

Questerre reports on proposed ban in Quebec

22.02.2022 | [GlobeNewswire](#)

CALGARY, Feb. 22, 2022 - [Questerre Energy Corp.](#) ("Questerre" or the "Company") (TSX, OSE: QEC) issued a report to shareholders following the introduction by the Government of Quebec of Bill 21, *An Act mainly to end petroleum exploration and production and the public financing of those activities*.

Michael Binnion, President and Chief Executive Officer of Questerre, stated, "Our company has more than a thirty-year history in the natural gas industry in Quebec. Our founding shareholder, Terrenex, and its partners, drilled our first well here in 1991. The law proposes to revoke and cancel our license agreements that were freely entered into by the Province of Quebec at relevant times. It also expropriates our property rights with no meaningful compensation instead of reaffirming the principle of just compensation based on adequate value."

Over the years, we entered into many different license agreements with the Government of Quebec that clearly outlined our rights and obligations. We were required by the province to spend a substantial amount of money each year to explore for natural gas in Quebec. We were also responsible for safety and the environment. In return, we were granted rights to produce any discovery we made. We fulfilled our duties and safely operated under these agreements with virtually no complaints or problems. During this time, we were in good faith investing money in the province while the Quebec Government administered our agreements in a fair and reasonable manner.

Things changed when we finally made a potentially very commercial discovery. After years of no issues, suddenly there were complaints when we proposed to appraise and produce our discovery, not just spend money.

For some historical context, in the 1970s oil and gas policy changed dramatically in Quebec. The new policy was to make Quebec independent in energy. It was a strategic imperative that the province would be better off using its own resources. To this end, a provincially owned oil and gas company, Soci t  Quebecoise d'Initiatives P troli res ("SOQUIP"), was started in 1970 to use Government money to explore for oil and gas. SOQUIP was reorganized after spending millions and not making a significant discovery. To facilitate more rapid exploration, in 1982, the Government expropriated resource rights from thousands of Quebecers and gave them fair and just compensation of a royalty in return.

The policy attracted private companies like ours who did eventually find success. The royalties granted to private citizens are now very valuable due to our work. The proposed law will expropriate these royalties from thousands of Quebecers with zero proposed compensation. There is no representative of these Quebec citizens being consulted by the Government on Bill 21.

After our discovery, we were told by successive Governments that our project required social acceptability in addition to legal compliance for us to produce the natural gas we discovered. We committed our company to excellence in social acceptability to comply with this new requirement.

We contributed to the Strategic Environmental Assessment on oil and gas activity conducted in Quebec. It is the most comprehensive environmental study on oil and gas in Canada. The conclusion of this study was the risks were low and manageable. We have seen through decades of experience elsewhere, that this is true.

We also consulted at length on a new energy policy in Quebec. This policy committed to a lower emissions future and included natural gas development to reach those goals. We also consulted on a new environmental law and regulations that are among the strictest in North America. We also consulted on a new Green Book and hydrocarbon law and the associated regulations. Up until September 2018, the Government of Quebec promised us a legal framework to obtain social license and comply with our license agreements. Even after 2018, the new Government indicated if our project gained social acceptability it could

proceed.

We responded to the guidelines of the Green Book and the public comments on social acceptability of the new Government. Over this time, we engaged in considerable and comprehensive discussions and consultation with stakeholders. Based on the feedback from citizens of Quebec, including through several BAPE processes, we completely redesigned our approach to production and even consumption of natural gas.

In good faith, we committed to processes for near zero impact development, with a goal of zero emissions, zero toxic fluids, zero drinking water impact and zero fracturing. We agreed to give towns a share of profits and secured their support. We received support from many farmers groups and unions. We also agreed to give First Nations an interest in the net profits and an equity option covering their traditional territories. The new law proposes to confiscate these interests from First Nations with no compensation and the First Nations have not been invited to the consultations on the law.

As a result of our work, according to Leger polling from last fall, only 13% of Quebecers oppose our project with its new design. We believe it is more than fair to claim we have achieved social acceptability in Quebec. When we approached the Government with our new zero impact approach and confirmation that we believed we had reached a fair level of social acceptability, the unexpected response was to announce publicly a ban on Quebec oil and gas production. The reason given was to reduce greenhouse gas emissions in spite of independent evidence and studies, that demonstrate local production materially reduces global emissions. Local natural gas would use new carbon technology and avoid emissions from the long-range processing and transportation of natural gas.

Given our over thirty-year history of operating responsibly according to our license agreements and the law, plus our obvious and successful social acceptance progress, the Government announcement that it will break its agreements with us and its word to us, seems arbitrary and capricious. We understand the Government believes it has the prerogative to change its mind, change the law and not follow its own contracts. Yet, we are unaccustomed to see a developed nation confiscate the rights and ownership of its honest contractual partners while not even offering them fair, just and adequate compensation.

