



BlueCastleProject

IMMEDIATE RELEASE

February 29, 2012

State Engineer Reaffirms Water Use At Proposed Blue Castle Nuclear Project, Cites Financial Ability

SALT LAKE CITY, UT – Utah State Water Engineer Kent Jones upheld his original decision approving water for use at the proposed Blue Castle New Nuclear power project in Utah by denying the requests of protestants to reconsider his decision. By denying the reconsideration requests, it brings to a close the administrative water right proceedings before the State Engineer. In denying the requests, Jones stated, “The applicants have demonstrated a financial ability to complete the proposed works commensurate with this stage of a process that ultimately seeks to put to beneficial use the water proposed in the application.”

The proposed two-unit Blue Castle Nuclear Project would increase the electricity generated in Utah by approximately 50%, adding about 3,000 Megawatts of installed electrical capacity, using less than 1% of the State’s current water diversion.

“We always believed the State Engineer complied with the law in the first approval for the water use at the proposed new nuclear plant site. His refusal to reconsider his approval emphasizes that fact and provides additional certainty that the State of Utah, its citizens and future power consumers are the beneficiaries of this water use.” said Aaron Tilton, CEO of BCH.

The Blue Castle Project will have a significant beneficial economic impact on the State and the local communities. The region has economically benefited from the millions of dollars invested into the project site characterization over the past year. BCH has hired several local and national firms for on-site and off-site investigations to prepare an Early Site Permit (ESP) application to the Nuclear Regulatory Commission (NRC). It is expected that about 1,000 permanent full-time employees will work at the plant for 60 years, and that up to 3,000 workers will work during the projected six year construction of the dual unit plant.

The ESP requires a thorough Environmental Impact Study (EIS) to ensure that the use of the water at the proposed nuclear power plant will be protective of the surrounding environment, including the endangered fish in the Green River. As the first approvals stated “The State Engineer recognizes the NRC as the congressionally designated authority on use of nuclear power and protection of radiological health and safety such that there is reason to believe a nuclear power plant constructed and operated under its licensing regulations will not be detrimental to the public welfare.” Mr. Tilton also commented, “We recognize our responsibility for strong environmental stewardship throughout the life time of the project, including working diligently to assure protection of the Green River endangered species.”

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About Blue Castle Holdings

Blue Castle Holdings Inc. (BCH or the Company) is an energy infrastructure development company based in Utah and Colorado. It is presently developing the leading new nuclear plant project site in the Western U.S. Through its wholly owned subsidiary, Willow Creek LLC (WC), the Company is also engaged in the construction, replacement and repair of natural gas, crude oil pipelines and fuel storage facilities for its customers located in Intermountain West.

More information about Blue Castle Holdings can be found at: www.bluecastleproject.com

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