

*For Immediate Release*

## **Port of Prince Rupert** **2008 Cargo Traffic Steady, Despite Global Economic Decline**

**Prince Rupert, B.C.; January 21, 2009** – Led by a surge in container traffic through the Fairview Terminal, the Port of Prince Rupert handled 10,587,848 tonnes in 2008, a slight increase over 2007, despite a global economic downturn that has resulted in declining traffic through most other North American West Coast ports.

Fairview Terminal handled 181,890 TEUs (20-foot equivalent units) from 78 vessels in its first full year of operations, following the facility's opening in late October, 2007. The terminal's throughput for the first six months was 42,555 TEUs, before jumping more than 300 per cent in the second half of 2008 with 139,335 TEUs as a result of the addition of the second COSCO/CKYH Alliance service in July. In the fourth quarter, the terminal operated at greater than 60 per cent of its 500,000 TEU capacity with a throughput of 79,106 TEUs.

"The opening of the Fairview Container Terminal in 2007 was an important step toward connecting the Canadian economy to the developing economies of Asia and solidifying Canada's position as a leader in international trade in the Asia Pacific Region," says PRPA Board of Directors Chair **Dale MacLean**. "The new express gateway is providing shippers with unparalleled speed and reliability, a competitive advantage in their supply chain management, while the Fairview Terminal has created a solid foundation for economic activity in Western Canada and a stimulus for new investment across the region."

Prince Rupert Port Authority (PRPA) President & CEO **Don Krusel** says the second half surge in traffic reflects the growing confidence of shippers in the competitive advantages of moving their cargo through the new Asia-North America express gateway corridor anchored by the Prince Rupert container terminal.

"The PRPA, in conjunction with our CN, Maher Terminals and the COSCO-CKYH Alliance partners, are delivering on our commitment to providing our shipping customers with unparalleled reliability, speed and cost effectiveness," notes Mr. Krusel. "This is more crucial now than ever before because the global economic turmoil is drastically affecting their businesses. The competitive advantages of shipping through Prince Rupert are delivering value to their bottom lines."

Mr. Krusel points out that the record-breaking 1.8 million tonnes of container cargo which moved through Fairview Terminal during 2008 is demonstrated proof of the success and value of the government and private-sector investment in the container terminal.

"Fairview Terminal never achieved more than one million tonnes of cargo in any given year during its first 30 years of operation as a bulk/breakbulk facility. Now, after only 14 months of operation, and with considerably more capacity for growth, the terminal is moving 80% more cargo through a brand new trade corridor into North America."

Ridley Terminals Inc. (RTI) handled 4,847,031 tonnes in 2008, down slightly from 5,085,771 tonnes in 2007. RTI experienced an increase in coking coal, petroleum coke and wood pellets, but a decrease of nearly 300,000 tonnes of coal as a result of production cutbacks by its coal producing customers.

Throughput at Prince Rupert Grain (PRG) decreased 26.3 per cent in the calendar year to 3,759,517 tonnes from 5,098,402 tonnes as a result of a 33.6 per cent drop in wheat traffic. However, PRG, which handles about 30% of grains moving through Canadian west coast ports, saw an increase in barley, canola and grain screenings in 2008.

The Port of Prince Rupert's cruise business experienced its best cruise season in its five years of operations, welcoming 63 ships and a record 103,635 passengers compared to 99,135 in 2007, and a 21% increase in passengers participating in shore excursion tours, from 25,621 in 2007 to 30,962 in 2008. The continuous improvements in the shore excursion program resonated with more passengers, who spent nearly \$2.4 million in the city on tours and excursions in 2008, up 32.4% from 2007 and 267% in 2006. In addition, the total economic impact of the cruise industry in Prince Rupert is estimated to have exceeded \$10 million in 2008.

