

Media Advisory

August 9, 2011

INUVIK, North West Territories - Inuvik Gas Ltd. today announced that in collaboration with the Town of Inuvik and the Government of the Northwest Territories, it has initiated plans to construct the first stage of a propane air system that will provide a back-up energy supply to the Town of Inuvik in the unlikely event of a natural gas outage. The design work for the system is complete and is targeted to be in place ahead of the 2011-2012 winter season.

Inuvik Gas Ltd. and its natural gas supplier, the Ikhil Joint Venture, represent the first natural gas development project north of the Arctic Circle. Inuvik Gas provides safe, low cost natural gas to 87 percent of Inuvik residents and businesses with access to its distribution system and has been operating in the area since 1999.

Earlier this year, a program to repair one of the two gas wells at Ikhil was unsuccessful, and the well remains shut in. Natural gas production from the remaining well at Ikhil continues to meet the demand of Inuvik Gas Ltd. and its customers in the town of Inuvik, and the Northwest Territories Power Corporation.

"We are committed to the safety of our customers and to ensuring there is a back-up fuel supply to the town of Inuvik should there be an interruption to natural gas service", said Bud Seens, General Manager, Inuvik Gas Ltd. "A propane air system can be implemented without physical changes to homes and business and allows a seamless transition between the fuels. This maintains our utility customers' ability to continue to use natural gas over the long term."

As part of IGL's and Ikhil's long-term commitment to providing natural gas supply to the community, the Ikhil Joint Venture has also begun to evaluate a number of other options including the viability of drilling a new well.

"In addition to implementing the propane air system," added Mr. Seens, "the goal of Inuvik Gas is to make sure there is not only a short-term term back-up supply in place but to ensure a long-term future natural gas supply for the community."

For more information, please contact:

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Inuvik Gas Ltd. distributes natural gas to approximately 940 commercial and residential customers in the town of Inuvik in the Northwest Territories. A well at Ikhil, located 50 kilometers northwest of Inuvik on the Mackenzie River, supply Inuvik Gas Ltd. and the Northwest Territories Power Commission. Inuvik Gas Ltd. and the Ikhil Joint Venture are owned by the Inuvialuit Petroleum Corporation, AltaGas Ltd. and ATCO Midstream NWT Ltd.