Sign Up with the Oilfield News Online

Oilfield NEWS

www.oilfieldnews.ca

Published By: NEWS COMMUNICATIONS since 1977

Wednesday April 23rd, 2014

CANADIAN OVERSEAS PETROLEUM TO TEST THE WATER OFFSHORE NIGERIA

The management team at Canadian Overseas Petroleum (LON:COPL, CVE:XOP) is not one to sit on its laurels.

The company has a 17% stake offshore Liberia in Block LB-13 with oil super-major ExxonMobil owning the other 83%. The US oil giant is committed to carry Canadian Overseas Petroleum (COPL) through the first US$120mln (gross) of drilling costs, and the company could just sit back and let ExxonMobil do all the heavy lifting, but, as chief finance officer Chris McLean asks, where is the fun in that?

Although Liberia remains the company's top priority, the management sees plenty of other opportunities off the coast of West Africa where it could apply its expertise, and has been looking for some time at Nigeria, where recent changes in licensing requirements have opened things up for an experienced and nimble player.

"One of the things we wanted to do, [because] most people know us for Liberia, was get more assets into the company based around West Africa and, in particular, get a company that has more of an appraisal/development view to it," McLean told Proactive Investors on a recent visit to follow up the Canadian company's listing on the main market of London on 4 April.

McLean, previously head of Capital Markets and Investment Banking at resource-focused boutique investment bank Wolverton Securities, says he first got involved in Nigeria in 2003 and has seen which companies have worked and which ones have not.

Chief executive officer (CEO), Arthur Milholland, meanwhile, provides the geological know-how, having worked in a variety of regions including the UK North Sea, Canada, the Gulf of Mexico, the United States, South America and West and North Africa. Investors might remember him as the founder and CEO of North Sea exploration and production company Oilexco whose market capitalization grew from $4 million to $4 billion in 7 years.

Having identified Nigeria as an enticing prospect, the company has hit upon an interesting, low-risk way of (literally) testing the water.

It has an option agreement to participate in OPL 2010, a block off the coast of Nigeria that is wholly-owned by indigenous Nigerian company GEC Petroleum Development Company (GDPC).

The important thing to note is the "option" part of that last sentence; rather like a wary bather easing into a very hot bath, COPL can proceed in stages, or pull back. "We remain in control of COPL's interests," McLean notes.

The state-owned oil company NNPC is not involved, so this is a fairly straightforward relationship between two companies that will initially see COPL spend around US$15mln shooting seismic data over 500 square kilometres when the option is exercised.

McLean seems confident of getting backing for the venture. The block is surrounded by producing oil fields, not to mention discovered but non-producing fields, and as the old adage has it, the best place to hunt for elephants is near where you found the last lot.

He thinks that the Square Mile is getting more comfortable about Nigeria as a place to do business but does worry that it is overly fixated on "monster 1bn barrel plays".

Some residual unease remains about oil companies operating in Nigeria but McLean's view is that the City's apparent preference for participants to get a well-connected partner is only going to perpetuate a problem where, at least among the technical personnel in the oil industry, the main concern is developing the resources they have.

That's where a company like COPL can help.

"To play the game, you've got to know the people," McLean says. "The aim is to get a foot in the door of a place [Nigeria] that is looking to steadily grow output, and become the preferred partner. We plan to be the financial and technical partner, and work with the operator to create an efficient and effective process."

As for concerns about the locals stealing oil, McLean cannot foresee a scenario where looters paddle out to offshore rigs with their hoses and watering cans. That may be one of the reasons why the company is so keen to restrict its operations offshore, albeit in reasonably shallow water.

Long story short, the immediate share price catalyst is likely to be the success, or otherwise, of the fund raising for the Nigerian venture, but it won't be long before attention turns to Liberia, if only because oil major Chevron, situated right next door on Block 12 to the COPL/ExxonMobile block, has begun drilling.

"The drillship is there," McLean reveals. "Drilling should take 30-40 days."

Once Chevron is done with the drillship, ExxonMobil and COPL are next in to bat, which means drilling could start as early as July.

However, McLean is keen to stress that COPL is not a binary "bet on red or black" play, and that investors should look beyond the short term.

If the option on Nigeria pays off, cash could be flowing in two years, McLean suggests.