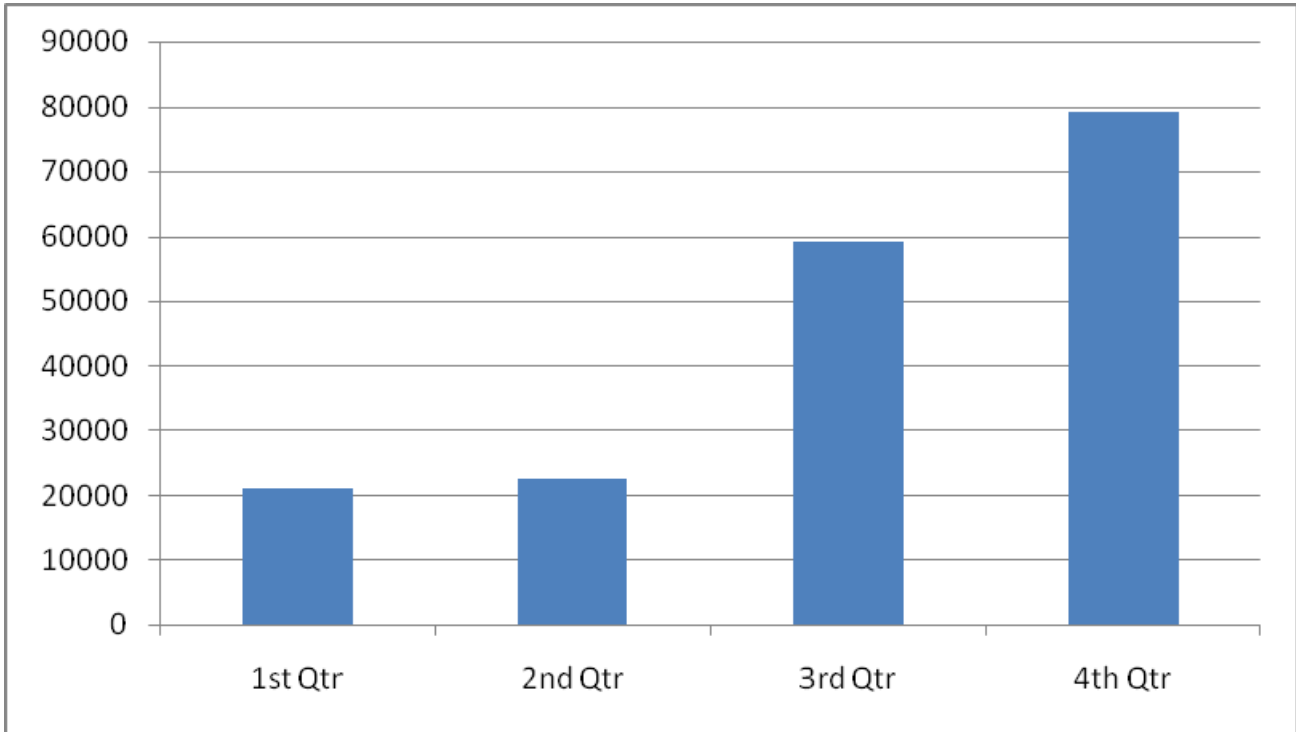
The PRPA also made significant progress on the Fairview Terminal Phase 2 expansion and Canpotex potash terminal projects. The planning component for Phase 2, a 1.5 million TEU facility, is 95% complete, including all field and marine work in preparation for construction. The PRPA is anticipating Phase 2 construction to begin in late 2010, dependent upon the concluding of the environmental assessment currently under review by federal regulatory agencies. Meanwhile, Canpotex is well into the feasibility study for its planned new potash handling terminal on Ridley Island. The facility is one of two west-coast terminal projects that will add approximately 11 million tonnes of annual potash shipping capacity to its current 12 million tonnes by the end of 2012.

- 30 -

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### **Port of Prince Rupert Backgrounder**

Strategically situated on the direct great circle route from Asia, Prince Rupert is more than a day's sailing time closer to Asia than Vancouver and Seattle and nearly three days closer than LA/Long Beach. The Port of Prince Rupert has the deepest natural harbour in North America and the safest West Coast harbour with extensive capacity to expand. Prince Rupert is connected to the fastest and most efficient rail line across the Rockies, which also has significant capacity available to accommodate Prince Rupert's growth. The Port is anchoring a high-speed 'Express Gateway' that is resulting in containers shipped from Asia arriving at their North American mid west destinations faster than through other North American ports. The Prince Rupert port Authority is building upon Prince Rupert's strategic advantages to achieve container capacity of at least 4 million TEUs by 2020, which is aligned with Asia-Pacific Gateway targets. New cruise ship facilities and a maturing cruise ship operation are also opening new opportunities to develop and grow Prince Rupert into a premier West Coast cruise port.