From an environmental perspective, this 'ban and block' approach has been proven ineffective time and time again for emissions and society. Ironically, this outdated mindset will lock Quebec into substantially higher emissions for much longer, likely decades. The modern approach is to transform our energy sources to low emissions energy with new carbon technology. This has led to our circular economy model to move forward on both the environment and energy in Quebec. As a result, there is no public utility in revoking our license agreements; it will instead make the global environment worse, and the province will continue to support and to be dependent upon others for its natural gas supply.

This is contrary to all sustainable development rules. One of which being, that the site of production should always be as close as possible to the site of its consumption. It is that principle which forbids Quebec from shipping its waste to less developed countries.

Through following the law, and spending hundreds of millions over a long period of time, we succeeded in finding something of great value. The Quebec Government may decide to block us from developing it and revoke our licenses and its word. But the discovery once made cannot be undiscovered and it has tremendous value to whomever owns it.

We think the Government of Quebec is making a fundamental mistake on a project that enhances Quebec society and has broad popular and local support. However, even if the Government chooses not to produce it but to keep it as a strategic reserve of natural gas, it confers great value to the citizens of Quebec. Though it is more likely, a future Government will choose to produce and profit from this giant gas field, as modern energy transformation technology becomes obvious to all. Whatever the Government pays us will be much, much less than the value to Quebec and its citizens. It is an unfair deal for our thousands of small shareholders compared to the opportunity to develop our discovery as originally agreed and promoted by the Government.

After all this time and our significant investments, we will of course spend whatever time and money is required for our many individual and institutional investors from Norway, Canada and around the world to be

treated fairly. We have been blessed with loyal shareholders who have supported our efforts to succeed in Quebec, including backing us on a world-leading approach to energy transformation. We plan to work to amend and improve this law through the consultation process and the collaboration of other interested parties, and take whatever action appears necessary to protect our rights. The province has created legitimate expectations that investors would be treated fairly. It cannot simply fail to satisfy these expectations it has fueled and promoted. Predictability and trust are two defining components of free market economies seeking foreign investment. Bill 21 lacks both.

Mr. Binnion added, "It is not reasonable the actual impacted parties are not included in the consultations for this proposed law. Our efforts will also go to protecting small towns, ordinary Quebec citizens and First Nations who like our shareholders are equally impacted by the arbitrary approach of Bill 21. Given our project is demonstrated to be aimed at reducing global environmental impacts, there is no public utility in disadvantaging so many groups and the reputation of Quebec as a free society."

We acknowledge and greatly appreciate that every day Quebecers have been open minded and that by listening to their concerns, and changing our approach, they responded with their support. We know this is not an issue of Quebec culture and ordinary Quebecers who are fair minded people who we count as friends.

Our future depends on progress and discoveries. Progress does not arise from bans or boycotts. It comes from innovative ways to use what we know, and what we discover, differently.

Questerre is an energy technology and innovation company. It is leveraging its expertise gained through early exposure to low permeability reservoirs to acquire significant high-quality resources. We believe we can successfully transition our energy portfolio. With new clean technologies and innovation to responsibly produce and use energy, we can sustain both human progress and our natural environment.

Questerre is a believer that the future success of the oil and gas industry depends on a balance of economics, environment, and society. We are committed to being transparent and are respectful that the public must be part of making the important choices for our energy future.

For further information, please contact:

[Questerre Energy Corp.](#)

Jason D'Silva, Chief Financial Officer
(403) 777-1185 | (403) 777-1578 (FAX) | Email: info@questerre.com

Advisory Regarding Forward-Looking Statements

This news release contains certain statements which constitute forward-looking statements or information ("forward-looking statements") including, Questerre's commitment to processes for near zero impact development with a goal of zero emissions, zero toxic fluids, zero drinking water and zero fracturing, Questerre's plan to seek to have Bill 21 amended or, if necessary, enforce its rights under its agreements with the Government of Quebec and the potential impacts of Bill 21 on Questerre, First Nations and Quebecers. Forward-looking statements are based on several material factors, expectations or assumptions of Questerre which have been used to develop such statements and information, but which may prove to be incorrect. Although Questerre believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Questerre can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Further, events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, including, without limitation: the implementation of Bill 21 by the Government of Quebec and certain other risks detailed from time-to-time in Questerre's public disclosure documents. Additional information regarding some of these risks, expectations or assumptions and other factors may be found under in the Company's Annual Information Form for the year ended December 31, 2020, and other documents available on the Company's profile at www.sedar.com. The reader is cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof and Questerre undertakes no obligations to update publicly or revise any forward-looking statements,

whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Certain information set out herein may be considered as "financial outlook" within the meaning of applicable securities laws. The purpose of this financial outlook is to provide readers with disclosure regarding Questerre's reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/407642--Questerre-reports-on-proposed-ban-in-Quebec.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).