

Calima Energy Ltd

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Calima Energy encouraged by Canadian midstream gas sector progress

Calima Energy Ltd (ASX:CE1) (FRA:R1Y) is encouraged by Canadian midstream sector progress in advancing gas projects despite the impacts of the COVID-19 pandemic.

The midstream sector has been able to safely execute and advance construction projects such as the Tommy Lakes Facilities, LNG Canada, the Coastal Gas Link, the NGTL West Path Extension and the Transmountain pipeline extension.

Additionally, the Canadian Energy Regulator (CER) has continued to work through applications during the pandemic.

"Resilient nature of industry"

Calima's Canada president Micheal Dobovich said: "The continued advancement of these key infrastructure projects in Canada are a demonstration of the resilient nature of this industry.

"Calima remains well-positioned in NE British Columbia to bring gas into these markets when the pricing increases due to demand for exports."

Calima currently holds more than 60,000 acres of drilling rights (Calima Lands) in British Columbia, Canada.

Tommy Lakes Facilities

On April 15, 2020, the company closed the acquisition of compression facilities, associated pipelines and infrastructure in the Tommy Lakes Field which lies 20 kilometres to the north of the Calima Lands.

The facilities provide cost-efficient access to North River Midstream pipeline, Jedney processing facility and access to regional markets via major pipeline networks including NGTL, Alliance and T-North.

The Tommy Lakes infrastructure includes gathering pipelines, compression facilities and associated facilities capable of transporting up to 50 million cubic feet/day of gas and 1,500-2,000 barrels/day of well-head condensate.

Tommy Lakes Facilities is presently being maintained in standby mode pending production start-up.

The facility maintains its connection to the North River Midstream pipeline and Jedney processing facility accessing all major pipeline networks within western Canada and USA.