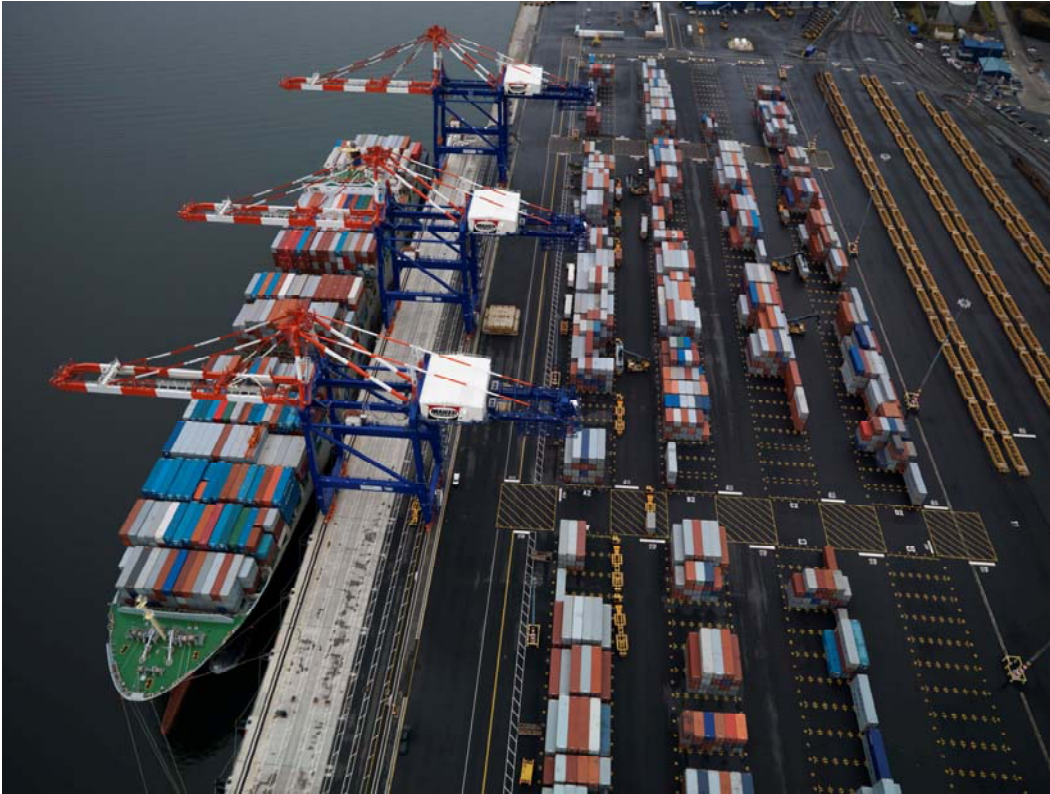
**Fairview Terminal 2008 Quarterly Container Throughput**

## Port of Prince Rupert

### 2008 Performance by Terminal

TERMINALS	Commodities	2007	2008	% Change
		<b>METRIC TONNES</b>		
<b>Fairview Terminal</b>	Containers	<b>*167,030</b>	<b>1,818,900</b>	<b>+988.9%</b>
	Wax	15,761	7,111	-54.9%
<b>Prince Rupert Grain</b>		<b>5,098,402</b>	<b>3,759,517</b>	<b>-26.3%</b>
	Barley	307,001	443,482	+44.5%
	Canola	229,568	323,465	+40.9%
	Feed Barley	63,000	0	-
	Grain Screen	11,235	14,912	+32.7%
	Wheat	4,487,598	2,977,658	-33.7%
<b>Ridley Terminals Inc.</b>		<b>5,085,771</b>	<b>4,847,031</b>	<b>-4.7%</b>
	Coal	4,402,316	4,109,428	-6.7%
	Coking Coal	260,414	307,798	+18.2%
	Petroleum Coke	357,714	358,404	+0.2%
	Wood Pellets	65,327	71,401	+9.3%
<b>Prince Rupert Harbour</b>	Logs	172,035	119,936	-30.3%
<b>CN Rail (Aquatrain)</b>	Chemicals	33,257	29,369	-11.7%
	L.P. Gas	8,987	5,984	-33.4%
<b><u>TOTAL</u></b>		<b><u>10,581,243</u></b>	<b><u>10,587,848</u></b>	<b>=</b>
		<b>TEUs</b>		
<b>Fairview Terminal</b>	Containers	<b>*16,703</b>	<b>181,890</b>	<b>+988.9%</b>
		<b>PASSENGERS</b>		
<b>Northland Terminal</b>	Cruise Passengers	98,170	103,635	+5.6%

\* *Fairview Terminal began operations Nov. 1, 2007*



Fairview Terminal is a dedicated intermodal facility. Photos courtesy CN



Kalmar reach stackers loading containers onto railcars during nightshift. The maximum dwell time of offloaded containers is 48 hours.