse debt financing of \$270.2 million, as well as a \$60 million letter of credit facility and a \$3 million operating working capital facility.

“Closing and funding of the non-recourse debt financing marks a very significant milestone for the York Energy Centre,” said Jeffry Myers, President and Chief Executive Officer of Pristine. “With the debt financing in place, we are proceeding with major equipment purchases and will commence construction of the project. Commercial operations are expected to begin in the second quarter of 2012.”

Under the terms of the York Energy Centre partnership agreement, Pristine earned a development fee of \$3 million from the project. A further \$3 million fee is due from the project upon commencement of commercial operations. Pristine’s equity contribution for its 50% share of the project totaled \$26.1 million. Accordingly, approximately \$15 million of previously committed cash and cash collateralized for letters of credit is now available to be used by the Company for general corporate purposes.

The York Energy Centre is a (nominal) 400 MW natural gas fired peaking facility to be located in the Township of King under the terms of a 20 year peaking generation contract with the Ontario Power Authority. The Company holds a 50% interest in the Project.

### **About Pristine**

Pristine (TSX: PPX) is in the business of developing, owning and operating independent power plants that produce and sell electricity and in some cases, sell process steam to industrial users. Pristine capitalizes on opportunities in the independent power market by actively pursuing the development of dependable, cost-effective and environmentally responsible power generation facilities utilizing technology with proven past performance. Pristine pursues a mix of large gas-fired, bioenergy and hydroelectric projects, and smaller replicable waste heat recovery ERG® and bioenergy projects. Pristine currently has three projects in operation, and one project under construction. Pristine is developing projects in strategic regions of North America. Visit [www.pristinepower.ca](http://www.pristinepower.ca) for more information.

### **Cautionary Statement Regarding Forward-Looking Information**

Certain statements in this news release may constitute “forward-looking information” or “forward-looking statements” which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this news release, such information uses such words as “estimates”, “expects”, “plans”, “anticipates” and other similar terminology. This information reflects the Company’s current expectations regarding future events, including the development, financing, construction and operation of the York Energy Centre project. Forward-looking information involves significant

uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information. Although the forward-looking information in this news release is based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with this forward-looking information. This forward-looking information is provided as of the date of this news release, and, subject to applicable securities laws, the Company assumes no obligation to update or revise such information to reflect new events or circumstances.

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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