



Renewables Releases First Quarter Financial Results and Provides Corporate Update

Vancouver, Canada, May 31st, 2010 – Finavera Renewables Inc. ('Finavera Renewables' or the 'Company') (TSX-V: FVR) announces its first quarter financial results and provides a corporate review of recent and upcoming milestones.

Finavera Renewables CEO Jason Bak said, "We are very pleased with our overwhelming success in the BC Hydro Clean Power Call. The execution of the four long term power purchase agreements with BC Hydro represents the completion of a significant first step along the path to successfully delivering 301 megawatts of clean, renewable energy to the province of British Columbia. Our next steps will be to complete our stakeholder review process and to begin to finalize engineering, turbine supply contracts, and financing arrangements in order to ensure that we can deliver these four projects on time and on budget while creating significant shareholder value."

Recent Milestones

- On May 10, 2010, the Company announced that it had fully extinguished a convertible debenture, originally issued for \$2,000,000 in April 2008.
- On April 28th, 2010, the Company announced the execution of the four EPA's with BC Hydro.
- In March and April 2010, a total of 13,050,000 share purchase warrants were exercised at \$0.10 per warrant for proceeds of \$1,305,000.
- On April 16, 2010, the Company announced it had adopted a Tactical Shareholder Rights Plan, subject to regulatory approval. The Plan would ensure the fair treatment of all Finavera Renewables shareholders in connection with any possible future take-over bids for the outstanding common shares of the Company.
- March 2010 - Payment of \$2,000,000 for BC Hydro Performance Guarantees to secure all 4 Projects.
- On March 11, 2010, the Company announced that its four wind projects, comprising a total nameplate capacity of 301 megawatts ("MW"), submitted to B.C. Hydro in November 2008 under its 2008 Clean Power Call, had been accepted by BC Hydro for the award of long term (25 year) Electricity Purchase Agreements ("EPA's). Annual revenue when all four projects are operating is estimated to be \$100 million.

Upcoming Milestones

Finavera is working diligently on project finance and construction plans for the near term Wildmare and Tumbler Ridge Wind projects, both of which have commercial operation dates of November, 2012. Financial Close for the two projects is expected to occur in the summer of 2011, at which point Turbine Supply Agreements, project finance, and all final permitting will be required to be place. The extensive work carried out by Finavera and third party consultants provides the Company with the confidence the projects will be financeable due to healthy rates of return. Finavera is examining a number of financing options for the Company and its projects and a decision is expected to be announced by Q4, 2010.

The Company expects to continue to advance project engineering with GENIVAR in the immediate term, with the intent of completing a competitive bid process and selection of an experienced EPC contractor prior to financial close. Turbine supply negotiations are continuing



with Tier 1 wind turbine suppliers for the projects. Finavera intends to execute binding Memorandums of Understanding (“MOU’s”) for turbines during Q2/Q3 2010, in advance of executing final Turbine Supply Agreements in late 2010/early 2011. For the Tumbler Ridge Project, discussions are continuing with GE Energy for the exclusive supply of GE equipment for the project.

Finavera Renewables will carry out further spring and summer field surveys this year on Wildmare, Meikle, and Tumbler Ridge projects in order to complete the work carried out to date, and will begin preparing the Environmental Assessment Certificate applications for submission in late autumn 2010. A decision would be expected from the Environmental Assessment Office (“EAO”) approximately 180 days after the applications are submitted. No fatal flaws have been identified in the Environmental process and the Company is optimistic it will receive a positive decision from the EAO.

The Company continues to invest significant resources into developing long term business relationships with the four relevant Treaty 8 First Nations with the intent to create value-for-value outcomes for the First Nation communities and for Finavera. The Company is presently negotiating Memorandums of Understanding with the First Nations, which would cover financial compensation issues, a communications protocol and a relationship protocol. Finavera is committed to creating a long term partnership with all identified First Nations throughout the life of the proposed projects.

Negotiations are continuing with respect to the potential Joint Venture development of the 105 megawatt Cloosh Valley Wind Project in Ireland. The proposed Joint Venture partner has extensive experience in wind project development and has a number of wind farms in operation. The proposed agreement includes a significant initial payment to the Company combined with staged payments along the development path as the Project proceeds to financial close. Under the proposed agreement, the Company will maintain an equity position in the project in order to realize ongoing revenue once the project is in operation.

Finavera Renewables is enhancing its investor relations campaign through marketing road shows to institutional and retail investors, media relations, and community initiatives. This enhanced campaign will also include news releases accompanying all quarterly financial reports and regular project updates. Finavera Renewables is in a select group of publicly traded companies that have several hundred megawatts of contracted wind projects in their portfolio and an enhanced communications plan will illustrate this to the market.

Summary Financial Results

During the quarter, a net loss of \$719,558 (2009 – \$1,314,774) was recorded. The loss was \$595,216 lower than the comparative quarter. General expenditures in the current quarter were lower than the comparative quarter, as the Company waited for BC Hydro to complete the Clean Power Call. The major differences, comprising 84% of the change, were: an increase in foreign exchange gain of \$232,688 (from a loss of \$67,646 in 2009 to a gain of \$165,042 in 2010), reductions in project costs of \$98,009 (from \$439,334 in 2009 to \$341,325 in 2010), reductions in payroll cost of \$53,880 (from \$234,688 in 2009 to \$180,808 in 2010), professional fees were reduced by \$49,255 (from \$118,474 in 2009 to \$69,492 in 2010) and interest and financing costs declined by \$67,148 (from \$236,101 in 2009 to \$168,953 in 2010).



This financial summary should be read in conjunction with the Company's March 31, 2010 unaudited interim consolidated financial statements and Management's Discussion and Analysis, both of which are available on www.sedar.com and on www.finavera.com.

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

Finavera Renewables Inc. is dedicated to the development of renewable energy resources. The Company's objective is to become a major renewable and green energy producer by developing and operating its assets in the wind sector. Finavera Renewables is developing wind energy projects in Canada and Ireland. In British Columbia, Canada, projects totaling 301 MW have been awarded 25 year Electricity Purchase Agreements under the Hydro Clean Power Call. In Ireland, one pre-construction wind project is under development with a potential capacity of 105MW. Data collection and environmental studies have been continuing at a number of sites in both countries.

Statements in this news release, other than purely historical information, including statements relating to the Company's future plans and objectives or expected results, constitute Forward-looking statements. The words "would", "will", "expected" and "estimated" or other similar words and phrases are intended to identify forward-looking information. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different than those expressed or implied by such forward-looking information. Such factors include, but are not limited to: uncertainties related to the ability to raise sufficient capital, changes in economic conditions or financial markets, litigation, legislative or other judicial, regulatory and political competitive developments and technological or operational difficulties. 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.