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Principle Power Closes \$2.3M Seed Funding Convertible Note Round

SAN FRANCISCO, CA, May 14, 2008 - Principle Power, Inc. is pleased to announce that it has successfully closed its convertible note offering. The company had been seeking \$1,500,000 in convertible debt to consolidate its position with key licensed renewable energy technologies and initiate development of projects.

At the close, the funding round was oversubscribed by more than 50%. The round included 8 Keiretsu Forum investors from 4 different chapters (Barcelona, San Francisco, Seattle, East Bay) and international investors from Spain, Mexico and Portugal. Going forward, the Company plans to offer corporate equity and renewable energy project investment opportunities.

Principle Power is focusing its efforts on offshore wind, solar and hydro projects around the globe. This convertible debenture financing provides working capital required to advance the Company's projects and achieve its near-term milestones. The Company's President, Jon Bonanno, said "The Board and senior management are grateful to our investors for believing in our vision and ability to achieve our goal of bridging the gap between demonstrated clean technologies and utility scale projects. Our mission is to produce and supply utility grade renewable energy to the grid by commercializing proven best-of-breed technologies. We are looking forward to the coming months of project development."

About Principle Power

Principle Power, www.principlepowerinc.com, is a technology developer focused on the deep-water (greater than 50m) offshore wind energy market. Principle Power's enabling product, a floating wind turbine foundation called WindFloat, provides for siting of offshore wind turbines independent of water depth, thus exploiting the world's highest capacity wind resources. Deep-water offshore wind installations, to date, have not been feasible due to economic and technological limitations.

