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Frankfurt – O3X  
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*Press Release*

*For Immediate Release*

## **CORPORATE UPDATE**

**Vancouver, British Columbia, January 22, 2010:** Ona Power Corp. (CNSX: OPO / Frankfurt: O3X) is pleased to announce that it has a 60% interest in the Yongxing Power Plant Corporation (YPPC) located in Hunan Province of China. YPPC has an agreement to supply electricity to the Chenzhou Bureau of Hunan Electricity Power Corporation (The GRID).

The Grid Operator has agreed to purchase 6000 annual hours of electricity production in 2010 from YPPC. 6000 hours of electricity production will equate to a net electricity sale of 3.25 million KWh after plant internal need for electricity is satisfied.

In 2009, YPPC addressed certain maintenance issues. The primary maintenance concern resulted in the replacement of the Coal crusher in November/December 2009. This will improve the reliability of the coal feed system and overall plant operation. Subsequently the plant resumed operation in mid December.

The three share holding companies (Ona Power Corp, Hong Kong Modern Electric and Yongxing Hydro Electric Company) of YPPC agreed; 1) to pledge 100% of their equity interest in YPPC to raise money to ensure that the plant will be kept operational for the annual hours agreed with the grid operator, and 2) the three share holding companies of YPPC agreed that Joint Venture Contract will be revised by Ona Power Corp to structure it in a way that the revised agreement will allow for better operational control without the need for unanimous board voting on many issues. With these agreements in place, Ona Power will be looking to raise money for continued plant operation.

The coal quality and coal price has been a concern. In August and November 2009, there were several coal mining related accidents in Hunan Province where the YPPC plant is located. This had resulted in Chinese government shutting down the coal mines until safety of the mine workers is improved. This coupled with low water level (due to drought conditions) in many dams for hydroelectric power plant operation resulted in increased demand for reduced availability of coal and substantial increase in coal price. The coal price currently remains high and therefore YPPC has decided to temporarily suspend power generation. Management expects that the coal price will come down to a reasonable level in the near future. YPPC is also closely monitoring the coal price to establish the opportune time to operate the plant and utilize the 6000 annual operational hours that has been agreed with the Grid Operator. With the experience gained, YPPC will establish the appropriate operational schedule on an annual basis.

YPPC operates in a region in China where an overall shortage of electricity exists and this puts YPPC in a good condition for continued long term operation

**ONA POWER CORP. ([www.onapowercorp.com](http://www.onapowercorp.com))** is a Canadian-based international energy company focused on the acquisition and development of power generation operations and oil & gas projects.

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