"We can grow into cash flow that will give us sustainability and create substantial value," he con

3 REASONS TO BE OPTIMISTIC ABOUT CANADA'S ENERGY SECTOR

As the large crowd gathered at the Sheraton Hotel in downtown Toronto late last week, there was a renewed sense of optimism. The group was there for an energy conference run by the Canadian Association of Petroleum Producers (CAPP) and Bank of Nova Scotia. Tellingly, attendance was double the amount from the same conference in December 2012.

There are three reasons in particular that the mood was brighter than it had been in years.

1. Easing of the bottlenecks

Over the last couple of years, the big story has been a lack of transportation infrastructure for Alberta's oil, forcing energy companies to accept discounted prices for their product. TransCanada's (TSX: TRP)(NYSE: TRP) Keystone XL pipeline has not been approved and faces stiff opposition from environmentalists.

Nowadays, these transportation bottlenecks are easing significantly, as new pipelines and crude-by-rail capacity comes on stream. In fact there is a growing belief that the industry doesn't even need Keystone anymore. This is quite a change from two years ago.

2. Environmental progress

Over the past few years, Canadian energy companies have put a lot more effort into environmentally sustainable activities, and there is a growing feeling that this will help the industry avoid unfavourable regulation. For example, Imperial Oil's (TSX: IMO)(NYSE: IMO) Kearl oil sands operation has about the same life-cycle greenhouse gas emissions as many crude oils refined in the United States.

In fact, there is growing confidence that if President Obama approves the Keystone XL pipeline, then environmentalists will shift their focus to other polluting industries, such as coal.

3. Supply issues elsewhere

While North America seems to have all the energy production it needs, the same cannot be said in many other regions. Events like the crisis in Ukraine, chaos in Venezuela, or continued issues in countries like Libya, continually remind us that North America is the world's most stable energy-producing region.

For that very reason, world energy prices have held very firm. And while no one cheers for chaos, it is reassuring for North American energy producers that their stable environment is such an advantage. Over the very long term, especially if the United States eases energy export restrictions, world instability should continue to provide price support for North American producers.

Foolish bottom line

The Canadian energy sector has given us yet another reminder that the best time to buy is when others are fearful. So today may not provide as many great opportunities as there were two years ago. But with President Obama's decision on Keystone coming up later this year, the party may keep going.

WALTER ENERGY TO IDLE TWO B.C. MINES THAT WILL TEMPORARILY LAYOFF ABOUT 700

U.S.-based Walter Energy (TSX:WLT) says it will temporarily lay off about 700 workers at two coal mines in British Columbia due to difficult market conditions and lower prices.

Walter Energy said it expects to incur severance charges of approximately $7 million in the second quarter of 2014 in connection with the idling of the mines in northeastern B.C.

The company said it will immediately idle the Wolverine mine, with about 415 employees. Its Brazion mine, with about 280 employees, will be idled by July 2014.

Walter Energy said it will continue to operate its preparation plants at these mines to complete processing of coal that already in its inventory. Other administrative staff also will be laid off.

"These layoffs are particularly unfortunate because our employees have worked very hard to keep these mines competitive in the face of daunting market conditions," CEO Walter Scheller said in a news release.

Scheller added that idling the mines in the current pricing environment is "best course of action" until Walter can achieve "reasonable value" from these reserves.

Walter Energy is a metallurgical coal producer for the global steel industry, including markets in Asia, South America and Europe. The company also produces thermal coal, anthracite, metallurgical coke and coal bed methane gas. It has about 3,600 employees with operations in the United States, Canada and United Kingdom.

As of Dec. 31, 2013, Walter Energy had approximately 1.1 million metric tons of coal in inventory in Canada.

OILSANDS COMPANY GIVEN 4 MONTHS TO HALT EMISSIONS

Posionous emissions forced seven Peace Country families from homes

Families forced from their homes in the Peace Country, received some welcome news today when the Alberta Energy Regulator ordered an oilsands company to capture all harmful emissions.

Almost two years ago, seven families in northwest Alberta abandoned their homes after they began getting sick.

On Tuesday the AER accepted all recommendations from a public inquiry into the emissions and gave Baytex Energy four months to capture all emissions or face consequences.

"It can depend on the infraction and the seriousness of it, but it could certainly result in a shut in of the well or facility," said spokesperson Carol Crowfoot.

In a press release Batex said it supports the initiatives.

