

For Immediate Release

Prince Rupert Container Terminal Opening New World of Opportunities

Prince Rupert, B.C.: September 12, 2007 – The grand opening today of the Prince Rupert Fairview Container Terminal is creating a new high-speed, congestion-free trade corridor between Asia and North America. This hails a new era for Prince Rupert, a major milestone in the gateway initiatives of Canada and British Columbia, and a wave of new business opportunities for CN Rail and Maher Terminals.

“Our stars have aligned,” says Prince Rupert Port Authority President & CEO **Don Krusel**, noting the convergence of the private-public partnership to finance and complete the first dedicated intermodal container terminal in North America on schedule and on budget. “Our timing couldn’t have been better to bring on stream this high-performing container terminal to anchor a new express trade corridor. We will be able to offer both Asian and North American shippers unparalleled reliability, efficiency and speed in moving their products through our port.”

The Cdn\$170 million terminal project, with a design capacity of 500,000 TEUs (20-foot equivalent units) has been funded by five partners:

- Maher Terminals, \$60 million, including the three super-post panamax cranes
- Government of Canada: Western Economic Diversification Canada, \$30 million
- Province of British Columbia, \$30 million
- CN Rail, \$25 million towards the terminal's rail-related infrastructure
- Prince Rupert Port Authority, \$25 million

“Fifty years ago, Canada opened up Atlantic trade to North America with investments in the St Lawrence Seaway. Today, we are beginning to see investments and even greater opportunity as we open up trade corridors linking the growing Asian economies with North America through Canada’s Pacific Gateway,” says **British Columbia Premier Gordon Campbell**. “The Port of Prince Rupert is the closest port to the fastest growing economies in the world. This single expansion will create thousands of jobs in this region alone, and shift the focus of North American economies to the Pacific. I want to thank all the partners involved in this project for showing tremendous leadership and vision for our province and all of Canada.”

Campbell says the Province’s \$30-million financial contribution to Phase 1 and support for the overall terminal project reflects its commitment to the Pacific Gateway’s northern corridor and achieving two million TEUs in container traffic by 2011.

“This new terminal represents yet another step in building a world-class transportation system connecting North America to Asia,” says the **Honourable David Emerson**, Minister of International Trade and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics. “It will open extraordinary opportunities for Canadian business at home and abroad.”

"The Prince Rupert Port expansion will change the economic landscape of this region and our nation as we build stronger trade connections between Canada and Asia," says the **Honourable Rona Ambrose**, President of the Queen's Privy Council, Minister of Intergovernmental Affairs and Minister of Western Economic Diversification. "Canada's New Government is a proud partner and financial supporter of this project."

In addition, under the Asia Pacific Gateway and Corridor Initiative, the Canadian Border Services Agency will invest \$28 million to establish a state of the art container screening program.

President **Hunter Harrison** of CN, which owns and operates the northern mainline from Prince Rupert to Winnipeg, says CN appreciated the unique opportunity to work with the Port of Prince Rupert and Maher Terminals to design and construct the terminal from the ground up.

"We strongly believed in the Port of Prince Rupert's vision from the outset and, as a result of our partnership and involvement in the terminal planning process, CN's congestion-free mainline is integrated seamlessly into an ultra-modern, high-capacity container facility. This new injection of meaningful port-rail-terminal capacity into the global supply chain will offer shippers the fastest, most efficient and most cost-effective routing for Asian traffic destined to and from the interior of North America."

CN is also investing heavily in its western Canadian network, which will benefit the entire Pacific gateway, adds Mr. Harrison. These improvements include upgrades to its rail traffic control system west of Prince George and extended sidings that will result in a double track system from Prince Rupert to Memphis with the capacity to handle the four million TEUs that the Port of Prince Rupert is projecting to handle by 2015. CN has upgraded tunnel and bridge, built new intermodal terminals in Prince George and Edmonton and acquired 50 new state-of-the-art locomotives specifically to serve Prince Rupert.

Maher Terminals believed the Port of Prince Rupert could become a major cargo gateway for North America when, despite its remoteness, the New Jersey-based operator successfully bid on a 30-year lease in 2001 to establish its first terminal on the West Coast.

"We were aware of the skepticism because the conventional port model is to build near large concentrated urban areas and not in isolated areas with no local markets," explains Chair **Brian Maher**. "But our family has been in the terminal operations business long enough to know a good thing when we see it. With West Coast ports already congested and grappling with an ever increasing flow of Asian trade, we saw one of the deepest harbours in North America with no congestion, two to three days closer to Asia than any other West Coast ports and one of the best rail lines on the continent with plenty of capacity."

