



AUGUST 6, 2004

Irving Oil first on East Coast to receive permit for LNG receiving terminal

Saint John, NB - Irving Oil has received approval for its liquefied Natural Gas (LNG) and Multi-Purpose Pier Project, becoming the first to receive regulatory approval among LNG projects currently proposed for the East Coast. Today's approvals were issued by the New Brunswick Department of Environment and Local Government, Environment Canada, and Fisheries and Oceans Canada, in accordance with the provincial Environmental Assessment Regulations and the federal Canadian Environmental Assessment Act.

The facility is to be situated at the company's existing deepwater marine terminal Irving Canaport™, in operation since 1970. The current plans call for three 160,000 cubic meter LNG tanks and a throughput capacity of one billion cubic feet of natural gas per day. Irving Canaport™ is situated 65 miles from the US border.

"My grandfather had the foresight to build our refinery at this location in the late 1950's when others could not see the potential in Saint John's deep water, proximity to the Northeastern U.S., and the capability of its people," said Kenneth Irving. "Today our refinery is recognized as being among North America's best. In 1970, my father completed building North America's first deepwater terminal before the industry appreciated the potential in evolving ship sizes. Today we have one of the most modern and well-maintained deepwater facilities, which is integrated with our world-scale refinery."

Consistent with the company's legacy, Irving Oil continues to build on these advantages. "Our company's proximity to the US Northeast and our focus on long-term relationships and value creation have enabled us to grow our exports in response to increasing energy demand and new technologies," continued Mr. Irving. "Six years ago, our company undertook the largest refinery upgrade in North America in the previous decade. Today, we are moving ahead with the next building block in a proven long-term strategy. Our goal is to continue to anticipate and meet the growing energy needs of our customers, and to do so early and for the long term."

After a thorough, three-year permitting process that assessed the project's environmental impact and benefits and included extensive consultation with stakeholders and government, the company is pleased that the government of New Brunswick and the federal government have given their approval to this project. Irving Oil anticipates the LNG receiving terminal to be operational in 2007.



Daniel Goodwin
Irving Oil
Public Affairs
(506) 202-2443
www.irvingoil.com



About Irving Oil

Founded in 1924, Irving Oil is a privately owned energy processing, transporting and marketing company with a history of long-term relationships. Irving Oil's 250,000 barrel-per-day refinery is predominantly an export refinery, and accounted for 50 per cent of Canada's total petroleum product exports to the US in 2003. The Irving Oil Refinery is years ahead of environmental regulations, recently selling gasoline into the California market, and is also the region's largest purchaser of liquid petroleum gas. Irving Canaport™ is a petroleum-receiving terminal situated in the most densely industrialized region north of Boston and is closer than the Gulf Coast to ports in Venezuela, Brazil, the North Sea and West Africa. In addition to being linked to the Irving Refinery by pipelines, Irving Canaport™ is also connected to the Bayside and Coleson Cove Power Plants by pipelines. The total nameplate capacity of these two power plants is 1,325 megawatts.

For more information, please contact:

Daniel Goodwin
Irving Oil
Public Affairs
(506) 202-2443

Copyright 2004 Irving Oil Limited



Daniel Goodwin
Irving Oil
Public Affairs
(506) 202-2443
www.irvingoil.com