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The Canadian Chamber of Commerce In South China

中国加拿大商会华南区办事处 *La Chambre de Commerce Canadienne en Chine Sud*

Canada 's Oil & Gas Industry - Strategic Outlook 2011



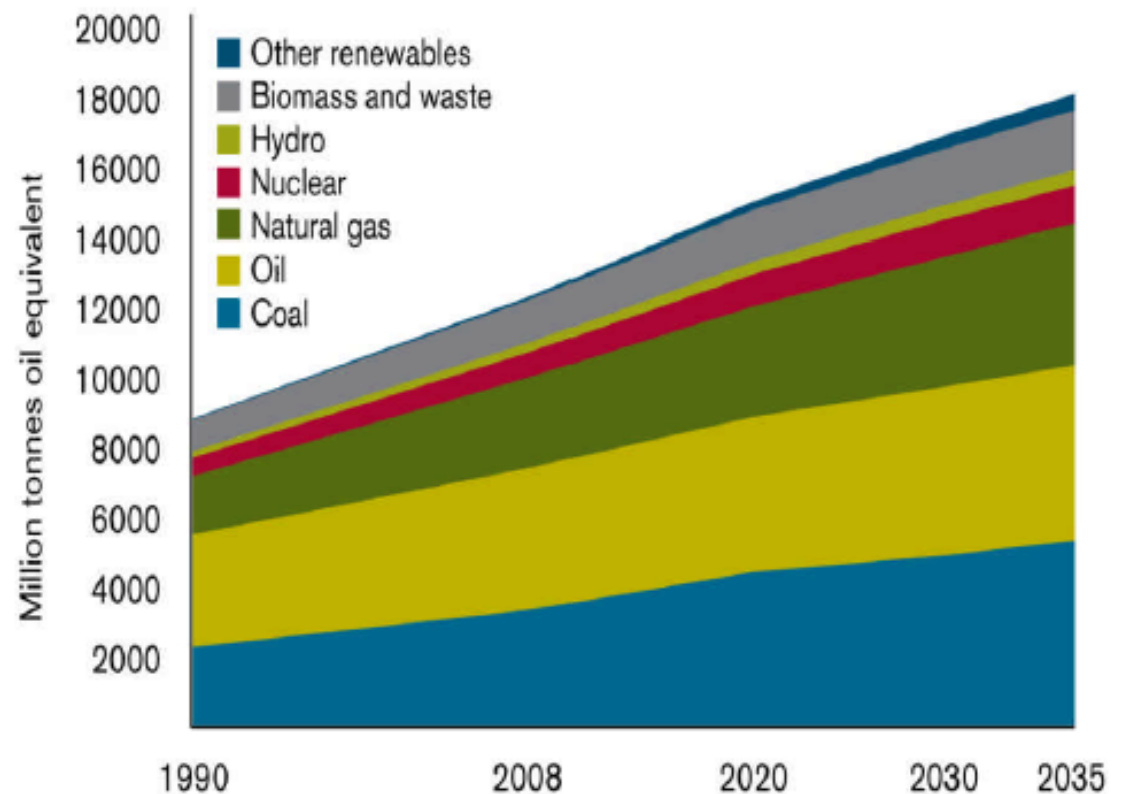
CanCham in S.China eMail: cancham@cancham-southchina.org phone: (86) 13922109129



- **Oil & Gas Production – More Surprises?**
 - Price is Driving
 - Unconventional Conventional Oil
 - Liquids carry Gas
- **Environmental Performance – Walk the Talk**
 - Oil Sands
 - Shale Gas “Frac-ing”
- **Communications – Talk the Walk**
 - Actions speak louder than words but we still need words
- **Market Access – Here, There, Everywhere**
 - New markets; taller hurdles
- **Creating Jobs**

Global Primary Energy Demand

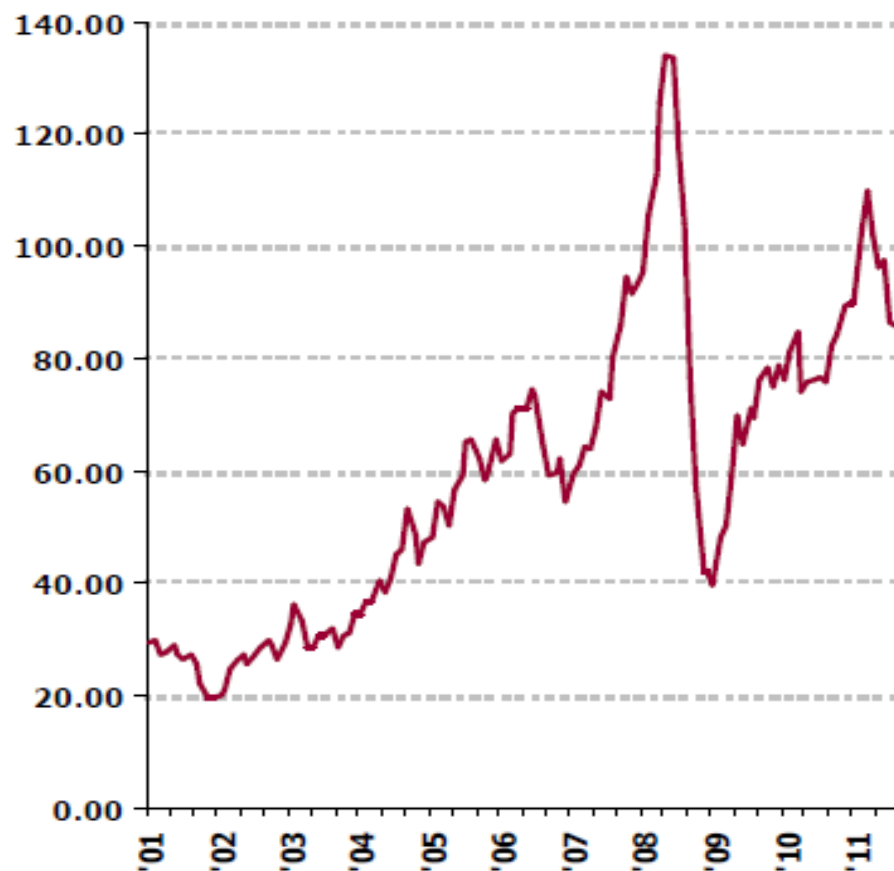
- **Significant energy demand growth:**
 - Population, standards of living
- **Need all forms of energy:**
 - Increasing role for renewables
 - Continuing reliance on hydrocarbons
 - Increasing role for non-conventional crude oil & natural gas
- **Environmental challenges**
- **Technology is a key lever for sustainable growth**



