



Update – May 31, 2012 North West Redwater Partnership Sturgeon Refinery Project

North West Redwater Partnership (NWRP) remains active in advancing its Sturgeon Refinery Project, located in the Surgeon County portion of Alberta's Industrial Heartland. The NWRP Project team has grown to over 320 persons, several of whom are now working at our Project site. In excess of 1,000 technical experts throughout Alberta and worldwide are active on the Project, and NWRP is spending \$20~\$30 Million dollars a month advancing engineering to the point where the Project partners will make their final project sanction decisions. This decision 'gate' process, and the further development of engineering prior to mobilization of construction workforce, is considerate of cost and efficiency lessons learned on other major industrial projects over the past several years. The Project partners expect that engineering will be sufficiently developed to target a sanction decision prior to year-end 2012.

Work activity at the Project site as at end of May 2012 includes surveying, developing site access, preparation of parking lot areas, delivery and connection of a number of office trailers, security, site-orientation and utility facilities, and contractor-use facilities such as office trailers and lunchrooms. Approximately 20 NWRP and contractor personnel are active at site. NWRP expects to have approx. 30 of its construction personnel working at site by year-end 2012, as well as other contractor personnel as authorized for the limited early-works activities. NWRP personnel remain active as well at the Redwater office. Major site activity is targeted to commence in spring 2013, involving major civil works contracts, deep-underground piping, and foundations. Site mechanical construction activity will follow.

NWRP is pleased to provide this report, as well as site activity photographs for the general information of its stakeholders. Further information can be obtained by contacting Doug Bertsch at 403.451.4171, or by email at dbertsch@nwrpartnership.com .