



For Immediate Release

TSX - NRG
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ALTER NRG CORP. ANNOUNCES A PLASMA PROJECT IN MINNESOTA HAS RECEIVED \$2.5 MILLION OF STATE FUNDING

Calgary, Alberta – September 28, 2010 – (TSX: NRG; OTCQX: ANRGF) Alter NRG Corp. (“Alter NRG” or the “Company”) is pleased to announce that Koochiching Development Authority has contracted with the Minnesota Pollution Control Agency for the release of \$2.5 million in funding from the State of Minnesota for a proposed plasma gasification facility using Alter NRG’s proprietary Westinghouse Plasma Technology. The State funding is expected to be matched from the US Department of Energy. The proposed project which is to be located in Koochiching County in Northern Minnesota is called the Renewable Energy Clean Air Project (RECAP). The State and Federal grant monies will be used to further develop segments of the project including preliminary design, permitting and preconstruction services.

County Commissioner Mike Hanson, states that “America’s waste disposal methods are alarmingly archaic and completely unsustainable. The residents of Koochiching County welcome the opportunity to further investigate a proven technology that is environmentally responsible, creates high-tech employment opportunities in rural Minnesota and simultaneously develops a solid waste disposal method that offers a potential model for America. It is simply ‘the right thing to do.’”

The Plasma Gasification Waste-to-Energy facility is expected to gasify a variety of feedstocks, including municipal waste, regional woody biomass waste and biosolids from the waste water treatment facility. RECAP is intending to convert the waste feedstocks into syngas and than steam or electricity for local area use.

Alter NRG previously performed preliminary engineering for the RECAP project feasibility study which was funded by the State of Minnesota. Alter NRG has now been engaged for approximately US\$250,000 of further engineering services and is expected to begin detailed engineering in mid 2011, the scope and price of which are still to be negotiated. The project, as currently proposed, uses a smaller scale W15 Westinghouse Plasma gasifier which sells for approximately \$12 million. The Westinghouse Plasma gasifier is expected to be ordered in late 2011 to mid 2012 upon successful development and permitting. Coronal LLC, a private company located in Minneapolis, Minnesota, is the developer and project manager of RECAP. In this capacity Coronal LLC has guided the RECAP work effort through feasibility study and now is coordinating the preliminary design segment of the work effort. Coronal LLC focuses on development of plasma gasification facilities using the Westinghouse Plasma technology and is advancing other projects in North America and worldwide.

John Howard, Chief Technical Officer and Stephen Korstad, Chief Financial Officer, of Coronal LLC believe that “the RECAP project receiving these significant grant monies is a major milestone for the project. Koochiching Development Authority and ourselves as the developer, are adequately capitalized to take the project through preliminary design and regulatory approvals. We are very pleased to be working with the industry leading Westinghouse Technology and continue to aggressively advance other opportunities as well.”

ABOUT ALTER NRG

Alter NRG is pursuing alternative energy solutions to meet the growing demand for environmentally responsible energy in world markets. The Company’s vision is to commercialize growth technologies through environmentally sustainable and economically viable alternative energy projects. The Company’s objectives are twofold; First, is to further commercialize the Westinghouse Plasma Gasification Technology, a wholly owned subsidiary, to provide renewable and clean energy solutions from a wide variety of feedstocks, and providing a wide variety of energy outputs – including liquid fuels like ethanol and diesel, electrical power, and syngas; Second, to capitalize on the rapidly growing geothermal residential and commercial heating and

cooling market through a wholly owned subsidiary CleanEnergy that enables consumers to reduce their carbon footprint and reduce the cost and volatility of energy bills using the energy from the earth.

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Advisory Respecting Forward-Looking Statements:

This news release contains certain “forward-looking information and statements” within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "confident", "might" and similar expressions are intended to identify forward-looking information or statements. In particular, this new release contains forward looking statements pertaining to capital expenditures, schedules and commencement of operations of existing projects and projects under development; availability of project financing; timing of sales; industry trends; factors influencing capital investments and development activities; the Corporation's reputation and market position within the industries in which it operates and the Corporation's strategy and competitive advantages. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Forward-looking statements reflect management's current beliefs and assumptions, based on information currently available to management. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, many of which are beyond the control of the Corporation. Among the material factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: that the information is of a preliminary nature and may be subject to further adjustment; unforeseen environmental effects; the completion of KDA's projects; arrangements with key suppliers; potential product liability and other claims; risks associated with the proprietary technology; closing on grants and incentives, the possible unavailability of financing at competitive rates and the related effect on development activities; changes in government regulation, including changes to environmental regulations; the effects of competition; the dependence on senior management and key personnel, and fluctuations in currency exchange rates and interest rates, as well as those factors discussed in or referred to under the heading “Risk Factors” in the Company's Annual Information Form dated March 29, 2010 available at www.sedar.com. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements.

The Corporation cautions that the foregoing list of assumptions, risks and uncertainties is not exhaustive. The forward-looking information and statements contained in this news release speak only as of the date of this news release, and the Corporation assumes no obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable securities laws.