

Press Release

For Immediate Release

**ONA ENERGY ANNOUNCES SUCCESSFUL COMPLETION
OF TESTING, PRIOR TO COMMERCIAL PRODUCTION
AT ITS YONGXING POWER PLANT IN CHINA**

Vancouver, British Columbia, July 29, 2008: ONA Energy Inc. ("the Company") (CNQ: OEIX / Frankfurt: O3X) is pleased to announce successful completion of the final test phase of the first unit at the Company's 60% owned coal-fired power plant in Yongxing County, in the Hunan Province of China. The tests included 72 hours of full load testing, short circuit testing, over speed testing and the half load tests. These tests were witnessed and approved by Hunan Electric Power Construction Inspection Consultation Co., Ltd., Guangzhou Branch and Jiangxi Zhongdian Electric Power Engineering Co., Ltd. Yongxing Project Debugging Department.

The first 60 MW unit performed flawlessly during the testing period and at times surpassed the plant's name plate capacity of 60 MW. The unit was shut down shortly after the completion of all the vigorous testing so that upgrading and modifications can be performed to the boiler's ash handling systems. The upgrading and modification work is expected to be completed in approximately 10 days and then the first 60 MW unit of YPPC will be ready for commercial operation.

Opening Ceremonies

On July 23rd opening ceremonies were held at the power plant. More than 350 guests were in attendance. The ceremony was attended by various high level government officials from Hunan Province, Chenzhou City and Yongxing County, along with Canadian officials. Dignitaries included Chenzhou City's Minister of Human Resources, the Yongxing County Party Secretary and Governor, along with officials from the Provincial Development and Reform Committee and Provincial Environmental Department. The Canadian contingent included the Second Secretary and Vice-Consul from the Canadian Embassy in Beijing. Pictures of the event can be found on the Company's website at <http://www.onaenergy.com/projects/yongxing-gallery-200807.html>. More will be posted shortly.

Further development at the power plant underway

With the completion of construction and testing of the first unit of the power plant, management is now focusing its attention to the construction of the second 60 MW unit of phase one. Some of the infrastructure required for the second unit has already been completed during construction of the first unit. Inquiry to the procurement and construction of the second 60 MW expansion has now begun. In addition, YPPC will shortly be receiving quotations for the feasibility study of the second phase of the power plant. The Company requires a new feasibility study for the second phase of the plant as it is looking to increase the size of the second phase from two 60 MW units to a minimum of two 135 MW units, to take advantage of the growing need for power required in the area. This will increase the size of the final power plant from 240 MW to a minimum of 390 MW.

The Yongxing Power Plant Corporation is ONA Energy's 60% owned Sino-Foreign joint venture company constructing an environmentally friendly desulfurization power plant in the Yongxing County, Hunan province of China. The power plant will be classified as a comprehensive utilization of waste-to-energy power plant that will consume up to 75% of coal tailings (a coal mining waste residue) as its main fuel. The power plant will also comply with the latest National Development and Reform Committee guidelines of achieving very low NO_x, SO₂ and particulate matter (fly-ash) emissions and produces clean energy.

ONA Energy Inc. (www.onaenergy.com) is a Canadian-based international energy company focused on the acquisition and development of power generation projects.

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