Source: IEA World Energy Outlook 2010
Current Policies Scenario



Crude Oil Prices (WTI NYMEX) \$US per barrel



Natural Gas Prices (AECO Daily Spot Price) \$Cdn/mcf



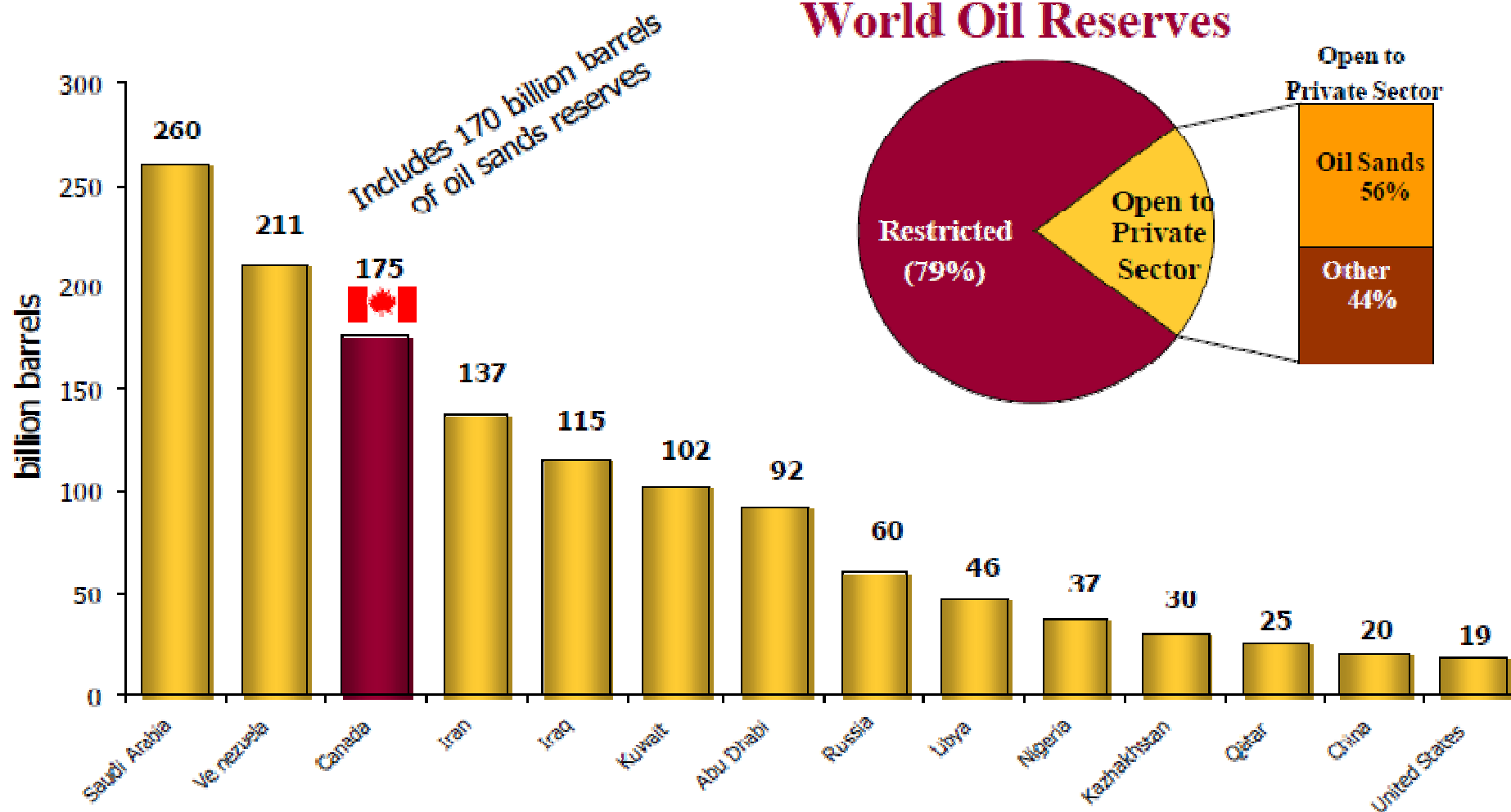
Oil & Gas Production More Surprises?





