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### **North West Upgrading Inc. Issues Public Disclosure Documents**

Calgary, Alberta North West Capital Inc. announces that it has entered into an agreement with the County of Sturgeon for an option to purchase land to locate its proposed North West Upgrader project. The location is zoned for heavy industrial use and ideally situated near existing pipeline and transportation infrastructure.

The North West Upgrader will process bitumen produced by oil sands in-situ and mining operations and will produce a light, low sulphur synthetic crude oil. Product from the North West Upgrader will be ideal feedstock for refineries which will be required to produce ultra-low sulphur fuel products.

The Upgrader will be based on conventional upgrading processes, including heavy hydrocracking and hydrotreating. The first phase of the Project will process up to 80,000 barrels per day of bitumen blend feedstock to produce up to 65,000 barrels per day of synthetic crude oil. Light diluent will be recycled to producers, assisting them in controlling this component of the cost of producing bitumen. The location is sufficient for significant future expansion to meet growing demand for upgrading capacity.

"The North West Upgrader is based on the growing need for an Alberta-based solution to upgrade bitumen from Alberta's huge oil sands resources" said Robert Pearce, President of North West Upgrading, an affiliate of North West Capital. "North West will process bitumen on a fee-for-service basis, providing benefits to all bitumen producers but particularly those with nonintegrated production. The upgrading fee will be economically attractive and the structure will facilitate participation by smaller producers in the development of this important resource.

Other benefits to producers include providing a mechanism for diversifying sales products portfolios to include light sweet synthetic crude oil, while eliminating the need for up-front facilities capital. The Upgrader will also help reduce heavy oil price differentials, further encouraging the economic development of the Province's oil sands potential."

The Terms of Reference for the North West Upgrader will be established through a public consultation process in the coming months, concurrent with preliminary engineering which is currently underway. This will be closely followed by environmental studies and submissions for regulatory review and approval. Detailed engineering and construction will follow regulatory approval, with project completion estimated for 2009.