



A NEW NAME, BUT THE SAME VISION

Note from Susan Cole, President of Enhance Energy

This is our first newsletter on the status of our CO₂ pipeline and enhanced oil recovery project, and I am really excited to start this dialogue with you.

I have some big news to share with all of you: we've renamed our CO₂ pipeline! It will probably sound familiar to you in a moment, but first the story of how we got there. Cast your mind way back to 1954, when the Alberta Government was under pressure to allow the export

of natural gas via federally incorporated pipelines. To ensure Albertans would have control of their resources, legislation was enacted to create the Alberta Gas Trunk Line (AGTL). This orderly, unified pipeline system proved to be a boon to the province's natural gas industry and played a crucial role in establishing the petrochemical industry here.

Fast forward to today and we Albertans face a similar challenge: ensure that we once again have control over our resources while developing a solution to permit the sustainable production of bitumen. Tipping our collective hats to the province's history, we have renamed our CO₂ pipeline the Alberta Carbon Trunk Line (ACTL), and we're committed to making it serve Canadians as effectively as its namesake.

The ACTL system will stimulate the development of an essential backbone delivery system from many CO₂ sources throughout Central Alberta to many storage and enhanced oil recovery sites. This will enable the clean, sustainable development of Alberta's vast bitumen reserves while significantly increasing oil production from existing light oil reservoirs and storing more than 14 million tonnes of CO₂ each year.

All of this adds up to a huge investment in our province, from the jobs we can provide to Alberta workers, to the additional tax revenues that the province can reinvest in our communities. There is no better place in the world to manage CO₂ than right here, and no people more deserving of the benefits of that management.

I appreciate all of your support for this important environmental first that's about to happen in your own backyards, so to speak. We will be sending you regular updates as the project proceeds and I look forward to hearing your feedback as well as suggestions for future newsletters.

Please feel free to contact us anytime with comments or concerns.

“When fully implemented, the ACTL will be the world's largest Carbon Capture and Storage project and will be equivalent to removing 2.6 million cars off the road.”

– SUSAN COLE



ACTL

What's in a logo?

The outside ring of the ACTL logo was designed to reflect our own logo. The inside ring represents the pipeline we are building. Each green ring symbolizes the closed loop of CO₂ production and storage, and also the letter “E” in Enhance (Enhanced Oil Recovery) and Energy (Environmentally Sustainable Energy production).





BLAIR EDDY, Manager, Projects

“ Alberta can take a number of steps to derive greater wealth over the longer term and in a more sustainable way through its energy industry.”

– PROVINCIAL ENERGY STRATEGY

Project Update

The Government of Canada has selected Enhance Energy Inc. to receive funding through the ecoEnergy Technology Initiative, based on our proposal to develop clean energy technologies.

This funding will be used for engineering and design of our CCS and enhanced oil recovery project.

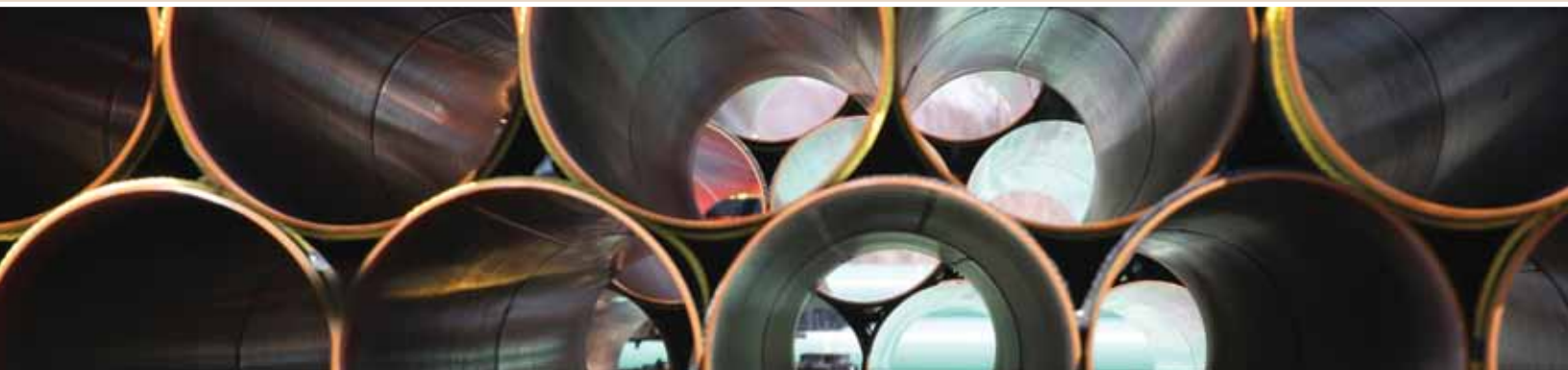
We have also made an application to the Energy Resource Conservation Board and Alberta Environment that, when approved, will move the ACTL project forward. Decisions on these applications are expected later this year. The approvals process is on track with our timeline for the ACTL, which includes additional planning work to continue through 2009, detailed engineering and design to be completed through 2010 and construction of the pipeline and CO₂ capture facilities to commence in the spring of 2011. **In an effort to support this process, some environmental assessment work will be done and landowners along the pipeline route may be contacted by Scott Land to request access.**

Should you be interested in learning more about Enhance Energy Inc. or the ACTL project, please check out our website at www.enhanceenergy.com.

Supporting Our Vision

The provincial and federal governments are demonstrating strong leadership by supporting Carbon Capture and Storage as a necessity in environmentally responsible resource development. Both governments are leading the world in a commitment to CO₂ management and as a result of that foresight, will assist in laying the foundation of an economically sustainable CCS project such as ours.

Phase 1 System Development



Enhance Energy Inc.
400, 606 4 Street SW
Calgary, Alberta T2P 1T1 Canada

Blair Eddy, P.Eng.
Manager, Projects

T 403.984 0202
E info@enhanceenergy.com
W www.enhanceenergy.com

Scott Land
Suite 900, Bow Valley Square 1
202 6 Avenue SW
Calgary, Alberta T2P 2R9

T 403.261 1000
F 403.263 5263
E calgary@scottland.ca

WorleyParsons
Suite 100, 4500 16 Avenue NW
Calgary, Alberta T3B 0M6

T 403.247 0200
W www.worleyparsons.com

Want to receive an electronic copy of this newsletter instead? Send us an email with your details and we'd be happy to add you to the list.

info@enhanceenergy.com