Global Crude Oil Reserves by Country

World Oil Reserves



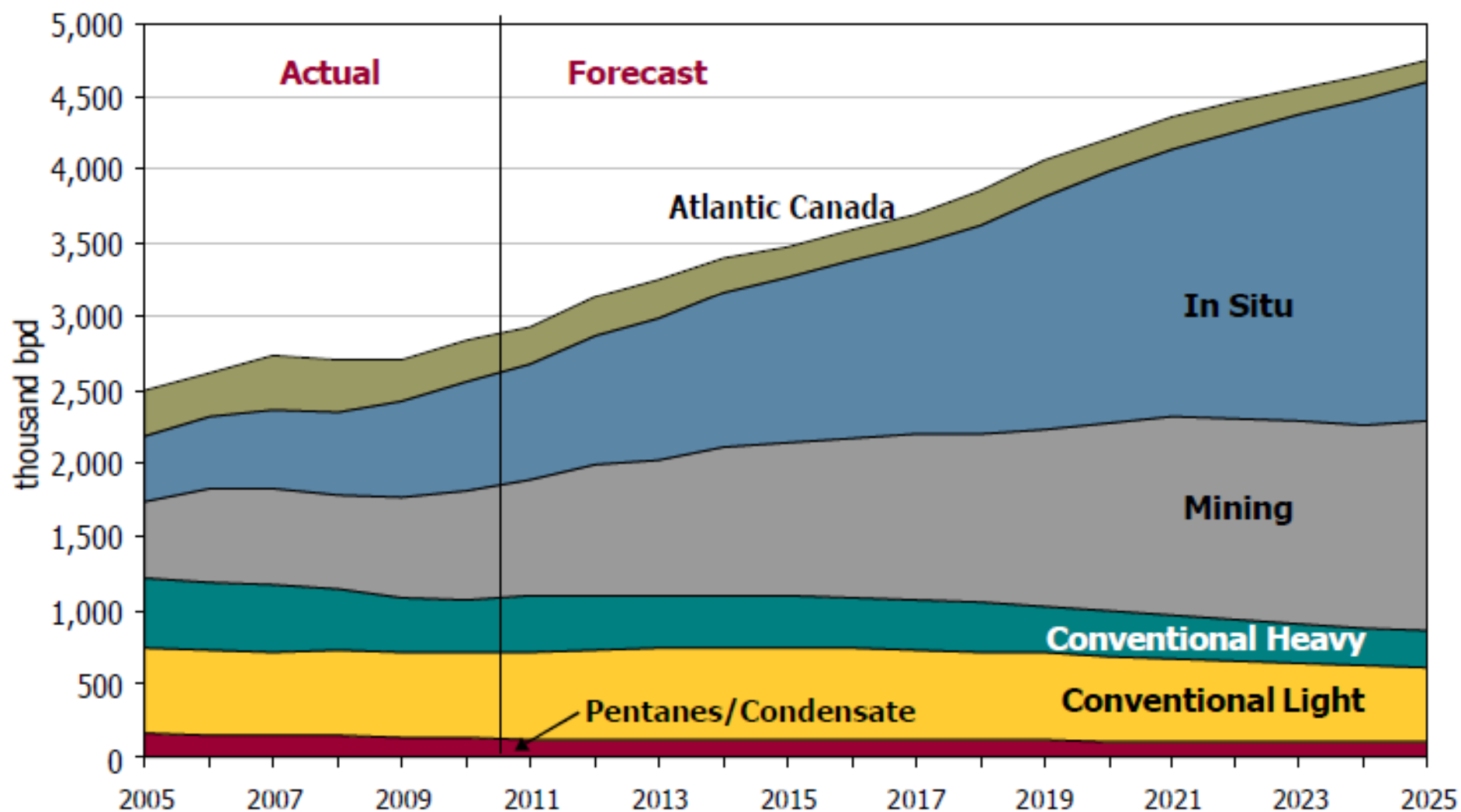
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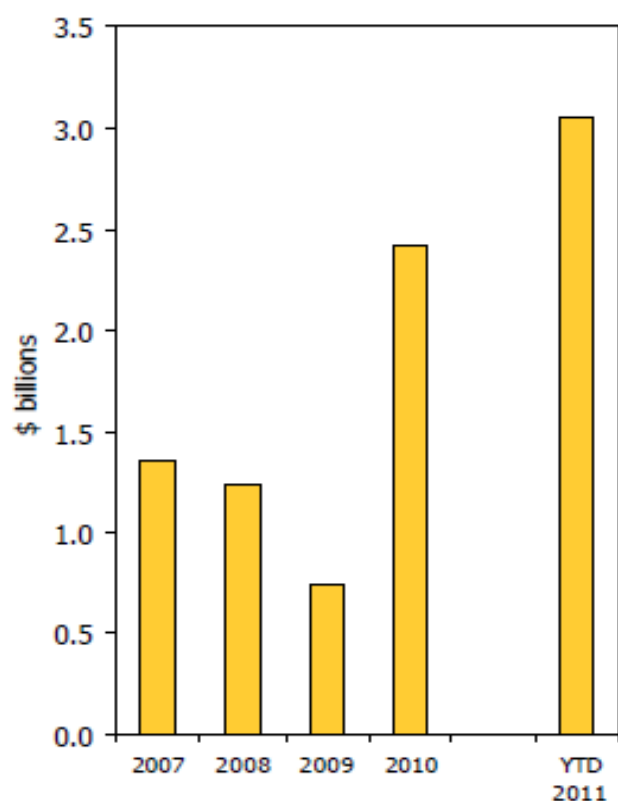
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Western Canadian Land Sales

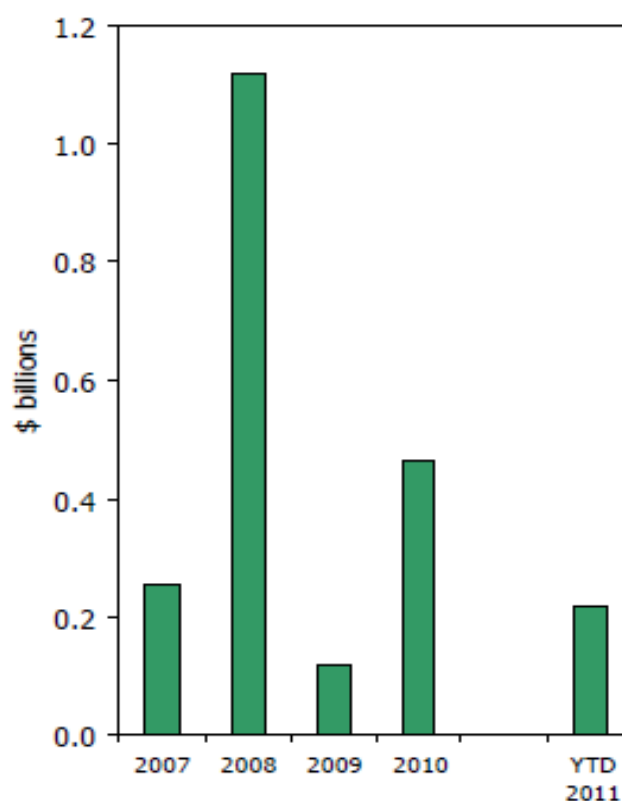
2007 – 2010 – full year
2011 – Jan to Sept.

