

For Immediate Release

Port of Prince Rupert Works to Engage Tsimshian First Nations in Consultation on Fairview Container Terminal Expansion

Prince Rupert, B.C.; April 26, 2007 – The Prince Rupert Port Authority (PRPA), in cooperation with the Government of Canada and the Province of British Columbia, has initiated consultations with the Metlakatla, Lax Kw'alaams, Kitselas and Kitkatla First Nations bands of the Tsimshian First Nations for Phase 2 of Prince Rupert's Fairview Container Terminal project.

“We are excited to be progressing on the planning and engineering for the proposed expansion of the Fairview Container Terminal and are committed to conducting ongoing meaningful consultations with the Tsimshian First Nations on Phase 2.” explains **Don Krusel**, Prince Rupert Port Authority President and CEO. “We are making every effort possible to engage the First Nations bands by soliciting their comments on project plans, mitigate where possible any potential adverse impacts on current uses for traditional purposes of the lands, or provide compensation where these traditional activities may be lost. As part of this dialogue, we hope to explore how their communities, as well as other communities in the area, can benefit from the construction and operations of the container terminal.”

Letters inviting First Nations input into the project and participation in the consultation process for the Phase 2 expansion of Fairview Terminal were delivered last week.

Following extensive consultation and negotiations with the Metlakatla and Lax Kw'alaams bands (Coast Tsimshian) on Phase 1 of the Fairview Container Terminal, an Offer of Accommodation was presented on February 28, 2006.

The \$7.65 million Offer of Accommodation, of which approximately two-thirds was specifically for the Metlakatla and Lax Kw'alaams bands, featured employment opportunities, human resource development initiatives, and support for First Nations business ventures associated with the Port development. The Coast Tsimshian did not respond to the offer, instead choosing to launch legal action through the courts asserting that they have not been adequately consulted and accommodated for Phase 1.

The Coast Tsimshian were advised by the Government of Canada in a letter dated May 22, 2006 that the Phase 1 consultation process was complete.

However, says Krusel, PRPA and project contractors continue to live up to the spirit of the Offer of Accommodation by hiring local qualified First Nations people and subcontracting to First Nations-owned businesses whenever possible.

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“We are disappointed that the Coast Tsimshian have chosen to take Court action or threaten direct protest rather than respond to the Offer of Accommodation presented upon the completion of the extensive consultation process.” says Krusel. “We are confident the Crown will demonstrate to the Court that meaningful consultation did occur, that the consultation was appropriate, and that indeed a generous Offer of Accommodation was made as a result of that consultation. We must stress that this issue is currently before the Courts and has been not been ruled on, contrary to statements made by the Coast Tsimshian. In the meantime, we welcome the opportunity to engage the local Tsimshian First Nations in meaningful consultations to ensure they and their communities achieve significant and long term economic and social benefits from the construction and operation of Phase 2.”

Phase 1 of the Fairview container terminal project, with a 500,000 TEU (20-foot equivalent units) capacity, is more than 75 per cent complete and on schedule to receive the first container ship in October 2007. The planning for Phase 2, to extend the terminal to handle an additional 1.5 million TEUs, is in progress with construction targeted to begin in late 2008 and completed in 2011. In addition to the consultation process, the Port of Prince Rupert has also begun the environmental assessment for Phase 2.

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