Mr. Krusel is quick to point out that the September 12 grand opening isn't just a celebratory event for the Port of Prince Rupert and container terminal project partners. It's also a time to recognize and show appreciation for the many stakeholders who have rallied behind the dream and help make it a reality.

“We have had tremendous help from many stakeholders to get us where we are. We’re all in this together. We’ve said all along that it’s not about simply opening a container port, but transforming the transportation corridor to create a new world of opportunities to benefit regions and communities from Haida Gwaii to Memphis.”

The grand opening includes an official ceremony in the afternoon with over 600 guests and a community celebration in the evening in which at least several thousand residents are expected to participate.

- 30 -

Contacts: Barry Bartlett, Manager, Corporate Communications
Prince Rupert Port Authority
Cell: (250) 627-9693 Phone: (250) 627-2509

Naina Sloan, A/Director General
Western Economic Diversification Canada
Cell: (604) 561-2013 Phone: (604) 666-1889

Francois Jubinville, Director of Communications
Department of Foreign Affairs and International Trade
Office of the Minister for International Trade
Phone: (613) 992 -7332

Premier Gordon Campbell
Mike Morton, Press Secretary, Office of the Premier
Cell: (250) 213-8218

Frans van Riemsdyk, Senior VP Sales & Marketing
Maher Terminals
Cell: (604) 240-7037 Phone: (201) 245-5296

Kelli Svendsen, Regional Manager Public Affairs
CN
Cell: (604) 240-7037 Phone: (604) 589-6512


Canada

 | 
BRITISH COLUMBIA | Canada's Pacific Gateway

 **Prince Rupert Port Authority**
the new world port





Backgrounder

Port of Prince Rupert

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 effective 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 will result in containers shipped from Asia arriving at their North American mid west destinations faster than through other North American ports. The Port is building upon Prince Rupert's strategic advantages to achieve container capacity of at least 4 million TEUs by 2015, which is aligned with Asia-Pacific Gateway & Corridor Initiative 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 cruise port on the west coast of North America. For more information, visit www.rupertport.com.

Asia Pacific Gateway and Corridor Initiative – Government of Canada

The Government of Canada is committed to concrete measures that contribute to a more productive, competitive economy. The Asia-Pacific Gateway and Corridor Initiative is an important example. Its purpose is to strengthen Canada's competitive position in international commerce. The Asia-Pacific Gateway and Corridor is a system of transportation infrastructure, including British Columbia Lower Mainland and Prince Rupert ports, road and rail connections that reach across Western Canada and into the economic heartlands of North America, as well as major airports and border crossings. The Asia-Pacific Gateway and Corridor Initiative is an integrated set of investment and policy measures focused on trade with the Asia-Pacific Region. Its mission is to establish Canada's Asia-Pacific Gateway and Corridor as the best transportation network facilitating global supply chains between North America and Asia.

Pacific Gateway – Province of British Columbia

British Columbia is North America's natural gateway to Asia. The Pacific Gateway Strategy builds on British Columbia's geography, ports, airports, road and rail links, identifying key transportation infrastructure. It includes policies to make British Columbia the most competitive, full-service transportation corridor between Asia and North America. The strategy is a partnership of industry and the governments of British Columbia and Canada. The Port of Prince Rupert container terminal is a vital part of the Pacific Gateway Strategy and Canada's newest link to Asia-Pacific trade. More information is available at www.th.gov.bc.ca/pacificgateway.

Canadian National Railway (CN)

CN is a leader in the North American rail industry. Following its acquisition of Illinois Central in 1999, WC in 2001 and GLT in 2004, as well as its partnership agreement with BC Rail in 2004, CN provides shippers with more options and greater reach in the rapidly expanding market for north-south trade. CN has one of the best operating ratios in this industry and is committed to moving more freight, more quickly and with fewer assets. CN is the only railroad which crosses the continent east-west and north-south, serving ports on the Atlantic, Pacific and Gulf coasts while linking customers to all three NAFTA nations. For more information, visit www.cn.ca.



Maher Terminals of Canada

Maher is one of the world's largest, independent, multi-user container terminal operators and is a leader in the development of innovative container management systems. The facility will be equipped with some of the largest cranes on the West Coast to service the newest super post-Panamax vessels that can handle up to 12,500 TEUs. Maher has facilities in the Port of New York and New Jersey where it has operated since 1946 and currently operates North America's largest marine terminal. For more information, visit www.maherterminals.com