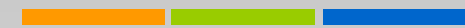


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GS E&C, 310 Million CAD Project LOA Received Canada Oilsand Project

July. 2010

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1. Project Overview

GS E&C was awarded CAD 310 million the Black Gold oil sand project as an EPC contractor. It is located at Alberta, Canada.

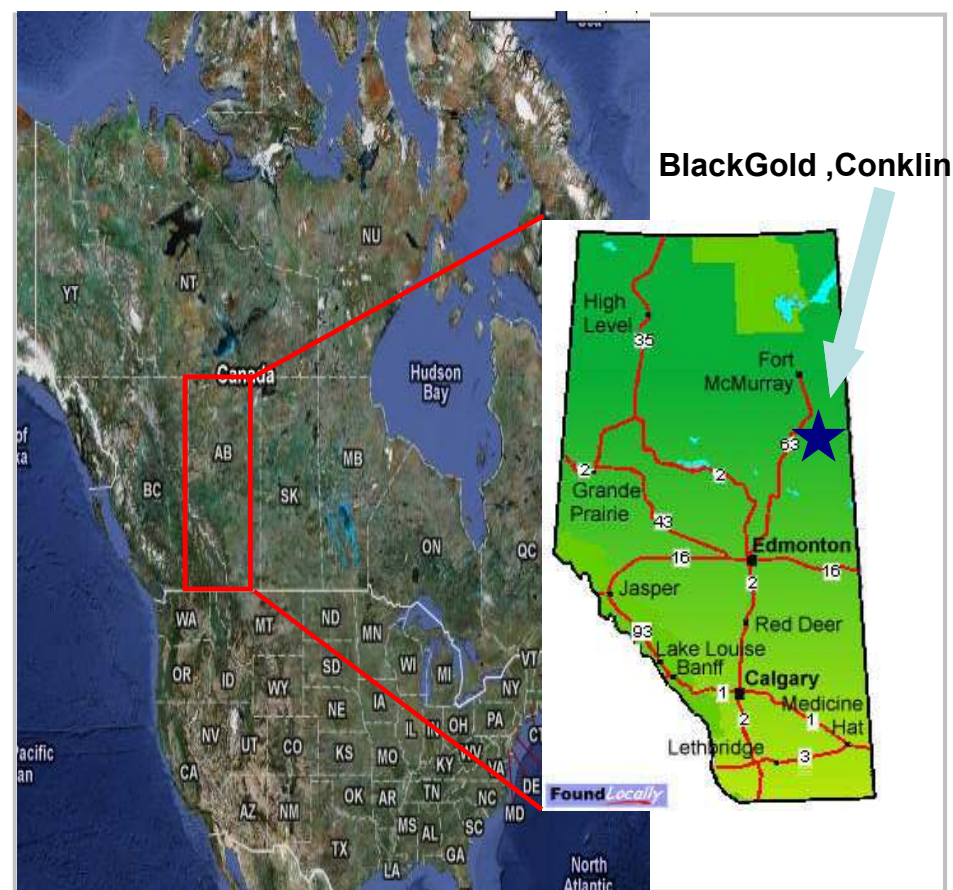
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Overview

Location	Alberta, Canada
Sponsor	Harvest Energy : Subsidiary Company of Korea National Oil Corporation
Finance	Client Own Fund
Facility	* SAGD Method Bitumen 10,000bpd (Phase I) - Infrastructure / Utility
Contract Type	Lump Sump T/K
Period	26 Months
Amount	CAD 310 Mil.

Location



* SAGD : Steam Assisted Gravity Drainage

2. Risk Analysis and Experience

GS E&C will hedge expected risks, and will successfully execute this project with the various experiences from other similar projects which are used by the module method of construction.

Capability	<ul style="list-style-type: none"> • Similar experience on the successful completion of Yeosu, HOU No.2,3 and China, Lidong Aromatics project
Payment	<ul style="list-style-type: none"> • Reliable client (State-running company) • Advance payment(10%) and Progress down payment
F/X Risk	<ul style="list-style-type: none"> • F/X forward contract in order to hedge F/X risk
Others	<ul style="list-style-type: none"> • Preparing for contingency cost

Projects executed by the module method

Project	Type	Period
Yeosu, HOU NO.3	Group	2007 ~ 2010
Yeosu, HOU NO.2	Group	2005 ~ 2008
China, Lidong Aromatics	private	2004 ~ 2007

