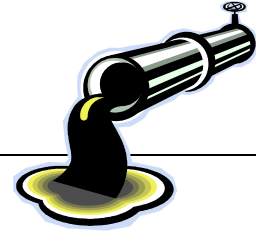


Pipeline Construction



The Mackenzie Gas Project proposes to build a 1220-kilometre pipeline system along the Mackenzie Valley. It would link northern natural gas producing wells to southern markets. The main Mackenzie Valley Pipeline would connect to an existing natural gas pipeline system in northwestern Alberta.

The proposed Project crosses four aboriginal regions in Canada's Northwest Territories (NWT): the Inuvialuit Settlement Region, the Gwich'in Settlement Area, the Sahtu Settlement Area and the Deh Cho Territory. A short segment will be in northwestern Alberta near the NWT border.

The natural gas exploration and development companies involved in the Mackenzie Gas Project have interests in three discovered natural gas fields in the Mackenzie Delta - Taglu, Parsons Lake and Niglintgak. Together, they can supply about 800 million cubic feet per day of natural gas over the life of the Project. Other companies exploring for natural gas in the North are also interested in using the pipeline. In total, as much as 1.2 billion cubic feet per day of natural gas could be available initially to move through the Mackenzie Valley Pipeline.

Planning, building and operating the proposed \$7 billion Mackenzie Gas Project will take cooperation among many different companies, communities, settlement regions, regulatory agencies and governments.

