



1.0 HEALTH, SAFETY & ENVIRONMENT POLICY STATEMENT

Caltex Energy Inc. (Caltex) is committed to conducting their activities in a manner that will safeguard the health and safety of our employees and the public, and preserve the quality of the environment for future generations. Management, employees and contractors share responsibility for providing the leadership and direction needed to effectively manage the required plans and programs.

We believe exemplary performance in the areas of health, safety and the environment is essential to fulfilling our business goals and meeting the needs and expectations of our many stakeholders. Our commitment is to integrate the following objectives into the decisions affecting our operations:

- Ensure that employees and contractors have the abilities needed to attain these goals.
- Ensure employees and contractors strive to meet or exceed all regulatory requirements and industry standards.
- Promote consultation with the public, government agencies and other stakeholders regarding company operations and be responsive to their concerns.
- Ensure that emergency response capabilities are in place and that periodic tests are completed.
- Report all accidents and conduct investigations that result in the improvements needed to prevent reoccurrence.
- Conduct audits and assessments of company operations to identify risks and take proactive steps that reduce or prevent exposure.
- Encourage innovative solutions that will help us improve our health, safety and environment.

We expect excellence in safety, health and environmental performance to be achieved through the support and active participation of all management, employees and contractors working for Caltex.

(signed) "Thomas M. Bieschke"

Tom Bieschke, President & CEO

(signed) "Brent Bracken"

Brent Bracken, VP Finance & CFO

(signed) "Brett Wrathall"

Brett Wrathall, VP Exploration

(signed) "Dan Connelly"

Dan Connelly, VP Land