Introduction



Location	the Northern of the North America
Population	33.14 Million (2008)
Capital	Ottawa
Language	English, French
Religion	Catholic 43%, Protestant 23%
Area	9,984,670 km2
GDP	USD 43,485 (2007)

3. Prospect

- The Black Gold oil sand project is a construction of In-situ (Steam Assisted Gravity Drainage- SAGD) process. This project is located at Alberta, Canada which is 360 km away from Edmonton and 670 km away from Conklin. GS E&C executes whole engineering, procurement and construction. And this project will contribute to increase annual revenue by 150 billion won.
- Oil sand business was economically infeasible with high cost, 20 ~ 25 dollar per barrel. As oil price has recently been increased over 70 dollar per barrel, this business has value with increased demand.
- Awarding the Black Gold oil sand project in Canada, GS E&C enforces its competitiveness of the oil sand field. Furthermore, it is expected that GS E&C will have the advantages for the Phase 2 oil sand project in Canada.



< No.2 HOU Project / Korea (2007) >



Appendix 1) Summary

◆ Definition

- ✓ Oil sand is the mixture of clay, sand, water and bitumen, middle crude oil
- ✓ 1 barrel of the crude oil is produced from 2 tons of oil sand.



◆ Area

- ✓ Saudi Arabia : 26.43 billion barrels of crude oil
- ✓ Venezuela : 80 billion barrels of crude oil
270 billion barrels of oil sand
- ✓ Canada : 4.7 billion barrels of crude oil
175 billion barrels of oil sand

◆ Process

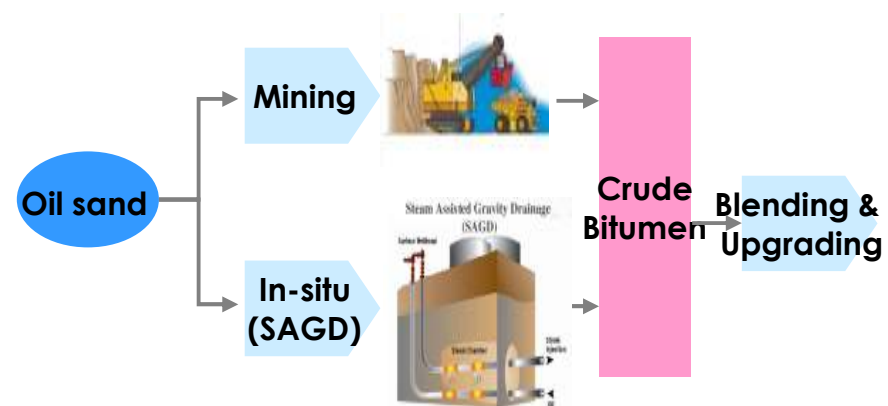
- ✓ Surface mining process

:Soil is removed to expose sand. The oil sand is poured into a crusher to break. After the slurry enters a separation vessel, the bitumen can be processed into crude oil.

- ✓ In-situ process (SAGD)

