



## **Canaport LNG Awarded Project Finance Magazine's Deal of the Year for North American Midstream Oil & Gas**

**Saint John, NB (March 7, 2007)** - Canaport LNG, the Canadian-based joint energy project owned by Repsol YPF and Irving Oil, has received the prestigious Project Finance Magazine's 2006 Award for Project Finance Deal of the Year in North American Midstream Oil & Gas.

The magazine recognized not only the quality of Canaport LNG's \$756 million financing, but also the significance of the project in assuring gas supply to Canada and Northeast United States.

Jorge Ciacciarelli, General Manager of Canaport LNG, said "Canaport LNG will play a key role in meeting the growing demand for natural gas, and we are pleased with the progress of our construction phase. Our success to date is due in no small part to the commitment and counsel of our financial, legal and industry advisors and, most importantly, to the strong partnership and people of Canaport LNG. Thanks to their hard work, we continue to uphold standards of excellence in everything we do, and we welcome this award as recognition of our commitment to excellence in financing and operational management."

Repsol YPF's Director LNG North America, Phil Ribbeck said Repsol recognized the need for additional gas supply in North America, especially the Northeast region. "The coupling of Repsol's LNG expertise, Irving Oil's presence, a great location, competent contractors and an attractive natural gas market contributed to the successful project financing of the Canaport LNG terminal. All of this made Canaport LNG the perfect project for Repsol to be able to provide new, long-term secure supplies of natural gas into Atlantic Canada and the Northeast US."

"This award is further recognition of the merit of this project. We have a strong project, a strong partnership, and a strong location for Canada's first LNG importation and regasification terminal," said Gary Bischof, General Manager of Processing & Transportation for Irving Oil.

The award will be presented at a ceremony in New York City on March 8, 2007 to representatives from Canaport LNG, Repsol YPF, and Irving Oil.

In July 2006, Bank of Montreal (BMO) cited Canaport LNG as an important contributor to the expected economic growth in New Brunswick. The BMO Provincial Outlook report states: "Real investment in non-residential structures is expected to jump 12.2 percent in 2006, compared to a gain of 2.7 percent last year. The largest increases are anticipated in the retail trade and transportation and warehousing sectors. The latter reflects work on the C\$750 million Canaport liquid natural gas terminal near Saint John. Construction on the terminal began last September, and the terminal is scheduled to be in operation in 2008."

## **About Canaport LNG**

Canaport™ LNG is constructing a state-of-the-art LNG receiving and regasification terminal in Saint John, New Brunswick that will begin operations in late 2008. The terminal will be the first LNG regasification plant in Canada, sending out natural gas to both Canadian and US Markets. Canaport LNG will have a send-out capacity, or the ability to distribute via pipeline, of 28 million cubic meters (1 billion cubic feet) of natural gas a day.

## **About Repsol YPF**

Repsol YPF is an integrated international oil and gas company headquartered in Madrid, Spain and operating in more than 25 countries. It is one of the 10 major private oil and gas companies in the world and, in terms of assets, is the largest private energy company in Latin America. Repsol YPF has a hydrocarbon production capacity of more than 1.1 million barrels oil equivalent (BOE) per day, and its oil and gas reserves total more than 5.4 billion BOE. These reserves are located mostly in Latin America and North Africa.

## **About Irving Oil**

Founded in 1924, Irving Oil is a privately owned regional refining and marketing company with a history of long-term partnerships and relationships. Irving Oil operates Canada's largest refinery, in Saint John, N.B., which is located 65 miles north of the U.S. border and has reached production rates in excess of 300,000 barrels per day. The refinery exports over 80 per cent of its production to the U.S., and accounts for 75 per cent of Canada's gasoline exports to the U.S. and 19 per cent of all US gasoline imports. In 2003, Irving Oil became the first oil company to receive a U.S. Environmental Protection Agency Clean Air Excellence Award, for its clean gasoline. Approximately 7,000 people currently work with the company.

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