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NEWFOUNDLAND AND LABRADOR REFINING CORPORATION OBTAINS COURT ORDERED STAY OF PROCEEDINGS

St. John's, Newfoundland and Labrador: Newfoundland and Labrador Refining Corporation ("NLRC") is pleased to report that the Supreme Court of Newfoundland and Labrador has today ordered that the Petition for a Bankruptcy Order and application for an Interim Receiver sought by BAE-Newplan Group Limited, a subsidiary of SNC-Lavalin Inc., is subject to the stay of proceedings against actions by creditors sought by NLRC. The stay will allow NLRC to formulate a proposal for restructuring and to continue its ongoing efforts to attract financing and/or partners for the project.

"We are very pleased that the obstacle presented by BAE-Newplan to our restructuring process has been removed", commented Brian Dalton, Managing Director of NLRC. He added, "NLRC can now resume its focus on the marketing of this valuable project to potential partners and financiers".

Since filing its application, NLRC has been working under the supervision and guidance of its Trustee, Ernst & Young Limited, to move forward through the proposal process. NLRC management is currently working with its advisors to determine the optimal method of restructuring, which may include the sale of its assets, financing or the inclusion of partners in project construction.

For further information about the proposed oil refinery project, please visit the company website at www.nlrefining.com or contact our corporate office.

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