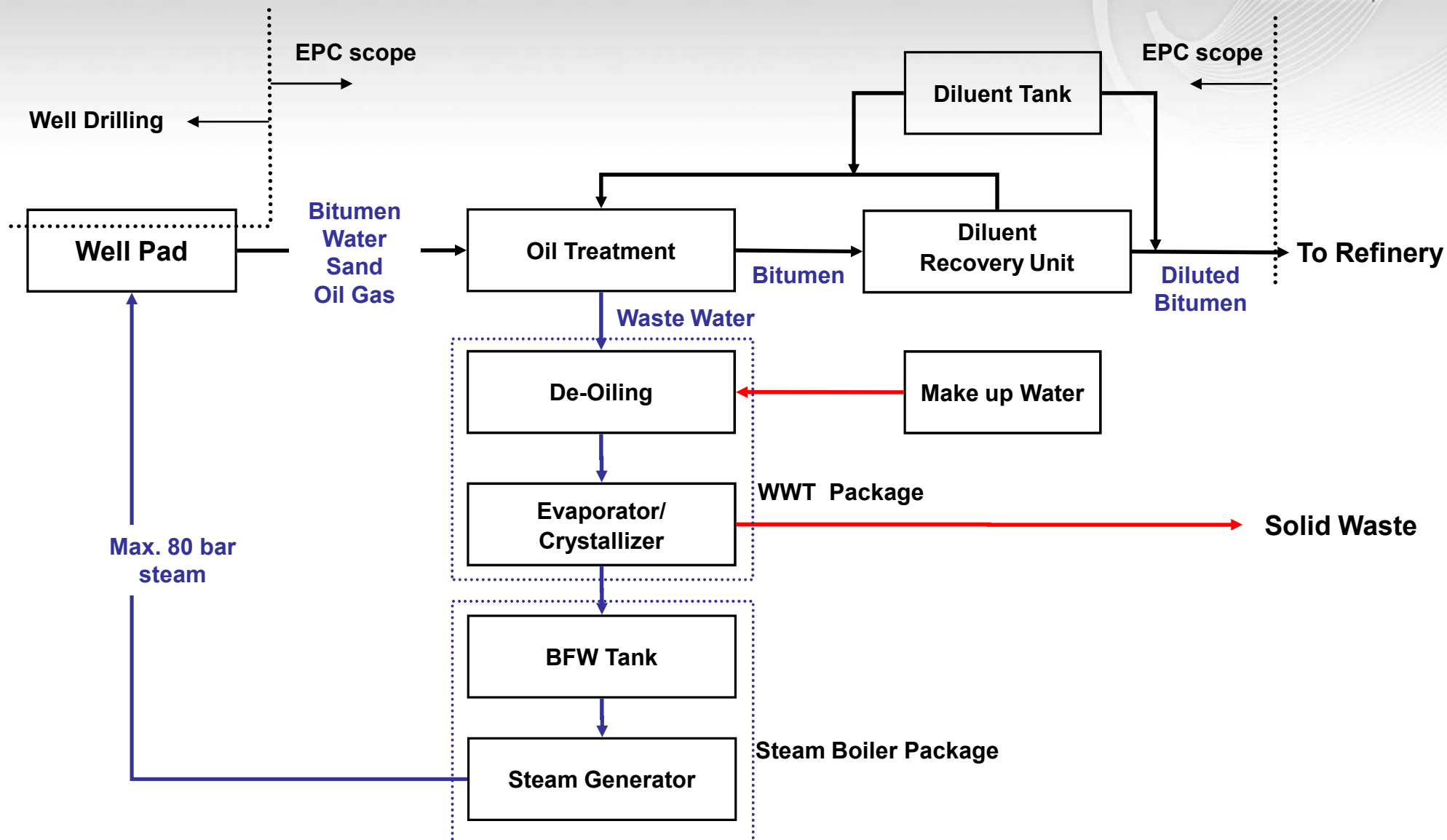
:High-pressure steam is injected into the oil sand deposit. Heat softens the bitumen and separates it from the sand. After the bitumen is pumped up to the surface, it is ready for processing into crude oil.

➤ In-situ process has been preferred to surface mining process because of the environmental pollution like waste water, greenhouse gas etc.



Appendix 2) Process

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Appendix 3) Overseas Project

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	Description	Project	Client	Project Type	Contract Amount Unit: USD	Project Period
Under Construction	UAE	Ruwais Refinery Pkg7	Takreer	Civil	524 mil	2009 – 2014
	UAE	Ruwais Refinery Pkg2	Takreer	RFCC	3.11 bn	2009 – 2014
	Oman	SNDC	Petroleum Development Oman	Gas	220 mil	2009 – 2013
	UAE	Ruwais 4 th NGL Train	GASCO	Gas	1.2 bn	2009 – 2013
	Singapore	C913	LTA	Civil	310 mil	2009 – 2015
	Singapore	Depot C911	LTA	Civil	144 mil	2009 – 2015
	Vietnam	Hanoi~Haiphong	VIDIFI	Civil	175 mil	2008 – 2011
	Saudi Arabia	Manifa	Aramco	Gas	501 mil	2008 – 2011
	UAE	Green Diesel	Takreer	VDU Hydrocracker	1.13 bn	2008 – 2011
	Thailand	PTT LNG	PTT LNG Co., Ltd.	LNG Terminal	393 mil	2008 – 2011
	Egypt	ERC Hydrocraker	ERC	Hydrocracker	2.17 bn	2007 – 2013
	Armenia	Yerevan Power Plant	YTPP	Power Plant	218 mil	2007 – 2010
	Oman	Salalah Methanol	SMC	Methanol	722 mil	2007 – 2010
	Thailand	HMC PP	HMC Polymers Co. Ltd.	Poly Propylene	176 mil	2007 – 2010
	Oman	Aromatics	AOL	Aromatics	1.25 bn	2006 – 2010
	Qatar	Laffan Refinery	QP 80% + Exxonmobil 10%+TotalFinaElf 10%J/V	Refinery	370 mil	2005 – 2010