



WOODFIBRE LNG EXPORT & GUANGZHOU GAS GROUP SIGN LNG AGREEMENT

MAY 9, 2016

VANCOUVER, Canada – Woodfibre LNG Limited announced today that its Singapore-based affiliate Woodfibre LNG Export Pte Ltd. (Woodfibre LNG Export) has signed a Heads of Agreement (HoA) with Guangzhou Gas Group Co., Ltd (Guangzhou Gas Group) concerning potential LNG offtake of 1 mtpa of the liquefied natural gas (LNG) for 25 years starting in 2020.

The signing was witnessed by The Honourable Christy Clark Premier of British Columbia and Mr. Hu Chun Hua, Secretary of Guangdong Provincial Party Committee as the two leaders continue to work to strengthen the important economic relationship between the two provinces. The Chinese province of Guangdong opened a trade office in Vancouver, British Columbia – the first of its kind in Canada – in September of 2014.

The LNG will be sourced from the Woodfibre LNG Project, which is being developed in the District of Squamish, British Columbia by Woodfibre LNG Limited, a Canadian-based affiliate of Woodfibre LNG Export. The LNG offtake contemplated in the HoA will provide a long-term stable supply of natural gas to meet the rapidly-growing demand for clean energy in Guangzhou City, People’s Republic of China. Guangzhou is the capital and largest city in Guangdong Province of China.

The Woodfibre LNG Project is expected to start production in 2020 with an annual capacity of approximately 2.1 million tonnes.

Today’s announcement follows the signing in September of 2014 of a Memorandum of Understanding between Woodfibre LNG Export and Guangzhou Gas Group concerning the potential LNG offtake agreement.

The HoA includes a potential investment of up to 10% of the equity of Woodfibre LNG Limited by Guangzhou Gas Group, and marks another important step in the development of the Woodfibre LNG Project.

“The HoA with Guangzhou Gas Group shows there is an appetite in Asia for made in BC LNG,” said Byng Giraud, Country Manager and Vice President Corporate Affairs, Woodfibre LNG Limited. “This preliminary agreement gets us one step closer to making the Woodfibre LNG Project a reality, and bringing much-needed jobs and other economic benefits to Squamish and the surrounding area.”

Woodfibre LNG Export, a part of the Pacific Oil & Gas group of companies, has secured an export license from the National Energy Board in Canada to export approximately 2.1 million tonnes of LNG from the Woodfibre LNG Project for a period of 25 years.