"Why the regulator, the government, and the industry would continue this situation, allow it to continue, for another four months, in this context, simply makes no sense to me, makes no sense to my clients," said Keith Wilson.

While the families wait, they are contemplating an invitation from a U.S. Senate committee to come to Washington DC. To tell their story.

CARACAL SCRAPS DEAL TO BUY TRANSGLOBE ENERGY AFTER GLENCORE BID

TransGlobe Energy Corp. (TGL-T 8.18 0.06 0.74%) says a deal to be acquired by Caracal Energy Inc. is off.

Calgary-based TransGlobe said on Monday it will reintroduce the quarterly dividend of 5 cents (US) per share that had been suspended last month and will also pay out a special dividend of 10 cents to shareholders after Caracal terminated the March 15th agreement to buy TransGlobe for almost $700 million (Canadian) in stock.

Caracal, which operates in Chad, wanted TransGlobe to expand its oil and gas holdings into Egypt.

Caracal advised TransGlobe that it has received a friendly cash takeover offer from global commmodities giant Glencore Xstrata PLC and that the bid "constituted a 'superior proposal' under the terms of the Arrangement Agreement (between Caracal and TransGlobe)," said TransGlobe.

Caracal, also Calgary-based, has paid TransGlobe a reverse termination fee of $9.25 million (US), both companies said.

Glencore -- which has had a partnership with Caracal in Chad since 2012 -- has agreed to pay $10.08 Canadian per Caracal share, a 61-percent premium to Caracal's April 11 closing price on the London Stock Exchange.

"We are extremely disappointed that such a great business combination has been scuttled before the shareholders of both TransGlobe and Caracal had the opportunity to enjoy the true potential of the assets of the combined Companies," TransGlobe president and chief executive officer Ross Clarkson said in a news release.

"TransGlobe will continue with its core strategy, which is to continue to grow our Egypt business and looking for accretive opportunities to enhance shareholder value."

Caracal president and CEO Gary Guidry said the premium all-cash offer from Glencore "is strong recognition of the significant value Caracal has created for its shareholders since inception. This transaction and the significant premium it places on our shares is an excellent outcome for our shareholders. Glencore has been an important supporter and partner of Caracal in Chad and this is a natural progression in the development of this portfolio."

TransGlobe said it plans to seek the necessary approvals for the previously suspended dividend and the special dividend. The special dividend is to come out of the proceeds of the termination fee.

CANADA'S NATURAL GAS REVIVAL HAS ARRIVED

ANALYSIS: Has Canada's natural gas revival arrived? The question has been asked before, but now it seems all but certain the answer is yes. Here's why:

Gas executives have the misfortune of others to thank for their now positive environment, so a few of them might find the term "Schadenfreude" useful as they explain the current state of affairs to their shareholders (it is a German word for experiencing pleasure from another's suffering). The ongoing crisis in Ukraine, the just barely abated "polar vortex" of a winter here in North America, this week's crushing defeat of the Quebec PQ in a provincial election and rapidly approaching regulations in the United States expected to be plainly negative for coal have all aligned to help Canadian natural gas.

ENCANA'S "POLAR VORTEX" WINDFALL

Encana Corp ., Canada's largest natural gas producer, has made hundreds of millions of dollars from the massive spot market price spikes caused by the coldest North American winter in more than two decades, according to a new AltaCorp Capital analysis. Somewhat ironically, the Calgary-based company owes its extra profits to the Deep Panuke facility of the coast of Nova Scotia which had previously been beset by multiple startup delays and technical glitches.

Deep Panuke sells about 275 million cubic feet per day (mcf/d) into the U.S. Northeast market and is subject to the daily pricing on the Boston City Gate hub. That hub saw some of the most extreme daily price spikes on the continent during the winter, with prices averaging US$21/mcf and spiking some days as high as US$81/mcf. Those figures compare with just US$5.15/mcf average Henry Hub prices during the winter months, representing what AltaCorp managing director Dirk Lever understates as a "substantial premium."

"We estimate this translates to an additional US$11.65/mcf after royalties for the account of Encana over and above 'normal operations'," Lever told clients in a report published Thursday morning. "This could generate an additional US$295-million in cash flow, or US$0.40 per share in Q1/2014. And, as prices are now back to Henry Hub levels, this would be a "bonus" to Encana and its shareholders."