ALBERTA



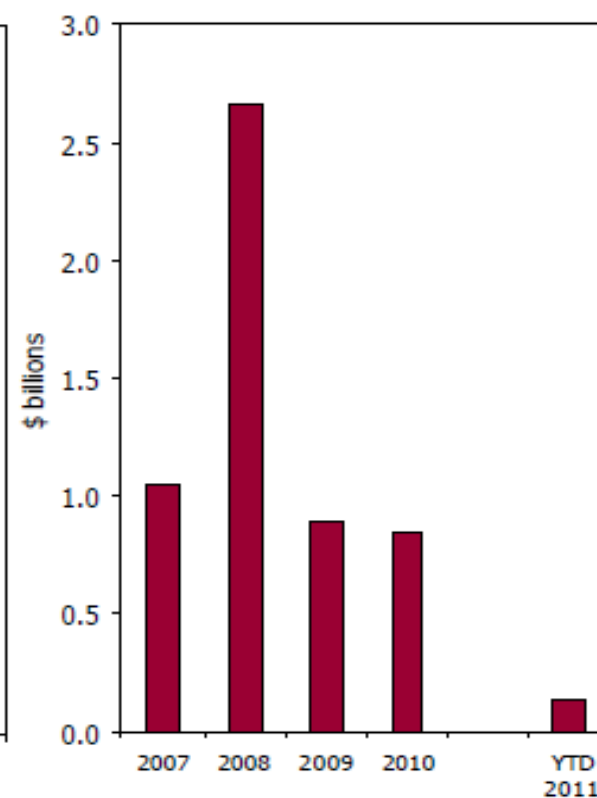
OIL & NATURAL GAS

SASKATCHEWAN



OIL

BRITISH COLUMBIA



NATURAL GAS

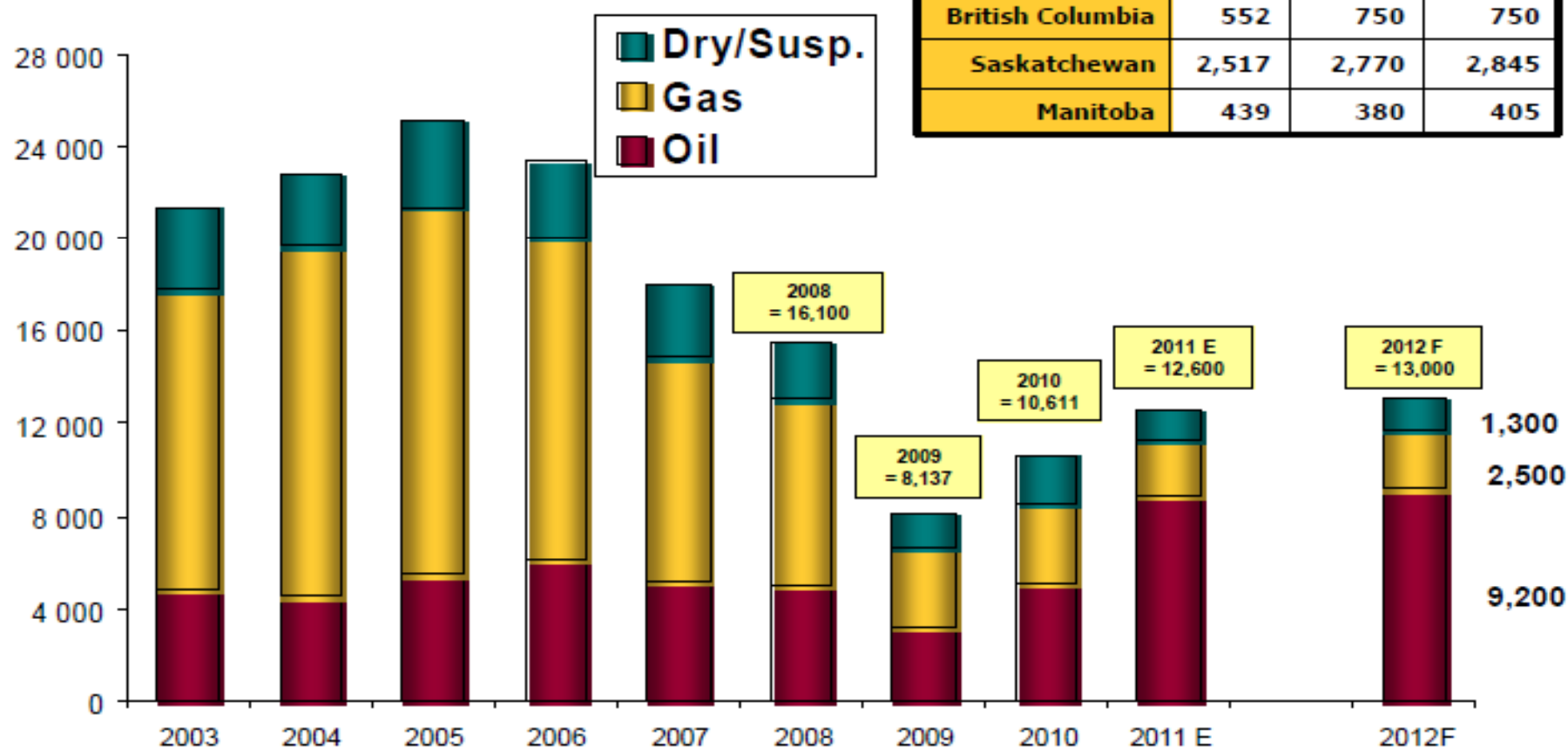
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