



Industry Statement – November 09, 2011

FOR IMMEDIATE RELEASE

B.C. PREMIER'S TRADE MISSION OPENS DOOR FOR LIQUEFIED NATURAL GAS (LNG) EXPORTS TO CHINA

BEIJING, CHINA - Several Canadian energy companies joined British Columbia Premier Christy Clark in a trade mission to China which has set the foundation for a long-term demand for B.C. natural gas and opened doors to secure investment interest to support industry's plans to develop liquefied natural gas (LNG) exports.

Companies participating in the 2011 British Columbia Premier's Mission to China that are currently working towards broadening their natural gas marketing options include Apache, EnCana, EOG, Nexen Inc., Progress Energy/PETRONAS, Shell and Spectra Energy. Together the LNG projects they are investing in, or examining for future development, is expected to make British Columbia a reliable Canadian LNG supplier to international markets, including China.

Natural gas is a clean burning fossil fuel that generates lower greenhouse gas emissions compared to other fossil fuels. British Columbia has an abundant supply of natural gas.

KITIMAT LNG (APACHE, ENCANNA, EOG RESOURCES)

"Premier Clark's trade mission to China is a significant step in achieving her government's 'Canada Starts Here: The B.C. Jobs Plan' that looks to open new markets for B.C.'s abundant clean natural gas resource and securing B.C.'s place in the Asia Pacific Economy," said Tim Wall, President of Apache Canada. "Kitimat LNG fully supports Premier's Clark's priority focus on developing a liquefied natural gas strategy and is working to realize the plan's goal of having an LNG plant operational by 2015."

Kitimat LNG is a partnership between Apache, EnCana and EOG Resources.

NEXEN

"The advancement of drilling and completions technology has enabled the cost-effective recovery of shale gas – a game-changing resource for the world's energy supply," said Marvin Romanow, President and CEO of Nexen Inc. "Expanding access to international markets is an important option to add value to this tremendous British Columbia resource and Nexen is pleased to take part in Premier Clark's trade mission to China."



PROGRESS ENERGY

"Progress Energy and PETRONAS are pleased to help highlight the benefits of investing in B.C., especially LNG," said Michael Culbert, CEO, Progress Energy. "This trade mission shows real leadership by Premier Clark and her government as it builds opportunities for B.C. as well as our Asian customers."

SHELL CANADA

"The steps the B.C. government is taking to develop LNG export, including Premier Clark's trade mission to China, helps access global growth markets for British Columbian and Canadian natural gas," said Lorraine Mitchelmore, president and country chair of Shell Canada. "We believe the time to seize this opportunity is now, and Premier Clark's support will contribute to our own LNG project's success, while bringing value to the province and delivering energy for the world."

SPECTRA ENERGY

"We believe natural gas can continue to be a major generator of jobs, investment and economic activity, but it is critical that we develop new markets for our natural gas. We applaud Premier Clark and her government for their leadership on this important trade development initiative," says Doug Bloom, President, Spectra Energy Transmission West. "Spectra Energy was at the forefront of developing British Columbia's first natural gas exports over 50 years ago and we look forward to working with industry and government to develop our next export opportunity in the Asia-Pacific region."

ABOUT LNG:

- Based on current estimates, British Columbia could export more than 50 million metric tons a year of natural gas by 2020 – equivalent to 2.6 trillion cubic feet (Tcf) a year. China could easily absorb such an amount of LNG, given their expected energy needs.
- The Government of Canada and Government of British Columbia are committed to advancing LNG exports to Asia. The *Canada Starts Here - B.C. JOBS PLAN* commits the Government of British Columbia to working with LNG export proponents (private sector companies) to bring at least one LNG pipeline and terminal online by 2015 and have three in operation by 2020 assuming all environmental and permitting applications are granted.



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