"IN COMES THE MONEY"

Vladimir Putin's desires on Ukraine, whatever they might turn out to be, has "internationalized" European natural gas as the continent seeks to end its reliance on Russia for nearly one third of its total supply. As Don Coxe, chairman of Coxe Advisors, explained to BNN's Andrew Bell on Wednesday, the issue of Quebec separatism had been keeping many of those European buyers at bay since the issue of political stability had become part of a larger global theme.

After the pro-federalist Quebec Liberal Party swept to a majority in Monday's provincial election, Coxe argued that obstacle to investment is now gone so, as Andrew later put it to BNN's Michael Hainsworth: "in comes the money to Canadian natural gas stocks".

"HUGE ISSUE FOR THE COAL INDUSTRY"

As if all of that wasn't bullish enough for natural gas investors, BNN's Frances Horodelski came across an interesting tidbit in a Dennis Gartman letter published earlier this week. Gartman notes Dan Tsubouchi of Haywood Securities reminder of new emissions standards for existing power plants in the United States that the U.S. Environmental Protection Agency (EPA) is expected to issue in June.

That is a "big potential wildcard" that is "likely very bullish for natural gas demand in mid-term," Gartman said. Natural gas is the cleanest-burning carbon-based fuel in the world and has thus long been expected to gain advantage over other fuels sources such as coal once stricter emissions standards are adopted. Yet so long as the weather stays extreme and geopolitics remains unstable, it is just one of many ways another's loss is Canadian natural gas' gain.

EAGLE SPIRIT PIPELINE PROPOSAL FACES FIRST NATIONS OPPOSITION

Proposed pipeline would carry refined oil from Alberta to B.C. North Coast

A First Nations-led proposal to build an oil pipeline from Alberta to B.C.'s North Coast will still face stiff opposition from some communities, including one situated at the location of the proposed marine terminal.

Eagle Spirit Energy Holdings and the Vancouver-based Aquilini Group announced yesterday their project has won support from many First Nations, including some strongly opposed to the Enbridge Northern Gateway Pipeline. The project is billed as an alternative to the Northern Gateway pipeline. It would carry light crude oil that has already been refined in Alberta, instead of bitumen, and would ship out of Grassy Point instead of Kitimat.

Eagle Spirit President Calvin Helin says they have signed non-disclosure agreements with many First Nations communities along the proposed route.

Helin says their "respectful, patient approach has resulted in a B.C. First Nation, the Nee Tahi Buhn near Burns Lake, revoking their support of the Northern Gateway Project" and endorsing this alternative proposal.

"We have heard their concerns about protecting the environment," says Helin.

Eagle Spirit has not filed their proposal with the National Energy Board, and Helin says they'll only do that after all First Nations' concerns are addressed.

Terminal opposition

But some First Nations say they will always be opposed to the project, including the Lax Kwa'laams, whose territory includes Grassy Point where the pipeline would end on the North Coast.

Murray Smith, an elder with the Lax Kwa'laams says the proponents of Eagle Spirit met with his community earlier this year, and received strong opposition to the proposal.

"I remember one of the hereditary chiefs getting up and asking the question, 'What part of 'no' don't you boys understand?' We don't want the oil to come through our territory at all," says Smith.

Smith says the band remains opposed to all oil pipelines in their territory.

"Nothing will change our mind, because the chances of losing our sea resources is very, very strong. We've got clam beds, we've got salmon of all sorts passing through the territory. And they don't want to risk that at any cost."

It's not just First Nations groups that hold that view, but the general public in B.C., according to Nikki Skuce with Forest Ethics.

"It's not really about who owns it. It's about the oil, and I think the opposition is pretty clear."

Over the weekend the residents of Kitmat voted 60 per cent opposed to the controversial Northern Gateway Pipeline proposal.

NORTHERN GATEWAY PLEDGES TO HIRE LOCAL STAFF

Enbridge is aiming to build support for its proposed Alberta-to-B.C. oil pipeline by pledging to bring good jobs, meaty paycheques and ample training opportunities to Canadian workers.

A memorandum of understanding has been signed between Northern Gateway Pipelines and trade unions representing pipeline construction employees.

Northern Gateway says the MOU promises a minimum of about 2,100 person years of union employment to the Pipe Line Contractors Association of Canada and four unions, including the Teamsters and the International Union of Operating Engineers.

A news release says the plan is in addition to Northern Gateway's existing purchase, job and training guarantees for local businesses and First Nations.

