



FACULTY OF LAW

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Pieridae Alberta Production Ltd.
308 – 4th Avenue S.W., Suite 3100
Calgary, Alberta
Canada T2P 0H7

Attention: Mr. Alfred Sorensen

I am writing this letter to retract certain remarks attributed to me regarding the purchase by Pieridae Alberta Production Ltd. (“Pieridae”) of certain natural gas resource properties and associated facilities and infrastructure from Shell Canada on October 16, 2019. These remarks were included in an article titled “Shell Game” (the “Article”) written by Mr. Andrew Nikiforuk and published by The Tyee on and after May 20, 2020. The remarks in question were contained in the following two paragraphs in the Article:

Shaun Fluker, a University of Calgary law professor who has watched marginal companies operate in the patch for years, told The Tyee that, “I don’t think there is any credible operator on the planet who would agree to take on this kind of aging infrastructure with those kind of liabilities. The cost of cleaning it up will be astronomical.”

He suggested that Pieridae’s purchase from Shell was part of a larger strategy to make the company more appealing for prospective buyers and to reassure potential German investors that it had some methane to fill its proposed terminal. Pieridae, said Fluker, just needed “the assets to tell part of their LNG story. It is a house of cards and the company has no intention of doing that reclamation work.”

The remarks attributed to me in the Article were based on information known to me at the time, including a decision letter issued by the Alberta Energy Regulator on May 13, 2020. Subsequent to the publication of the Article, Pieridae has provided me with additional information about your company. I appreciate the opportunity to have further dialogue with Pieridae on this very important subject. On the basis of this dialogue, I hereby retract the remarks attributed to me in the Article suggesting Pieridae lacks an intention of meeting its regulatory responsibility for closure, remediation, and reclamation activities in relation to the natural gas resource properties and associated facilities and infrastructure acquired from Shell Canada. I will also be asking the Tyee to retract the line “It is a house of cards and the company has no intention of doing that reclamation work” from the Article.

Yours truly,

A handwritten signature in black ink, appearing to read "S. Fluker".

Shaun Fluker
Associate Professor of Law