

Joint venture companies



November 7, 2014

LNG Canada Enters EA Application Review Phase

Vancouver, British Columbia -- LNG Canada's Application for an Environmental Assessment (EA) Certificate for its proposed liquefied natural gas (LNG) export facility in Kitimat, B.C. has been accepted by the B.C. Environmental Assessment Office (EAO) and today entered the 180-day Application Review Phase.

The EAO's acceptance of LNG Canada's Application marks the culmination of more than three years of environmental studies, design work and engagement with local communities and Aboriginal Groups. The Application includes details regarding the proposed project's economic and social benefits, environmental effects, and mitigation measures to avoid or reduce those effects.

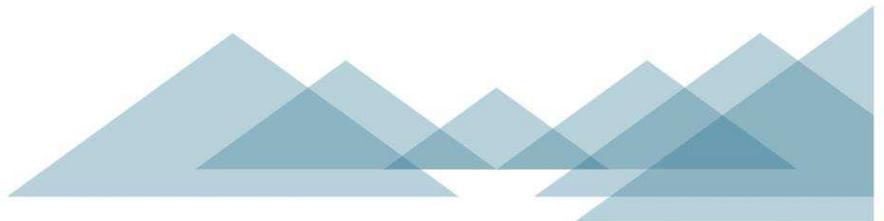
"Our Application's acceptance is a significant milestone for our proposed project and a demonstration of LNG Canada's commitment to consider local knowledge and insight to inform how the project can benefit local First Nations and communities, and for the region to achieve its social, economic and environmental aspirations," said Andy Calitz, CEO, LNG Canada.

LNG Canada has selected natural gas turbines for the liquefaction process to minimize fuel use and greenhouse gas emissions. LNG Canada also recently signed a power agreement with BC Hydro to use clean, renewable electricity from BC Hydro for the electricity needed for the facility.

LNG Canada estimates the proposed facility will have a greenhouse gas emission intensity of about 0.15 tonne CO₂e/tonne LNG produced, which is lower than benchmarks recently introduced by the B.C. Government and among the lowest CO₂-emitting LNG facilities in the world.

"The Haisla people strongly support this project but have always believed that it should be as 'green' as possible, and this use of clean hydro power is good news. This also adds more certainty to the context around the project in which we will participate — our people are keen to realize the significant employment and other economic benefits to come," said Chief Councillor Ellis Ross, Haisla Nation

"Coastal First Nations welcomes this decision by LNG Canada," said Art Sterritt, Executive Director of the Coastal First Nations. "Minimizing the environmental impact of the B.C. LNG industry is our primary concern and LNG Canada's choice of a power solution demonstrates tangible action to address it. The region's abundant renewable energy should be an important component of a B.C. LNG industry."



Project benefits:

The Application details the estimated benefits offered by the proposed project, including:

- approximately \$94 million in municipal and regional taxes during project construction
- approximately \$15 million per year in municipal and regional taxes during operations
- employment of an average of 4,500 people during the first phase of construction, with a potential peak workforce of 7,500 people
- 300 to 450 people employed during first-phase operations, increasing to between 450 and 800 people should the full project be built (four processing units, or “trains”)
- more than \$8 billion spent on goods and services in Canada during construction, with at least \$3 billion spent in B.C.
- approximately \$85 million of goods and services purchased from northwest B.C. businesses during operations should the full project be built

While today’s announcement is an important step forward for the proposed project, LNG Canada must ensure the project is economically viable, and meet several other significant milestones related to gas supply, engineering and cost estimates, supply of labour and regulatory approval prior to making a final investment decision.

Public participation:

The complete Application is available online at eao.gov.bc.ca. The Application Review Phase includes a 45-day public comment period set by the B.C. EAO between November 7 and December 22, 2014. It includes:

B.C. EAO open houses:

- **November 25, 2014** 5pm – 8pm | Rod & Gun Club – Kitimat, B.C.
- **November 26, 2014** 5pm – 8pm | Best Western Hotel – Terrace, B.C.

Comment submission:

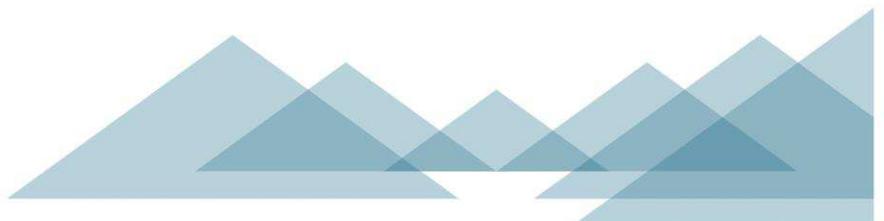
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A summary of the full Application is available at Ingcanada.ca. On November 10, a new section of LNG Canada’s website will provide a guide to the Application.

Following the Application Review Phase, the B.C. EAO will refer its report and recommendations to the Minister of Environment and the Minister of Natural Gas Development. They will make a decision on whether or not to approve the project, or request further information.

For more information about the project, please visit Ingcanada.ca, call us toll free at 1-855-248-3631 or email us at info@Ingcanada.ca

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About LNG Canada

LNG Canada is a joint venture company comprised of Shell Canada Energy (50%), an affiliate of Royal Dutch Shell plc, and affiliates of PetroChina (20%), Korea Gas Corporation (15%) and Mitsubishi Corporation (15%). The joint venture is proposing to build an LNG export facility in Kitimat that initially consists of two LNG processing units referred to as “trains,” each with the capacity to produce 6.5 million tonnes per annum of LNG annually, with an option to expand the project in the future to four trains.

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