Price: 0.01

Market Cap: \$22.07 m

1 Year Share Price Graph



Share Information

Code: CE1

Listing: ASX

52 week High Low
0.011 0.002

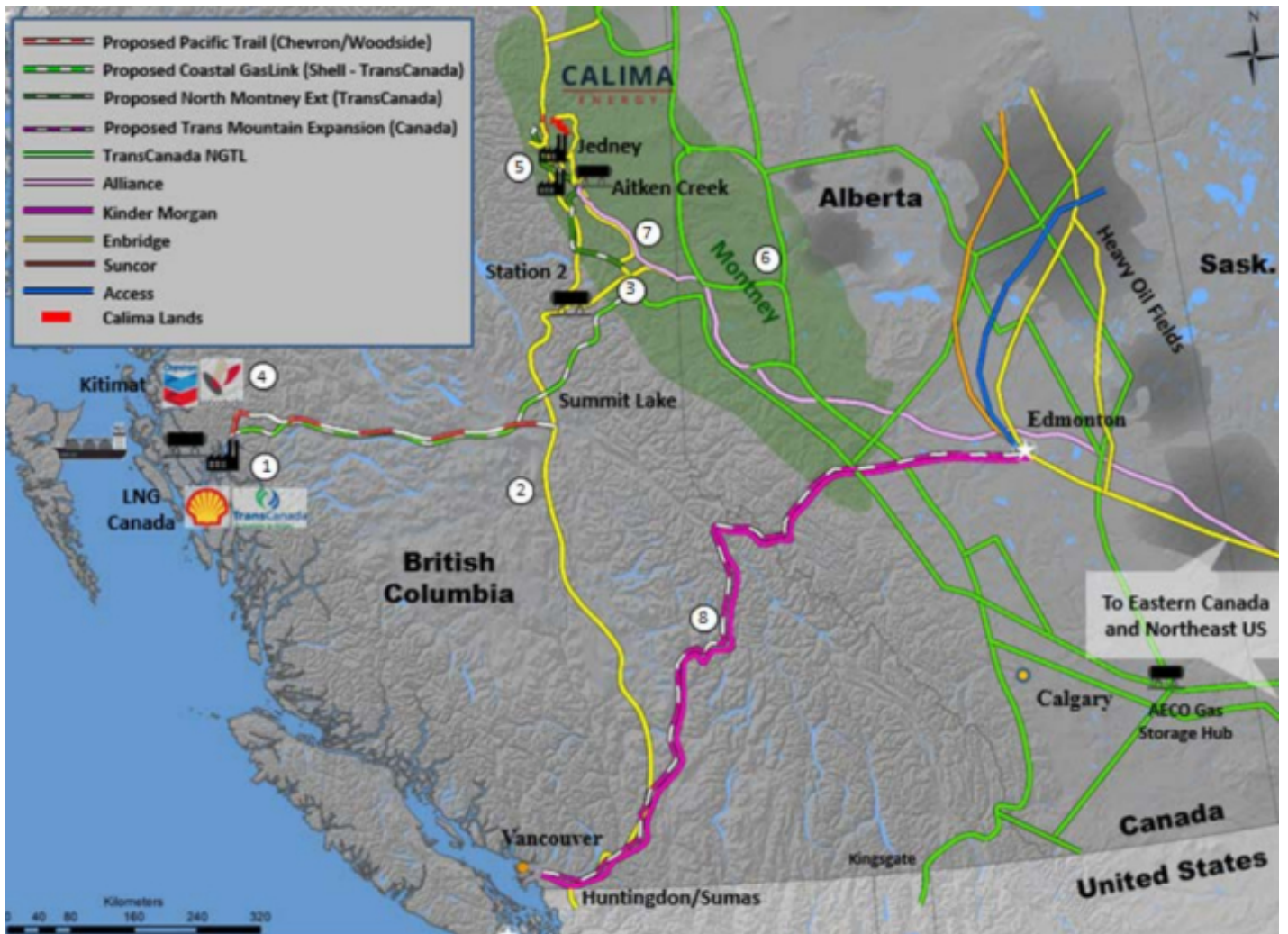
Sector: Oil & Gas

Website: www.calimaenergy.com

Company Synopsis:

Calima Energy Ltd's (ASX:CE1) core asset lies within a liquids-rich sweet-spot of the Montney Formation in Northeast British Columbia, Canada.

action@proactiveinvestors.com



Projects and infrastructure under development in Canada.

LNG Canada

LNG Canada, Canada's first LNG Facility, continues to meet construction milestones.

The facility is anticipated to cost C\$40 billion, with initial capacity of 13 million tonnes per annum (1.7 billion cubic feet/day) with an option to expand to 26 million tonnes per annum (3.4 billion cubic feet/day).

Despite the unprecedented impact of COVID-19, the workforce at the facility has continued to safely move forward with dredging and marine activities, a marine terminal, a module haul road and storage tank construction has commenced.

The main workforce accommodation lodge was opened this summer with a capacity to house 4,500 workers.

Peak construction for the LNG facility is expected in quarter four 2021.

Coastal Gas Link

The Coastal Gas Link, the pipeline to supply LNG Canada, owned by TC Energy, continues to make progress, boasting a completion rate of more than 26% in September 2020.

The pipeline is budgeted to cost C\$6.6 billion with capacity for 1.7 billion cubic feet/day and up to 5 billion cubic feet/day after expansion.

TC Energy employed more than 3,000 workers across the project in September 2020 and is on schedule to be completed in advance of the LNG Canada facility coming on stream in 2024.

NGTL West Path Extension

The TC Energy owned Nova Gas Transmission (NGTL) system is one of the largest systems that gathers Western Canadian gas for exports and is comprised of more than 25,000 kilometres of pipe.

The West Path expansion that was proposed by TC Energy in 2018 recently received Federal approval.

The latest approval adds an additional 3.5 billion cubic feet/day to the system that will be incrementally added over the next few years as projects are completed.

Fieldwork is expected to commence in December 2020.

Transmountain Pipeline Extension

The Transmountain pipeline expansion remains on track to be in service in 2022 and will increase capacity from 300,000 to 890,000 barrels of oil per day.

This is expected to require an additional 600 million cubic feet per day gas demand at a cost of C\$12.6 billion.

The project is broken down into a number of 'spreads' due to its large size.

Work on the Alberta spreads has made significant progress this summer and contributes to an overall completion of ~16%.

The Canadian government acquired the project from Kinder Morgan and remains committed to the completion of it.

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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