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Rising Fuel Costs Have You Seeing Red? *Northeast Bank Helps Customers See Green with Special Financing for NEW Wood Pellet- Fired Boiler Systems*

Lewiston, MAINE (June 13, 2008) – Northeast Bank (www.northeastbank.com) has more money to lend homeowners looking to reduce their fuel costs and go green. This is the result of a recently announced partnership between Northeast Bank and Maine Energy Systems (MESys).

Starting this summer, MESys will be distributing and installing wood pellet-fueled boiler systems for homeowners across the state and possibly New England, with Northeast Bank offering special financing and homeowners' insurance. This relationship will provide customers a viable green heating alternative that runs on locally grown fuel and is affordable. The initial roll out will be in the Lewiston/Auburn area, Cumberland county and in the Augusta, Rockland, Midcoast, Bangor and southern Oxford county areas.

“We are seeing oil prices at levels that we once thought inconceivable. This crisis is creating an opportunity for Mainers to seriously consider alternative fuel systems to heat their homes. That’s why Northeast Bank has partnered with MESys to help families gain an edge on rising energy costs, while making a difference in the environment and helping the local economy,” said Jim Delamater, President and CEO Of Northeast Bank.

To convert to this new system, the bank is offering customers 100% financing for both fixed and adjustable rate pricing, on terms of up to 20 years. Links to the financing programs at Northeast Bank are available on the MESys website. The Bank has designated special underwriters to expedite the applications, so families can get on the waiting list for conversion as soon as possible.

“We want to make the conversion process as quick, easy and affordable as possible. Keeping the fees down will help, and customers can borrow up to 80% of their home’s equity based on the current assessed value. Taking into account the cost of the conversion, pellets and interest paid, families converting to this alternative fuel system have the opportunity to see savings on their annual fuel costs,” Delamater continued.

Northeast Bank loan officers can assist with the application process and even walk customers through the savings calculations. Customer can calculate their own savings by going to the MESys website (www.maineenergysystems.com) and clicking on the savings calculator.” Simply enter the amount of fuel oil spent, the loan amount and term—and you’ll see real savings. The calculator even provides the projected carbon footprint reduction. Now, that’s a real incentive to switch to a renewable resource,” he said.

Homeowner’s insurance is also available from Northeast Bank through AM Best “A” rated regional and national insurance carriers, providing various coverage options for homeowners

looking to utilize this renewable resource as a method of heating their homes. “While wood-pellet-fired boilers are widely used in Europe, we were finding many U.S. insurance carriers are not familiar with this type of system. We worked with our carriers to identify options and provide customers a one-stop shop for both the financing and the necessary insurance if the customer chooses,” Delamater said.

Maine Energy Systems Founder Leslie B. Otten says these types of innovative financial programs and strategic partnerships are vital to sustain our Maine economy and New England way of life. “Working together we can develop energy solutions that provide cost savings while positively impacting our environment. I applaud Northeast Bank for their commitment to alternative fuel sources.”

“Converting over to a renewable resource for fuel saves money, helps the environment and puts money back into our local economy. It’s an option that is definitely worth exploring and we’re glad to be part of this exciting new venture helping Maine families,” Delamater said.

For more information about wood pellet-fueled boilers and Maine Energy Systems visit their website at www.maineenergysystems.com. Financing options are available through the MESys site or by visiting Northeast Bank at www.northeastbank.com. Questions regarding financing can be directed to Northeast Bank at 800-284-5989; simply mention **Green Loan Solutions**.

About Northeast Bank

Northeast Bank, a leader in delivering one-stop shopping for financial services, is headquartered in Lewiston, Maine and is a wholly-owned subsidiary of Northeast Bancorp (NASDAQ: NBN). The Company has over \$586 million in assets as of March 31, 2008 and operates 25 retail outlets, including 11 bank branches, 13 insurance offices and 1 financial center serving the financial needs of western, central, mid-coastal and southern Maine, as well as seacoast New Hampshire. Information regarding Northeast Bank can be found on its website at www.northeastbank.com or by contacting 1-800-284-5989.

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