



PRESS RELEASE

March 5, 2020

West Coast Olefins and McLeod Lake Sign Agreement for NGL Recovery Plant

West Coast Olefins Ltd. (“WCOL”) and the McLeod Lake Indian Band (“MLIB”) are pleased to announce that we have signed a binding term sheet that outlines the key terms that will underpin an Impact Benefits Agreement (“IBA or Benefits Agreement”) related to the Natural Gas Liquids (“NGL”) Recovery Plant that WCOL is planning to construct within MLIB’s traditional territory. Over the next four to five months the parties will work to reach agreement on all the terms and conditions to be included in the Benefits Agreement.

WCOL acknowledges the significance of reaching this milestone with MLIB and looks forward to developing a strong relationship that will continue throughout the full life cycle of the facility. Ken James, WCOL’s President and CEO, and the management team are encouraged by the openness and candor that have permeated the discussions. This critical factor has allowed us to reach an agreement in just two months.

Chief Harley Chingee believes that locating the facility in the MLIB traditional territory will provide an opportunity to participate in equity ownership, construction of the facility and long-term employment. Working closely with WCOL during project development stages will ensure that the project is aligned with MLIB’s core values, traditions and ambitions.

WCOL and MLIB will immediately work together to identify a suitable location for the NGL Recovery Plant and file an application for the project with the British Columbia Oil and Gas Commission (“OGC”). Once the OGC application is filed, the intent is for the MLIB and WCOL teams to work collaboratively and openly with the regulator to ensure rigorous consultation occurs throughout the review and approval process.

In keeping with WCOL’s principle that it strives to work with communities who show strong support for its initiatives, WCOL will be exploring the option of relocating the ethylene and polyethylene facilities within MLIB traditional territory. While we believe that our Prince George site is a good location for the ethylene facilities, optionality provides WCOL with flexibility to accommodate community needs.