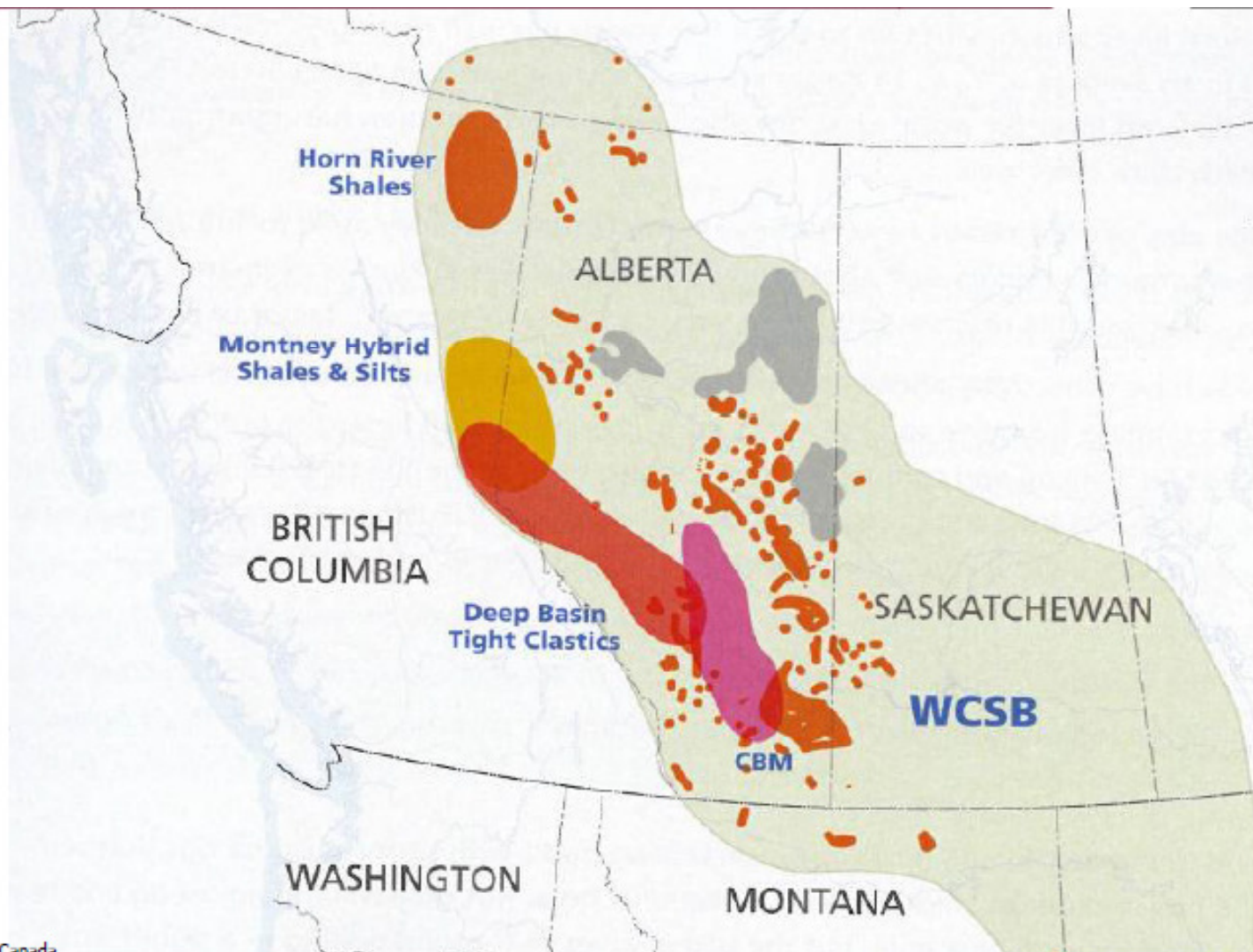
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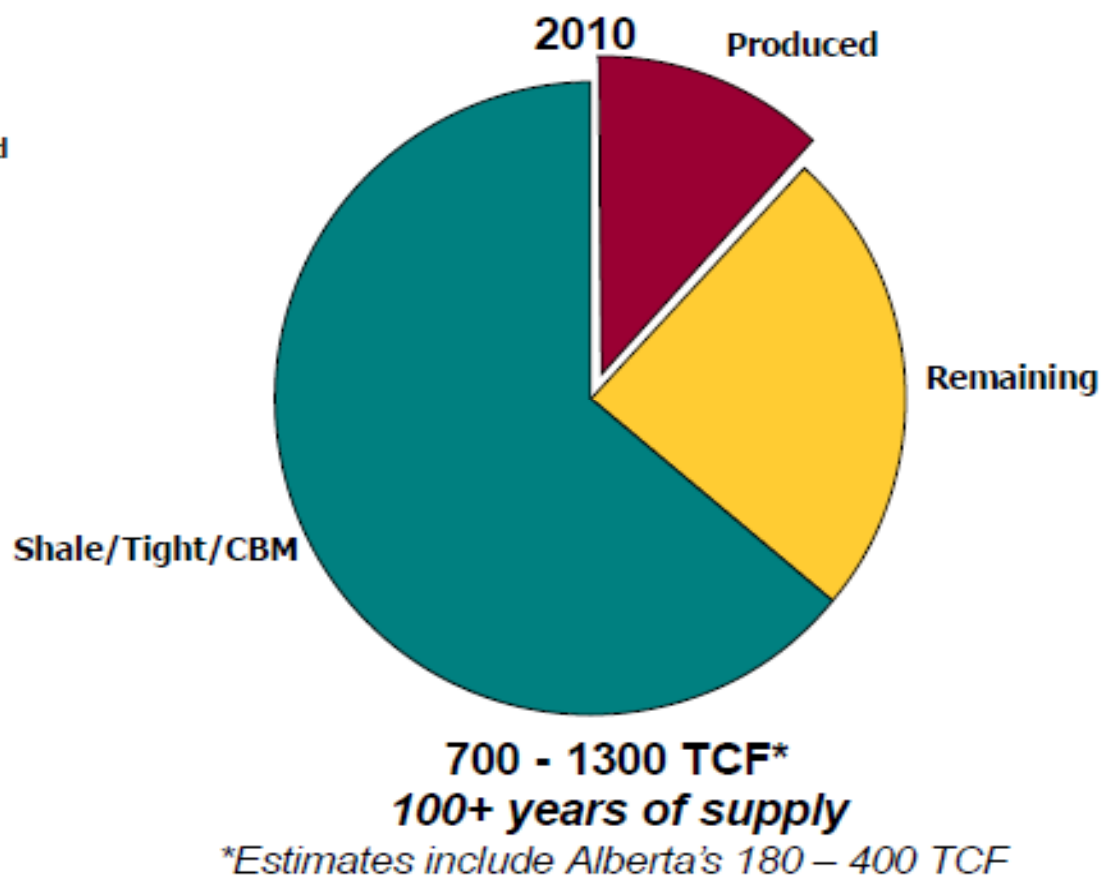
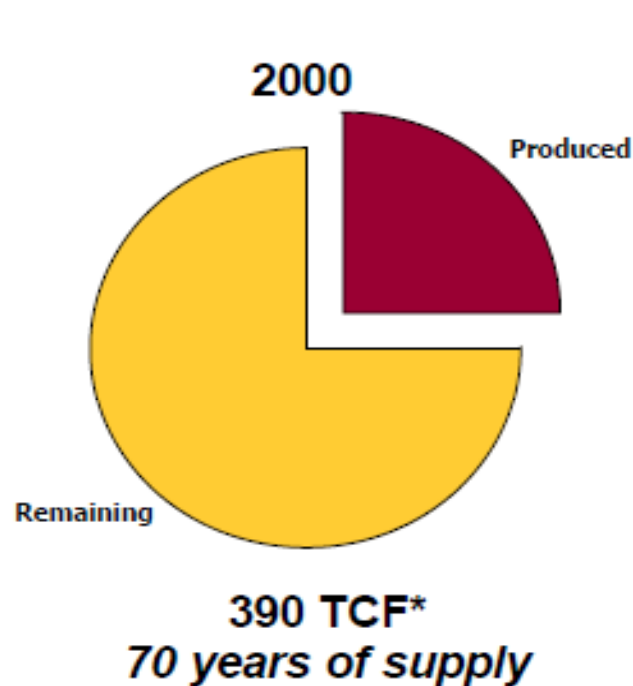