Signing of the memorandum comes amid growing concern about other businesses abusing Canada's temporary foreign workers program by displacing eligible Canadian staff.

It could also be a slap at UNIFOR, the largest private-sector union in the country, which signed a deal last December supporting 130 First Nations working to ban pipelines and oil tankers from B.C. and the West Coast.

PRAIRIESKY, PROFIT MACHINE FOR ENCANA

Clearwater is still a little murky, but the picture of profitability it forms is already quite clear.

Encana Corp. disclosed some details after markets closed on Monday regarding its plans to launch an initial public offering (IPO) of its Clearwater royalty assets in southern Alberta. With no information contained regarding the amount of money the company - to be called PrairieSky - will raise in its offering, the announcement provided just enough to breed some excitement across Canada's energy patch.

"It's a bit of a process," Jay Averill, spokesperson for Encana, told BNN. "[The price/proceeds] will come in a few weeks, after there has been a roadshow."

As the PrairieSky management team embarks on its first investor pitch tour, analysts have just enough data to start building some hype. Through the preliminary prospectus Encana filed Monday, analysts learned how much the Clearwater asset - which spans an area about the size of New Jersey (5.2 million acres) in southern Alberta and produces mostly natural gas liquids - is really worth.

Earnings before interest, taxes, depreciation and amortization (EBITDA) was approximately \$245-million, well ahead of every analyst estimate made prior to Monday's disclosure. Phil Skolnick at Canaccord Genuity calculates a potential valuation ranging from \$3.3-billion to \$4.8-billion with a mid-point market cap of about \$4-billion. Even at the bottom of that range, PrairieSky is now expected to be worth more than double initial estimates set by analysts when the plan was announced last year.

The new company is also not expected to spend any of its own money on exploration or development, unlike Freehold Royalties, which had previously been cast as the currently operating model PrairieSky would most likely copy. By farming out the actual production work to third parties, PrairieSky will need only to sit back, collect its royalties and in term disperse them to income-hungry investors.

No debt and monthly dividends are what await investors in this new entity when it hits the public markets likely sometime in early June.

"The goal," RBC's Greg Pardy wrote in a note to clients on Tuesday, is "preserving financial flexibility." Pardy said those monthly disbursements would equate to an 85% payout ratio in 2013, implying there is plenty of room to increase the dividend in the future.

Encana is also taking no chances when it comes to the folks who will be in charge of keeping PrairieSky reaching for the… clouds. CEO Andrew Phillips is the former chief executive of Home Quarter, CFO Geoff Barlow previously had the same title at Chinook Energy and Husky Energy and the board of directors will be led by former UBS Securities Canada chair James Estey.

"Pent up demand" for the PrairieSky IPO was strong even before the market learned what it will be worth or how the immense experience of the management team.

"From discussions we have had with the buy side, we believe many are doing what homework they can on Clearwater," Dirk Lever, managing director at AltaCorp Capital, told clients in a note published midday Monday, about seven hours before Encana filed its preliminary prospectus for PrairieSky. "We believe retail and institutional demand for Clearwater will be strong for a well telegraphed and anticipated Initial Public Offering."

Encana CEO Doug Suttles first announced this plan as part of his broader turnaround strategy last November. After getting just a hint of what the company stands to make from simply putting a minority stake up for offer, it begs the question why someone at Encana didn't propose this plan even sooner.

NEB TO HEAR NGTL'S INTEGRATION ASSET TRANSFER APPLICATION

The National Energy Board (NEB or the Board) will hold a public hearing to consider an application filed by NOVA Gas Transmission Ltd. (NGTL) requesting approval for the acquisition of certain assets currently owned by ATCO Gas and Pipelines Ltd. (ATCO Pipelines). The Board is also being asked to approve the sale by NGTL of certain assets to ATCO Pipelines.

If approved, the project would include the following asset exchanges:

NGTL Transferred Assets, which are comprised of metering facilities (31 delivery and 89 receipt meter stations) and pipeline infrastructure (1,418 km); and

ATCO Transferred Assets, which are comprised of a compressor station (1), metering facilities (12 delivery and 21 receipt meter stations) and pipelines infrastructure (1,303 km).

