

# URBANSTAR CORPORATE UPDATE



## UrbanStar Corporate Update - October 6, 2018

### LNG Canada Partners Announce \$40 Billion Canadian Investment

Royal Dutch Shell Plc and its international partners, which include Mitsubishi Corp. of Japan, announced on October 2, 2018 that their major liquefied natural gas (LNG) project on the west coast of British Columbia will proceed. The LNG plant and export facility will be located at Kitimat, and is the first major LNG proposal to move ahead in the country. Costing up to \$40 billion once it's completed, the facility represents the largest private-sector investment in the country's history and represents a significant breakthrough for the oil and gas sector. TransCanada Corp. said in a separate statement that it will move forward with its \$6.2 billion Coastal GasLink pipeline, a 676-kilometer conduit that will carry natural gas to LNG Canada for export.

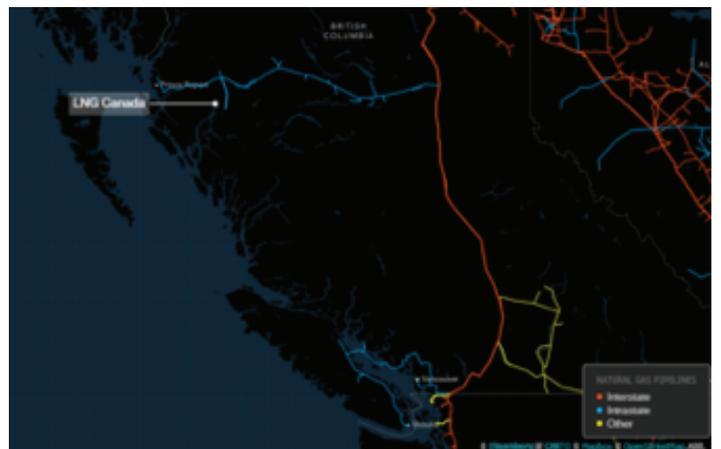
LNG Canada will mark the first major opportunity for natural gas producers in Canada to access export markets outside of the United States, and will be able to send LNG shipments to Japan in just 10 days, compared with 24 days from the U.S. Gulf Coast. As well, selling LNG to buyers in Asia promises higher prices for the country's gas compared to what it receives selling it almost exclusively to the U.S. Once it begins operations, the project will consume about two billion cubic feet (bcf) of natural gas per day. That's significant, as western Canadian production now sits around 16.5 bcf per day. Additionally, LNG Canada will directly employ about 900 people once it's operational, and about 10,000 people during peak construction.

UrbanStar is pleased with this announcement as the investment will help grow the local economy and create thousands of professional jobs in the Calgary and Cochrane region. With a stronger economy and the potential influx of thousands of families, UrbanStar anticipates the region could experience another building boom as seen in 2005, with an increased demand for zoned land, home-building, and commercial construction.

<https://calgaryherald.com/business/energy/varcoe-lng-canada-megaproject-breathes-new-life-into-countrys-energy-sector>



Rendering of LNG plant courtesy of LNG Canada.



Map and schematic courtesy of Bloomberg.