Source – CAPP. Based on Rig Release

Western Canadian Natural Gas Resources



Source: TransCanada



- Technological advances have “unlocked” vast unconventional gas resources.

*Estimated Recoverable Marketable Gas:
Source: CSUG

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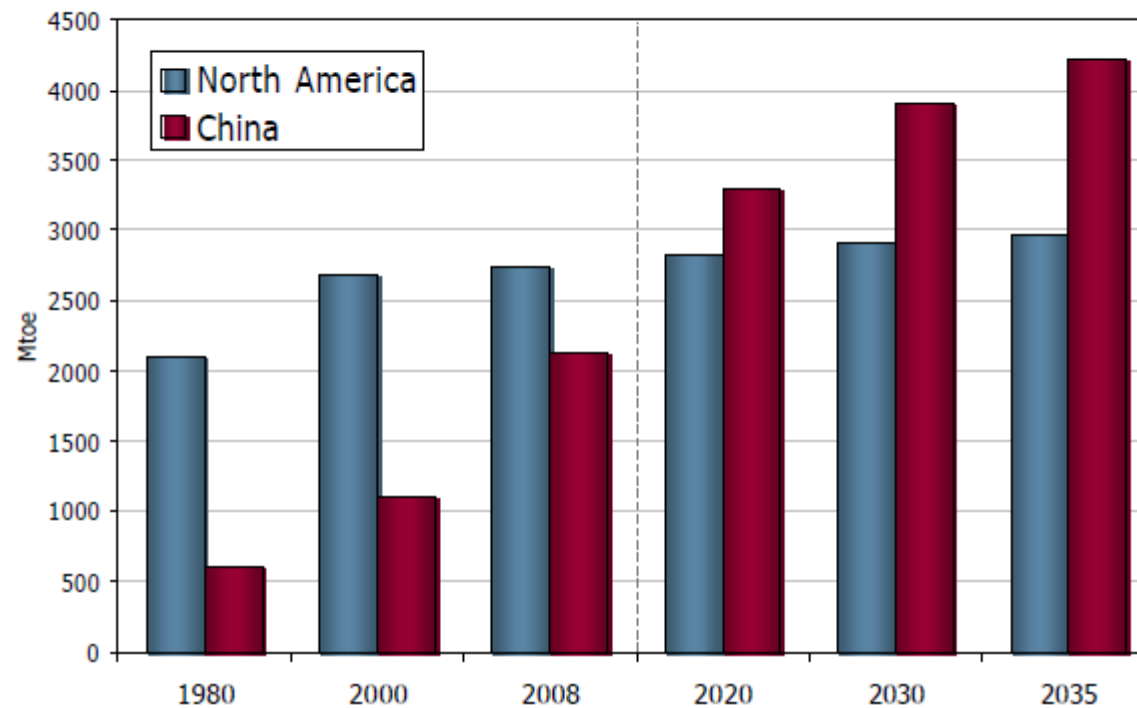
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Canadian & U.S. Crude Oil Pipeline Proposals

CAPP

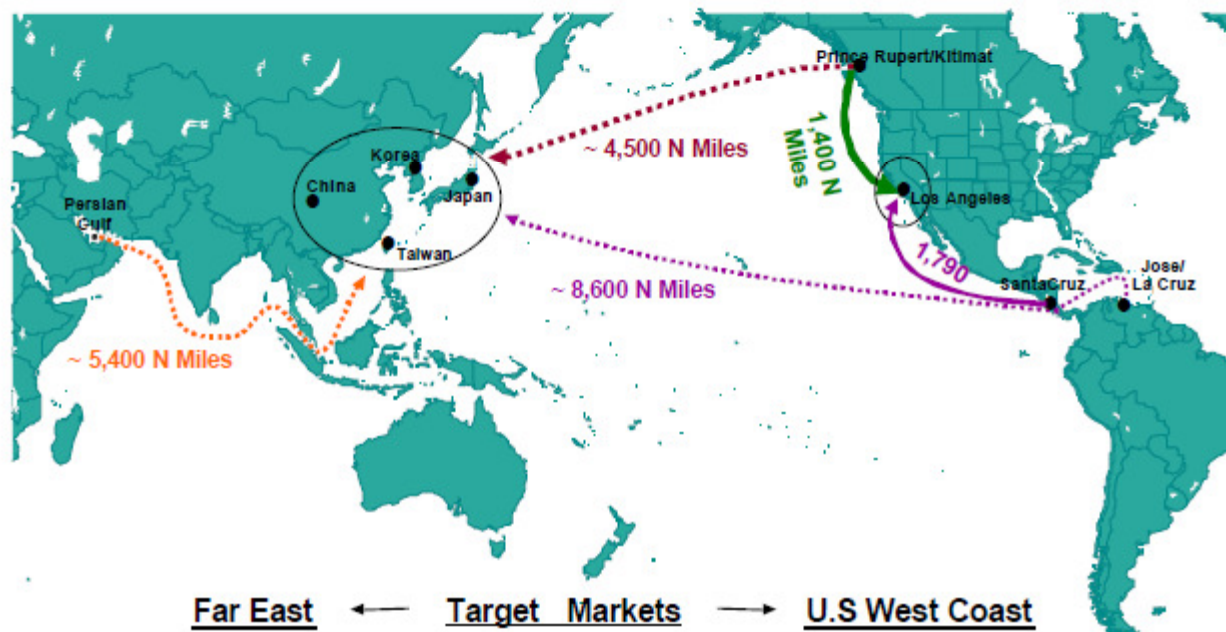


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Source: IEA World Energy Outlook 2010 – Current Policies Scenario