Given the volume of assets involved and the field work required to complete the transfer of ownership, NGTL and ATCO have put forward the plan to execute the assets swap in four stages. NGTL is proposing that a separate certificate of public convenience and necessity (CPCN) be issued for each stage and each CPCN be made effective as of the date of the closing of the respective stage.

The infrastructure under consideration already exists; as such the exchange of assets would not require new construction or the addition of new right-of-way.

A complete list of the issues under consideration can be found in Appendix I of the Hearing Order, which is available on the Board's Web site.

The Board has granted standing to all ten applicants who have submitted an application to participate in this process. As a result, the Board may hear from eight intervenors and two commenters have been granted standing to submit letters of comment.

The hearing is scheduled to start 22 of July 2014 at a time to be confirmed at a later date. Interested persons wishing to attend the hearing should note that by then, the Board will have relocated to Centre 10, 517 10th Avenue SW, Calgary, Alberta. The hearing room will be on the 2nd floor.

The National Energy Board is an independent federal regulator of several parts of Canada's energy industry with the safety of Canadians and protection of the environment as its top priority. Its purpose is to regulate pipelines, energy development and trade in the Canadian public interest.

Please visit the NEB Web site for general information about the hearing process and how you can participate effectively. To access the information, go to www.neb-one.gc.ca, select Hearing and Information Session, and then click on Participate in a Public Hearing.

PYROGENESIS ANNOUNCES PRIVATE PLACEMENT

PyroGenesis Canada Inc. (http://pyrogenesis.com) (TSXV: PYR), a TSX Venture 50® plasma solutions company that designs, develops and manufactures plasma waste-to-energy systems and plasma torch systems, announced today that it has entered into an agreement with Mackie Research Capital Corporation, as sole agent and bookrunner (the "Agent") to undertake a private placement of units (the "Units"), at a price of $0.60 per Unit, for gross proceeds to PyroGenesis of approximately $3 million (the "Offering"). Each Unit will be comprised of one common share of PyroGenesis (a "Common Share") and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant shall entitle the holder thereof to purchase one Common Share at an exercise price of $0.85 at any time up to 18 months following the Closing Date (as defined herein). Each Unit will be subject to a statutory hold period of four months and one day from the Closing Date (the "Hold Period"). The Warrants will be subject to accelerated expiry provisions, such that if at any time after the completion of the Hold Period, the closing price of the Common Shares on the TSXV is at least $1.20 per Common Share for a period of 20 consecutive trading days, PyroGenesis may accelerate the expiry date of the Warrants, in which event the Warrants will expire upon the date which is 20 days following the date PyroGenesis provides written notice of the accelerated expiry to holders. The Offering will be made on a fully marketed best-efforts private placement basis.

PyroGenesis will pay the Agent a cash commission equal to 7% of the aggregate gross proceeds of the Offering. As additional consideration, PyroGenesis has also granted the Agent an option (the "Compensation Option"), exercisable in whole or in part, equal to 7% of the number of Units issued pursuant to the Offering. Each Compensation Option shall entitle the holder thereof to acquire Units for a period of 18 months from the closing date. In connection with any subscriptions for Units introduced to the Offering by PyroGenesis, the commissions payable and Compensation Options issuable to the Agent will be reduced to 3.5% of the aggregate gross proceeds of such subscriptions and 3.5% of the number of Units issued pursuant to such subscriptions, respectively; any Units purchased for by the President and Chief Executive Officer of PyroGenesis will be subject to a commission and the issuance of Compensation Options equal to 2.0% of the aggregate gross proceeds from, and 2.0% of the number of Units issued pursuant to, such subscription, respectively. The President and CEO, Mr. P. Pascali, has committed to invest a minimum of Cdn $ 700,000 on this basis.

The net proceeds from the Offering will be used for general corporate purposes, working capital and development projects relating to recent business development efforts. Closing of the Offering is scheduled to occur on or about May 13, 2014 (the "Closing Date"), subject to the approval of the TSX Venture Exchange and the satisfaction of other customary closing conditions.

The securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the 1933 Act), except pursuant to an exemption from the registration requirements of those laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, or for the account or benefit of U.S. persons (as such term is defined in Regulation S under the 1933 Act).

About PyroGenesis Canada Inc.

