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News Release

Mackenzie Gas Project initiates geotechnical work program; awards contracts to Northern companies

Calgary, AB., March 4, 2003 - Imperial Oil Resources, on behalf of the Mackenzie Gas Project proponents, has announced the start of a geotechnical work program that will assist in advancing the proposed project.

The Mackenzie Gas Project is being proposed by Imperial, ConocoPhillips Canada, Shell Canada Limited, ExxonMobil Canada and the Aboriginal Pipeline Group (APG). The APG was formed in 2000 to represent the interest of the Aboriginal peoples of the Northwest Territories in the proposed Mackenzie Valley Pipeline.

The work program, which begins immediately in the Inuvialuit Settlement Region (ISR), will collect engineering data that will help to determine the optimal location of facilities and gathering pipelines. It will consist primarily of soil analysis and geotechnical surveys needed to support the development of regulatory applications for the proposed project. Regulatory approvals needed to proceed with the work program in the ISR have been received. Geotechnical work programs in other regions of the Northwest Territories are expected in the future.

Contracts required to carry out the geotechnical work program have been awarded to eight companies located in the ISR. These contracts cover services such as geotechnical consulting, camps and catering, geotechnical drilling, land surveying and emergency medical support. The contracts were awarded through ColtKBR, lead engineering contractor for the Mackenzie Gas Project.

Speaking on behalf of the Mackenzie Delta Producers Group and the APG, K.C. Williams, president and chief executive officer, Imperial Oil Resources, said "launching this work marks another important step towards the preparation and filing of regulatory applications for the Mackenzie Gas Project. As the Producers Group and the APG continue to move forward, we will ensure the project remains focused on safety, care for the environment, and technical and execution excellence, as well as the owners' shared objectives for Aboriginal and northern involvement."

The Mackenzie Gas Project involves natural gas production facilities, compression and gathering pipelines in the Mackenzie Delta area, and a pipeline system in the Mackenzie River valley. Imperial is the operator of the gas gathering and pipeline systems for the project.

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