Potential Tanker Markets for Canadian Oil Sands Production



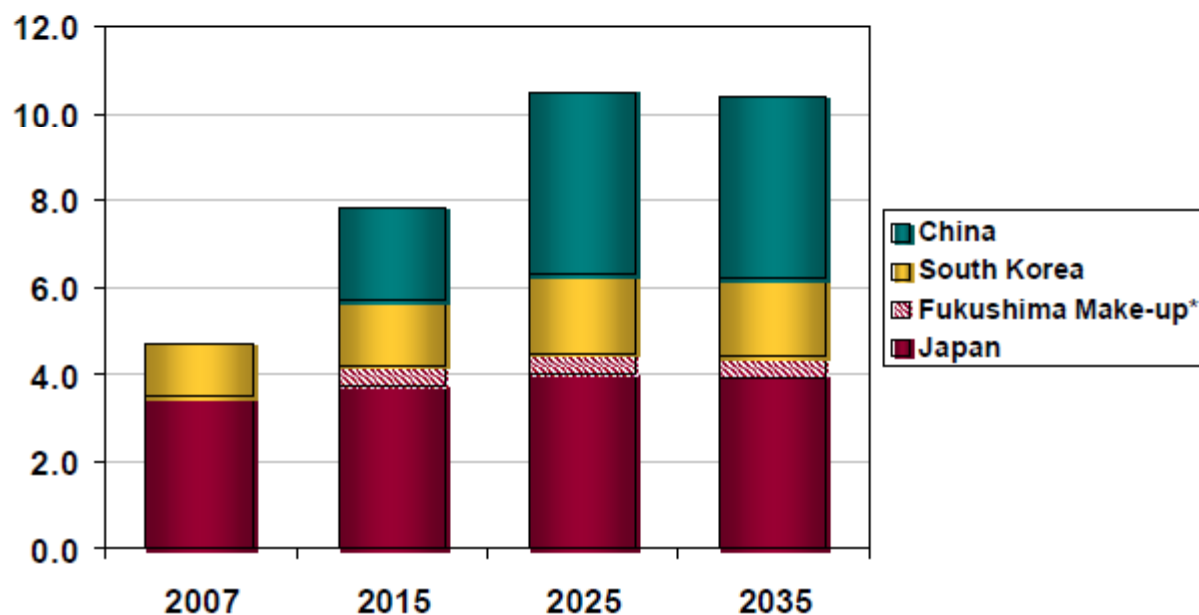
Competitive travel distances for Canadian supply to both markets

Source: Enbridge Pipelines



**Projected Imports of Natural Gas
(Tcf per Year)**

CPP



Source: Energy Information Administration

* Based on Analysts Estimates



- 2 proposed projects @ Kitimat:
 - KM LNG (1.4 bcf/d)
 - BC LNG Export Co-operative (0.25 bcf/d)

- **Market Diversification**

- Large emerging shale plays in WCSB
- Lower U.S. import requirements with emergence of shale gas

- **Potential price uplift**

- Asian LNG price linked to oil

- **Regulatory approvals for facilities largely in hand**

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2400 American companies provide goods and services directly to the oil sands



May 5, 2011
198 Company Names Not Reporting
966 Company Names in Total

Name of U.S. Supplier/Service
Loggia Computer Solutions
Process Heating Company
Vix Chain & Supply, Inc.
Newell Pacific Co.
Smith-Ross, Inc.
Eysenhardt Research Inc.
Charles Gorman & Associates
Hessman Inc.
Subcon Rongham
Michels Corp.
Petroleum Products Co. LLC
Northern Environmental Co.
Alafair, Inc.
Lark Safety Supply Inc.
Hawthorn and West LLP
Recovery LLP
Trans
Wier Minerals Canada
Premier Engineering & Man
Global Pipeline Partners Ltd
WSA Engineered Systems
Rustco International
Pilot-Mech Services
Rockwell Automation Inc.
Sentry Equipment Corp.
WSA Engineered Systems
Surrett Engineering and S
Enterprise Systems Inc.
C&C & Gas Operations, L
Waukena Bearings Corp
Kasco Marine Inc.
Modine Mfg Co
Olive Source International, I
Douglas County
Four Star Construction Inc.
J Kroll Trucking Inc.
Lakeshore Construction Inc.
Najvali Resources Inc.
Green Environmental Solu
Cooper Power Systems
Sound Seal & Packing Co
Metco Minerals Industries
Zurich Transformer Corp
Pika Haulers Inc.
Petroleum Products Co., Inc.
Continuous Learning Group

Name of U.S. Supplier/Service
Solidstone Controls Inc.
Space Age Laminating and Be
Toshiba International Corpora
Tracer Construction Co.
Time Engineering Consultants
Turtle and Hughes Inc.
Type Valves & Controls LP
Universal Crane
Winchot Field Services, Inc.
Vingo Engineers Inc.
Wilson Supply Company
Shaw RopeTech Inc.
Flanneth Salt Lake City Inc.
Hydra Engineering Inc.
Grove USA LLC
Pocock Industrial Inc.
Security Technologies USA Inc.
Westrich Engineering, Inc.
Himont, Inc.
Innovative Technologies Inc.
Granite Seed Company
Independent Project Analysis
Integrus Corporation
Northrop Grumman Informa
Gas Plastics Automation Amer
Proactive Pump Division
Pneumatic US Inc.
Commonwealth Enterprises In
Premier Project Associates, L
Cybertrust Inc.
Perguson Enterprises Inc.
Spectra Quest, Inc.
Morris Products Inc.
Hayward Tyler Inc.
Dyckhoff Corp.
Chempoint Com Inc.
Project Review & Analysis, LL
Ira Winderham
Conquest Consulting Group
Sound Seal & Packing Co
Chadborn Technology Group LLC
Winchester, Inc.
Paragon Design Technology
Schaeffler Engineering Labor
RMI Economics Research Instit