PyroGenesis Canada, a TSX Venture 50® company, is the world leader in the design, development, manufacturing and commercialization of advanced plasma processes. We provide engineering and manufacturing expertise, cutting-edge contract research, as well as turnkey process equipment packages to the defense, metallurgical, mining, advanced materials, oil & gas, and environmental industries. With a team of experienced PyroClassTM engineers, scientists and technicians working out of our Montreal office and our 3,800 m2 demonstration facility, PyroGenesis maintains its competitive advantage by remaining at the forefront of technology development and commercialization. Our core competencies allow PyroGenesis to lead the way in providing innovative plasma torches, plasma waste processes, high-temperature metallurgical processes, and engineering services to the global marketplace. Our operations are ISO 9001:2008 certified, and have been since 1997. PyroGenesis is a publicly-traded Canadian company on the TSX Venture Exchange (Ticker Symbol PYR.V). For more information, please visit www.pyrogenesis.com

UPSIDE ENGINEERING'S, JASON KEERAK, P.ENG. NAMED AN OILWEEK RISING STAR FOR 2014

Calgary-based Upside Engineering, one of western Canada's fastest growing engineering and design firms in the energy sector, is pleased to announce that Jason Keerak, Vice President of People and Culture, has been named one of Oilweek's Rising Stars.

Oilweek has been honouring up-and-comers in Canadian oil and gas since 2007. Nominees are judged annually on criteria ranging from professional achievements and experience to leadership and community involvement. For more information about Oilweek Rising Stars go to: Oilweek Rising Stars

"This is a great honor to be a part of the Rising Stars Class of 2014, especially with Upside recently being named one of Canada's Best Managed Companies for 2013" said Jason Keerak, Vice President of People and Culture at Upside. "Our focus on empowering our people and innovating solutions for our clients has positioned us well for the future".

"I am excited for the future of Upside," said Rod Evans, President & Chief Executive Officer of Upside. "We are blessed with a talented, cohesive and dedicated team that delivers quality engineering solutions to our clients, has fun and supports a respectful office environment."

Calgary-based Upside Engineering is one of the leading engineering, procurement, and construction support companies in Western Canada, offering the full spectrum of engineering and design services. Founded in 1989 – Upside is celebrating its 25th anniversary this year. The privately held firm has over 325 personnel and has played a key role in some of Western Canada's most significant energy sector projects. Upside was recently named one of Canada's Best Managed Companies for 2013.

To learn more about Upside Engineering, you can go to our website (www.upsideeng.com).

Upside Engineering's, Jason Keerak, P.Eng. named an Oilweek Rising Star for 2014

Calgary, AB (April 21, 2014) – Calgary-based Upside Engineering, one of western Canada's fastest growing engineering and design firms in the energy sector, is pleased to announce that Jason Keerak, Vice President of People and Culture, has been named one of Oilweek's Rising Stars.

Oilweek has been honouring up-and-comers in Canadian oil and gas since 2007. Nominees are judged annually on criteria ranging from professional achievements and experience to leadership and community involvement. For more information about Oilweek Rising Stars go to: Oilweek Rising Stars

"This is a great honor to be a part of the Rising Stars Class of 2014, especially with Upside recently being named one of Canada's Best Managed Companies for 2013" said Jason Keerak, Vice President of People and Culture at Upside. "Our focus on empowering our people and innovating solutions for our clients has positioned us well for the future".

"I am excited for the future of Upside," said Rod Evans, President & Chief Executive Officer of Upside. "We are blessed with a talented, cohesive and dedicated team that delivers quality engineering solutions to our clients, has fun and supports a respectful office environment."

Calgary-based Upside Engineering is one of the leading engineering, procurement, and construction support companies in Western Canada, offering the full spectrum of engineering and design services. Founded in 1989 – Upside is celebrating its 25th anniversary this year. The privately held firm has over 325 personnel and has played a key role in some of Western Canada's most significant energy sector projects. Upside was recently named one of Canada's Best Managed Companies for 2013.

To learn more about Upside Engineering, you can go to our website (www.upsideeng.com).

HIGH ARCTIC DECLARES MONTHLY DIVIDEND

High Arctic Energy Services Inc. (TSX: HWO) ("High Arctic" or the "Corporation") is pleased to announce that its Board of Directors has approved a monthly dividend payment of $0.015 per share to holders of common shares. The dividend is payable on May 14, 2014, to holders of High Arctic common shares of record at the close of business on April 30, 2014. The ex-dividend date is April 28, 2014. The dividend is designated as an "eligible dividend" for Canadian Income Tax purposes.