



REVISED FINAL DRAFT

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**CN, MAHER TERMINALS OF CANADA CORPORATION
AND THE PRINCE RUPERT PORT AUTHORITY ANNOUNCE PLANS
TO LAUNCH NEW CONTAINER TERMINAL IN FIRST-QUARTER 2007**

PRINCE RUPERT, B.C., April 29, 2005 — With \$60 million in funding for the new Port of Prince Rupert container terminal now secured from the Canadian and British Columbia governments, CN, Maher Terminals of Canada Corporation and the Prince Rupert Port Authority announced today plans to make the new terminal a reality in the first quarter of 2007.

- CN has obtained approval from its board of directors to increase its financial contribution to the terminal to \$30 million from \$15 million. Of the \$30 million total, \$15 million will be spent on the intermodal yard at the port, \$10 million on terminal trackage, and \$5 million on infrastructure improvements on CN's B.C. North line so that it can accommodate double-stack container cars.
- Maher Terminals of Canada Corporation has completed plans to proceed with a request for proposals in May 2005 for the acquisition and installation of three large container cranes at the terminal, together with supporting container handling equipment and technology, at a cost of approximately \$60 million.
- The Port of Prince Rupert is completing bank financing for its \$25-million contribution to the container terminal development.

Phase 1 of the terminal development is expected to provide initial throughput capacity of 500,000 TEUs (twenty-foot equivalent containers) per year.

E. Hunter Harrison, president and chief executive officer of CN, said: "CN is excited with the progress being made toward launching the Prince Rupert container terminal in the first quarter of 2007. CN will be ready. It has the capacity, service and transit times to make Prince Rupert a true success. CN's network will offer fast access from Prince Rupert to the key markets of Toronto, Montreal, Chicago and Memphis.

”Brian Maher, chairman and chief executive officer of Maher Terminals of Canada Corporation, said: “We’re forging ahead with our crane order and operating plan to be ready with our partners to start handling containerized goods through the port in the first quarter of 2007. Congestion at major ports along the west coast of North America remains a significant issue, and dialogue with the international steamship and shipping community indicates a real interest in using the Port of Prince Rupert for container traffic. We have a clear window of opportunity to put Prince Rupert on the world map.”

Don Krusel, president and chief executive officer of the Prince Rupert Port Authority, said: “The opening of this new terminal will not only bolster Canada’s international trading ability, but also create a new North American gateway for goods moving between Asia and the principal markets of Canada and the United States. This development will also deliver solid economic benefits to Prince Rupert and Northern British Columbia – Phase 1 of the project alone is expected to generate nearly 500 direct and indirect jobs.”

Phase 1 of the terminal project is part of a broader plan to build a facility capable of handling 2 million TEUs per year.

Canadian National Railway Company spans Canada and mid-America, from the Atlantic and Pacific oceans to the Gulf of Mexico, serving the ports of Vancouver, Prince Rupert, B.C., Montreal, Halifax, New Orleans, and Mobile, Ala., and the key cities of Toronto, Buffalo, Chicago, Detroit, Duluth, Minn./Superior, Wis., Green Bay, Wis., Minneapolis/St. Paul, Memphis, St. Louis, and Jackson, Miss., with connections to all points in North America.

Maher Terminals, Inc., a family owned and operated company 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 of vessels. Along the Mid-West Express, the Port of Prince Rupert is the essential link to the New World Economy.

This news release contains forward-looking statements. CN cautions that, by their nature, forward-looking statements involve risk and uncertainties and that its results could differ materially from those expressed or implied in such statements. Reference should be made to CN's most recent Form 40-F filed with the United States Securities and Exchange Commission, and the Annual Information Form filed with the Canadian securities regulators, for a summary of major risks.

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