



WOODFIBRE LNG SIGNS FOUNDATION CUSTOMER

JUNE 26, 2019

VANCOUVER – Pacific Oil & Gas Limited (PO&G) today announced that its wholly-owned subsidiary, Woodfibre LNG Export Pte Ltd. (Woodfibre LNG Export), has signed a binding LNG Sales and Purchase Agreement (SPA) with BP Gas Marketing Limited (BP), a wholly-owned indirect subsidiary of BP Plc, for the delivery of liquefied natural gas (LNG) from PO&G's Woodfibre LNG export facility in Squamish, British Columbia. Under the terms of the SPA, BP will receive 0.75 million tonnes per annum (MTPA) of LNG over 15 years on a free on board (FOB) basis, with first delivery expected in 2023. Concurrently, BP Canada Energy Group ULC (BP Canada) and PO&G are working on an agreement for BP Canada to provide gas transportation and balancing services ensuring a reliable delivery of gas to the Woodfibre LNG export facility over the 15 year term.

"We are honoured to have BP as a foundation customer of our Woodfibre LNG project," said Ratnesh Bedi, PO&G President. "BP is a global LNG portfolio player and a pioneer in the international LNG business. We look forward to providing BP with a consistent supply of flexible Canadian LNG that can displace more carbon intensive fuels."

Jonty Shepard, Chief Operating Officer of BP's LNG global business, added: "Society demands more energy delivered in better ways for a low carbon future. BP is meeting this dual challenge by securing new and innovative LNG solutions to develop our LNG portfolio. "This SPA further broadens our supplier base and adds to BP's ability to offer cleaner energy to our customers around the world."

The Woodfibre LNG project is located approximately 7 km west-southwest of Squamish, British Columbia. It involves the construction and operation of a LNG export facility by Woodfibre LNG Limited (Woodfibre LNG) on the previous Woodfibre pulp mill site, which would have a storage capacity of 250,000 m³ and would produce approximately 2.1 (MTPA) of LNG. Woodfibre LNG is a privately held Canadian company based in Vancouver, and a subsidiary of Pacific Oil & Gas Limited.

"Woodfibre LNG is a tremendous opportunity for British Columbia and Canada to get clean natural gas to growing markets in Asia," said David Keane, president of Woodfibre LNG. "PO&G has made significant investments in Canadian natural gas because they are confident in the future of LNG in Canada."

About Woodfibre LNG Export Pte Ltd.

Woodfibre LNG Export is a subsidiary of Pacific Oil & Gas (PO&G), an independent energy resources development company. PO&G's business includes major investments throughout the energy supply chain, including oil and gas developments, power plants and gas transmission networks, LNG receiving terminals, and the Woodfibre LNG Project in Squamish, British Columbia, Canada.

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