

## NEWS RELEASE

**FOR IMMEDIATE RELEASE: Tuesday, October 9, 2018**

### **Methanol facility proposed for Grande Prairie**

#### ***Clean energy project set to create jobs and boost Alberta's economy***

GRANDE PRAIRIE, ALTA.— Nauticol Energy Ltd. (Nauticol) announced today its intention to construct a \$2 billion world-scale methanol manufacturing facility in Grande Prairie. Nauticol President and CEO Mark Tonner made the announcement at Centre 2000, the tourism and trade facility for the Grande Prairie region.

The project will produce up to 3 million metric tonnes of methanol per year, converting Alberta's natural gas into a value-added product. Methanol is a multi-purpose product with several end uses, including fuels (automotive, marine, etc.), electronics, construction materials, solvents and petrochemicals. Methanol use in clean alternative fuels is leading to significant growth in global demand.

In addition to promoting economic development in Alberta, this project will create approximately 1,000 construction jobs and 200 permanent jobs in the province. Development will take place on existing disturbed land, adjacent to the existing International Paper Canada pulp mill. Building a highly modularized facility and optimizing infrastructure with industrial neighbours in this industrial zone limits impact to local communities and reduces the project's ecological footprint by 50% compared to a traditional methanol facility of this scale.

Starting in 2019, the facility will be built in three stages, using a modularized design. PCL Construction will construct the facility modules in Alberta and transport them to the Grande Prairie site, which is located about 10 kilometres south of the City in the County of Grande Prairie.

"Nauticol is committed to building value-add industry in the Grande Prairie region. This leading-edge facility will create 75,000 people years of employment and adds value to Alberta's abundant natural gas supply," said Mark Tonner, President and CEO of Nauticol Energy Ltd. "This is a made-in-Alberta/made-for-Albertans project that will add tremendous economic, environmental and societal benefits both here and around the world."

While some of the methanol produced will supply local markets, most will be directed to Asian markets, which make up approximately 70% of current global demand.

Nauticol has signed a Memorandum of Understanding with the Western Cree Tribal Council (WCTC) whereby the WCTC will be equity participants in the project. This agreement sets a new precedent in Alberta. The WCTC serves the communities of Duncan's First Nation, Horse Lake First Nation and Sturgeon Lake Cree Nation.

"Nauticol truly values the meaningful relationships we have developed with the Western Cree Tribal Council," said Tonner. "Our company is committed to a partnership built on reciprocity, shared knowledge and shared opportunities."

In the coming months, Nauticol will be working with all levels of government to obtain the required regulatory permits to successfully complete the project. The company has also started consultation and stakeholder engagement with the public, and has committed to continuing to do so throughout the project's lifespan.

Nauticol's management team brings together a full range of management, financial, technical and operational experience to execute projects in the energy and petrochemical sectors.

Earlier this year, Nauticol, along with its partners, announced the proposed development of an integrated methanol and urea project in Bécancour, Québec.

### **Key Collaborations/Supporting Quotes**

#### ***Reeve Leanne Beaupre, County of Grande Prairie No. 1***

"We are always excited to hear about major economic development projects that further enhance our ability to bring local products to the global market. Nauticol's decision to locate and do business in the County of Grande Prairie will also help us further attract investment, infrastructure development and will increase our profile on the global stage. It will have tremendous impacts economically and financially on the area and province, which will ultimately improve our overall quality of life."

*ABOUT: The County of Grande Prairie No. 1 is Alberta's first county and is a great place to live, visit, and do business.*

#### ***Roger Keglowsch, Chief Operating Officer, PCL Construction***

"PCL is proud to be part of Nauticol's Grande Prairie project. We look forward to working with an organization focused on creating jobs, attracting investment, and diversifying and growing Alberta's economy."

*ABOUT: PCL is a group of independent construction companies that carries out work across Canada, the United States, the Caribbean, and in Australia. These diverse operations in the civil infrastructure, heavy industrial, and buildings markets are supported by a strategic presence in 31 major centers. Together, these companies have an annual construction volume of \$8 billion, making PCL the largest contracting organization in Canada and one of the largest in North America. Watch us build at PCL.com.*

#### ***International Paper Canada***

*ABOUT: International Paper Canada produces fiber-based pulp for diapers, tissue and other personal hygiene products that promote health and wellness.*

#### ***Western Cree Tribal Council (WCTC)***

*ABOUT: The Western Cree Tribal Council (WCTC) is a non-profit organization that is an association of autonomous member First Nations. The WCTC serves the communities of Duncan's First Nation, Horse Lake First Nation and Sturgeon Lake Cree Nation.*

**About Nauticol Energy Ltd.:** Nauticol Energy Ltd. (Nauticol) produces methanol and urea from natural gas. Nauticol is focused on intelligent engineering and efficient execution. The company continuously challenges itself to find smarter ways to use natural resources, drive integration and eliminate waste to reduce its environmental footprint. Sustainable development is at the core of all its decisions. For more information about Nauticol Energy Ltd., please visit [www.nauticolenergy.com](http://www.nauticolenergy.com).

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