



For Immediate Release

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NORTH WEST UPGRADING AWARDS LURGI EPC CONTRACT

Lurgi to Execute Gasifier Silo for North West Upgrader

CALGARY, AB, November 19, 2007 –North West Upgrading (North West), a Calgary-based, privately-owned company building an independent, heavy oil Upgrader in Sturgeon County, Alberta, today announced it has awarded Lurgi AG of Frankfurt Germany an Engineering, Procurement and Construction (EPC) contract for the execution of the gasifier silo for North West's Upgrader Project. Lurgi, an Air Liquide subsidiary, is a leading international company operating in the field of process engineering and plant contracting. Lurgi has in turn retained KBR, a leading global engineering, construction and services company with experience in Alberta, as the subcontractor to complete pipe fabrication, module fabrication as well as field execution.

This major contract, worth in excess of \$500 million, encompasses the design, procurement and construction of a new 120 MMSCFD gasification-based hydrogen plant that will include Lurgi's proprietary Multi Purpose Gasification (MPG®) and Rectisol® gas sweetening processes. High purity hydrogen produced from the gasifier unit will be used within the upgrader processes to make valuable products such as Ultra Low Sulphur Diesel. High purity CO₂ will be captured from the process and sold for enhanced oil recovery applications.

"Gasification of bitumen bottoms to make hydrogen is the way of the future in upgrading and refining in Alberta; Lurgi brings a strong history of worldwide gasification and gas processing experience to North West," said Rob Pearce, President, North West Upgrading. "We're confident in their capacity and capability to ensure that this project remains on track and on schedule."

Lurgi has over 60 years of gasification experience and is a world leader in gas technologies that produce synthesis gas and downstream products such as hydrogen from numerous feedstocks.

Mechanical completion and commissioning of the gasification-based hydrogen plant is expected in the first half of 2011.



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About North West Upgrading

North West Upgrading Inc. is a Calgary-based, privately-owned company committed to building an independent, heavy oil upgrader in Alberta's Industrial Heartland. The North West Upgrader will enhance the economic value of Alberta's bitumen and heavy oil production by producing light, low sulphur products and diluent. The Upgrader will have a total processing capacity of 231,000 barrels per day of blended feedstock over three phases. North West anticipates it will achieve start up for the first phase in 2011. All three phases are expected to be operating by 2015.

www.northwestupgrading.com.

About Lurgi

Lurgi is a leading technology based contractor offering its process engineering and plant construction services worldwide. Lurgi's strength lies in its technological leadership founded on proprietary and exclusively licensed processes. In addition to its gas technologies, Lurgi offers petrochemical and renewable resource technologies such as bio-ethanol and bio-diesel. Lurgi was acquired by Air Liquide on July 21, 2007. It is part of the Air Liquide world wide engineering operation with more than 3000 employees. Please visit www.Lurgi.com for more information.

About KBR

KBR is a global engineering, construction and services company supporting the energy, petrochemicals, government services and civil infrastructure sectors. The company offers a wide range of services through its Upstream and Downstream, Technology, Services, Government and Infrastructure and Ventures business segments. For more information, visit www.kbr.com.