Name of U.S. Supplier/Service
First American Title Insurance C
Wireless Communications Inc.
Rohrbach Concrete Systems, In
Gint Software Inc.
Amagnot Inc.
Phenomena, Inc.
American Training Resources In
C and G Construction Inc.
STS Lab, Inc.
Fluoride Corporation
Amertel Inc.
Turtle and Hughes Inc.
Young Engineering & Manufact
Custom Technical Services, In
Quest Integrity USA LLC
The Economist
Master Magnetics Inc.
Dingo Software Pty Ltd
Rooney Engineering Inc.
Krupp
Michael B. Smith Architecture, I
Peterson & Cooke, Ltd.
Precision Pipeline LLC
URS Energy & Construction Inc.
IH5 Inc.
Irga Search Software, Inc.
RMB Products
American Millennium Corpora
Golden Software Inc.
Hy-Trac, Inc.
Timothy A. Saunders, Inc.
Barnes & Associates LLC
Morris Products Inc.
Hayward Tyler Inc.
Dyckhoff Corp.
Chempoint Com Inc.
Project Review & Analysis, LL
Ira Winderham
Conquest Consulting Group
Sound Seal & Packing Co
Chadborn Technology Group LLC
Winchester, Inc.
Paragon Design Technology
Schaeffler Engineering Labor
RMI Economics Research Instit

Name of U.S. Supplier/Service
Pac Corporation
The Eric Group, Inc. DBA
Ostoft Inc.
Intervox Systems, Inc.
Polytec Inc.
DF Dickins Associates LLC
Aria Technologies, Inc.
CCI Fluid Kinetics
Control Components Inc.
M Chemical Company Inc.
Main America, Inc.
National Institute Of Stanc
Pik Energy Systems, Inc.
Lamona Metal Gasket Co
Pio Pipe
ProSource Technologies
Kappa.spl-electronics, In
Castelle
Suntotal Systems Inc.
Eldex Laboratories Inc.
Seltam Inc.
AOL Mailbird Inc.
Hewlett Packard
Type Valves & Controls L
Aghagor Inc.
Sub-One Technology Inc.
CCI Control Components
Oracle
Fagin Hunter Inc.
Industrial Network Control
Alderson Canada Inc.
Edgen Murray Corporation
Hydrex Solutions Corp.
Suntotal Systems Inc.
Tivo Software Inc.
Workshare Technology In
Imagine That, Inc.
Informatica Corporation
Subsurface Labs, Detroit
Systel Software Incorpor
Crane Works, Inc.
OSISOFT, Inc.
Jr Johnson Inc.

List of U.S. Suppliers to Canadian Oil Sands Companies

In order to gain insight into how Canadian oil sands development increases U.S. economic activity, CAPP requested from oil sands and pipeline companies a list of U.S. suppliers and business partners for major oil sands projects. The following list is an aggregation of U.S. suppliers for Canadian oil sands and pipeline companies from 2000-2010. It is organized alphabetically by state, city, and supplier name. As CAPP receives more information from its member companies, the list will be updated. Please note this document is not meant to be an exhaustive survey of U.S. suppliers. Rather, it serves as a tool to highlight real examples of the commerce and trade relationships between Canadian oil sands producers and U.S. companies.

Name of U.S. Supplier/Business Partner	City	State	Description
DSL Modular Inc.	Anchorage	AK	Parts & Supplies
Birmingham Fastener & Supply Inc.	Birmingham	AL	Parts & Supplies
Metal Samples Corrosion Monitoring System	Birmingham	AL	Inspection Services
Oakstone Publishing LLC	Chelms	AL	Other
Spz / Mobile Pulley Works Inc.	Mobile	AL	Parts & Supplies
Metal Samples/Corrosion Instrument Systems	Murford	AL	Equipment
Q&Q	Pelham	AL	Equipment
Rak Systems, Inc.	Theodore	AL	Materials
Vulcan Inc.	Theodore	AL	Parts & Supplies
Amecable Division Of Associated Materials	St. Donald	AR	Materials
Welpun	Welpun	AR	Materials
Valley Forge & Bolt Manufacturing	Phoenix	AZ	Parts & Supplies
Phoenix Digital Corporation	Scottsdale	AZ	Parts & Supplies
Western Chemical International	Scottsdale	AZ	Parts & Supplies
Environmental Support Solutions Inc.	Tempe	AZ	Engineering Services
Insight Control USA Inc.	Tucson	AZ	Equipment
Krabel Engineers	Tucson	AZ	Equipment
Minter, Inc.	Tucson	AZ	Software
Honeywell	Tucson	AZ	Equipment
Parforce Software Inc.	Alameda	CA	Software
RF Precision Castles, Inc.	Anshelm	CA	Parts & Supplies
Canada Workforce Solutions Inc.	Bakersfield	CA	Equipment
Berkeley Forge & Tool Inc.	Berkeley	CA	Materials
Whitler Filtration (Tech subsidiary of Vretec)	Brea	CA	Procurement/Construction
ARES Corporation	Burlingame	CA	Software
Dia Inc.	Carlsbad	CA	Parts & Supplies
Techmco USA Corporation	Calverton	CA	Procurement/Construction
M&M Transformer Company	Concord	CA	Materials
Kubota EOTI	Corona	CA	Consulting Services
Leadership Studies Inc.	Escondido	CA	Training
NISA Technologies	Foothill Ranch	CA	Software
Coen Company Inc.	Fontana City	CA	Parts & Supplies
Conner Electronics Corporation	Fremont	CA	Materials
Garnicom Inc.	Fremont	CA	Parts & Supplies

- **Oil & Gas Production**

- Short term price signals:
 - Oil modest. gas still weak
- Technology is driving

- **Environmental Performance**

- Fundamental Foundation
- Walk the Talk

- **Communications**

- Talk the Walk

- **Market Access**

- Canada, US, Asia

- **Creating Jobs**

