



FERC Grants Finavera Renewables First US License for Offshore Wave Energy

Vancouver, Canada, December 21st 2007 – Finavera Renewables Inc. ('Finavera Renewables' or the 'Company') (TSX-V: FVR) is pleased to announce it has been granted an operating license for its Makah Bay Offshore Wave Pilot Project in Washington State by the United States Federal Energy Regulatory Commission (FERC). The license is the first ever issued by the Commission for a wave, tidal or current energy project in the United States.

Finavera Renewables CEO Jason Bak said, "This is a tremendous step forward for the development of wave energy in the United States and illustrates our leadership in this exciting industry. Our Makah Bay Offshore Pilot Project is designed to demonstrate the viability of wave energy technology and our project management abilities. This pilot project is an important part of the commercial development of wave energy in the United States. The Makah Indian Nation has been a strong partner in this project, and deserves credit for its vision and desire to tap into the incredible potential of ocean energy. We look forward to demonstrating the viability of this source of clean, renewable energy and to developing a strong business partnership with the Makah Nation and its Energy Enterprise."

"The Makah Nation is pleased to join with Finavera in a new energy venture - capturing electricity from the infinite wave energy power that results from the gravitational pull of the moon" said Ben Johnson Jr., Chairman of the Makah Tribal Council. "We look forward to generating renewable, carbon free energy for the Tribe's members and to growing our business relationship with Finavera to demonstrate this visionary technology" said Robert J. Martin, the Chief Executive Officer of the Makah Energy Enterprise.

The decision by FERC gives Finavera Renewables a conditional five-year license for the proposed project. The FERC license is conditional on the Company obtaining all additional federal and state permits before construction may begin. The Makah Bay Offshore Wave Energy Pilot Project will provide stakeholders, regulators and investors a tangible demonstration of the potential of wave energy. The license follows on the heels of Finavera Renewables and PG&E signing the industry's first purchase power agreement earlier this week.

In a FERC news release, FERC Chairman Joseph T. Kelliher said, "Hydrokinetic projects have tremendous potential. The issuance of today's license is a major step toward realizing that potential, by authorizing a pilot project to demonstrate this promising new technology."

The entire FERC news release on the decision is available at:
<http://www.ferc.gov/news/news-releases/2007/2007-4/12-20-07-H-1.asp>

Bak concluded, "We commend FERC for their hard work and diligence in this licensing process. We are committed to meeting the conditions in the license, including working with all stakeholders, including state, federal and tribal natural resource and environmental agencies, to satisfy their concerns. We've enjoyed a very effective working relationship with the other agencies and intend to uphold those relationships as we go forward."



Makah Bay Offshore Wave Pilot Project

The Makah Bay Offshore Wave Pilot Project will provide stakeholders, regulators and investors a tangible demonstration of the potential of wave energy. The project will be located in the Pacific Ocean in Makah Bay 3.7 nautical miles offshore of Waatch Point in Clallam County, Washington.

Finavera Renewables filed an application to construct the offshore power plant with FERC in November 2006. The location was chosen for several reasons: participation of the Makah Indian Nation, depth proximity to shore, strong climate, shoreline transmission line, and electricity demand in coastal communities.

Jason Bak, CEO

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About Finavera Renewables Inc. (www.finavera.com)

Finavera Renewables Inc. is dedicated to the development of renewable energy resources and technologies. The Company's objective is to become a major renewable and green energy producer by developing and operating its assets in the wind and wave energy sectors. Finavera Renewables Inc. is developing the licensed and patented 'AquaBuOY' wave energy technology, a device that is based on proven and sustainable buoy technology. The Company is developing wave energy projects for AquaBuOY use in the United States, Portugal, South Africa and Canada. One of those projects, in California, has secured a 2MW power purchase agreement with Pacific Gas and Electric. The Company is also developing other wind energy projects in Canada and Ireland. In Canada, a two stage 150 MW project is being developed in Alberta. Construction on this advance stage project is estimated to begin in 2008 and provides for near term revenue. In British Columbia, four projects totaling 366 MW have been entered into the provincial Environmental Assessment process, and several other sites are being developed. In Ireland, two pre-construction wind projects are under development with a potential capacity of 175MW. Data collection and environmental studies have been continuing at a number of sites in both countries.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. Statements in this news release, other than purely historical information, including statements relating to the Company's future plans, objectives or expected results, constitute Forward-looking statements. Such statements represent management's



conclusion based on numerous assumptions and are subject to all the risks and uncertainties inherent in the Company's business, including development risks.

Further information concerning such risks is set forth in the Company's formal disclosure documents filed on SEDAR, including its MD&A. Consequently, actual results may vary materially from those described in the Forward-looking statements.

The TSX Venture Exchange has not reviewed, and does not accept responsibility for the adequacy or accuracy of, this release.