

CN Signs up COSCO to Route Asian Container Traffic Via New Port of Prince Rupert Container Terminal

MONTREAL, May 14, 2007 - CN announced today it has signed a contract with COSCO Container Lines Americas, Inc., under which COSCO will become the first steamship company to route Asian freight over the new Port of Prince Rupert container terminal and CN's North American rail network.

COSCO will commence service via the Port of Prince Rupert and CN for container shipments between Asia and the North American markets starting in the fourth quarter of 2007.

James M. Foote, CN's executive vice-president, Sales and Marketing, said: "CN is delighted to have COSCO as its first customer to call on the Prince Rupert container terminal, a new North American gateway for Asian trade.

"Our partnership with COSCO, and Prince Rupert container terminal operator Maher Terminals of Canada Corporation, is clear recognition of the competitive advantages of the new port facility and CN's rail network reach and superior service offering. The Rupert-CN-Maher combination will inject meaningful port-rail-terminal capacity into the global supply chain, and will offer shippers the fastest, most efficient and most cost-effective routing for Asian traffic destined to and from the interior of North America."

Phase 1 of the Prince Rupert terminal project will have initial throughput capacity of 500,000 TEUs (twenty-foot equivalent containers) annually and is part of a broader plan to build a facility capable of handling two million TEUs per year.

COSCO Container Lines Americas, Inc., is part of China Ocean Shipping (Group) Company, headquartered in Beijing, China. Founded on April 27, 1961, as the pioneer of international shipping carrier in China, together with the reconstruction of national transportation resources on February 16, 1993, COSCO has grown into a US\$17 billion corporation by clearly focusing on the goal of enabling commerce around the globe. It is an international giant, specializing in shipping and modern logistics, serving as a shipping agency and providing with services in freight forwarding, shipbuilding, ship-repairing, terminal operation, trade, financing, real estate and IT industry as well with an aim at taking one of the leading roles in these areas.

Maher Terminals, Inc., headquartered in New Jersey, is one of the world's largest independent multi-user container terminal operators. Maher is not only a vital link in the cargo movement chain, but it is also responsible for helping its customers compete in the world marketplace by handling their cargo as expeditiously and economically as possible. Founded in 1946, Maher operates the largest multi-user container terminal in North America in New Jersey, with a capacity in excess of two million containers (3.4 million TEUs) per annum.

Strategically located at the North American entry point of the North West Transportation Corridor, the Port of Prince Rupert links the fast-growing Asian markets to one of the world's largest industrial and consumer powerhouses. With modern terminals and the availability of vast

industrial development property, congestion free facilities provide transit time and cost-saving opportunities for shippers and producers.

Superior connections mean efficient access to the entire North American continent. With the deepest harbour in North America, the Port of Prince Rupert is set for continuous activity catering to the world's largest vessels. Along the Mid-West Express, the Port of Prince Rupert is the essential link to the New World Economy.