



SEPTEMBER 24, 2004

Irving Oil and Repsol partner to develop LNG terminal at Irving Canaport™

Saint John, NB - Irving Oil and Repsol announced today that they will work together to develop the LNG receiving terminal at Irving Canaport™, in Saint John, New Brunswick. On August 6, 2004, Irving Oil received approval for this project, becoming the first to receive regulatory approval among LNG projects currently proposed for the East Coast. The terminal is expected to supply markets in Eastern Canada and New England.

"When we first announced our intention in 2001 to begin permitting for this project, we were confident that this was the right project, at the right time, in the right location," said Kenneth Irving. "Today, we're very pleased that Repsol, a company that has invested in LNG capacity and capability for several years, has also recognized the immediate opportunity we have to develop the first new LNG receiving terminal on the East Coast. Repsol is a world leader in both LNG liquefaction and regassification, and has global supply sources."

"This demonstrates that New Brunswick is a great place in which to invest," said New Brunswick Premier Bernard Lord. "The announcement of this partnership will build on New Brunswick's leading position in the energy industry and strengthen the platform for future investment in our region. We're very proud that Irving Oil, a New Brunswick company, was the first to recognize and create this opportunity, and we're pleased that a global energy leader also appreciates the short and long-term potential for the region."

"We're pleased that this project builds on the vision set out by New Brunswick Premier Bernard Lord in the province's 2000 Energy White Paper, which specifically referenced LNG as an important supply source for the region," added Kenneth Irving.

Repsol and Irving Oil are now moving ahead with detailed engineering. The facility will be situated at Irving's existing deepwater marine terminal, Irving Canaport, in operation since 1970. The 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 65 miles from the border.



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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 nameplate capacity 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.

About Repsol

Repsol YPF is an integrated international oil and gas company, operating in more than 25 countries and leader in Spain and Argentina. It is one of the ten major private oil companies in the world and the largest private energy company in Latin America in terms of assets. It has a hydrocarbon production of more than 1.1 million bep/day and its oil and gas reserves total more than 5.4 billion barrels of oil equivalent. These reserves are located mostly in Latin America and North Africa. Repsol YPF's refining capacity is more than 1.2 million barrels per day, and the Company markets its oil products through a wide network of more than 6,600 sales outlets. Repsol YPF is a company that is both admired and oriented towards the customer and the creation of value, with a firm belief in technological innovation and committed to the environment and the community.

For more information, please contact:

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