



Press release

For immediate release

2017: WORKING TOWARDS GROWTH

SEPT-ÎLES, January 17, 2018 – The Port of Sept-Îles is pleased to announce a nearly 6% increase in the volume handled in the port with 24,231,000 tons handled in 2017 versus 22,942,000 tons the previous year. This growth is chiefly due to increased iron ore shipments from IOC Rio Tinto, Tata Steel Minerals Canada, and Société ferroviaire et portuaire de Pointe-Noire (SFPPN).

THE YEAR IN REVIEW

The year got off to a good start with long-term agreements signed between the Port and SFPPN a few weeks earlier ensuring the full potential for Pointe-Noire's future development, specifically the arrangement giving priority to the connection to the multi-user dock.

In April, Société du Plan Nord, Tata Steel Minerals Canada, and Minerai de fer Québec Inc. (MFQ), a subsidiary of Champion, agreed to form a limited partnership to mutually determine shared operational and investment costs. This approach is based on the model introduced by the Port in 2012 for the multi-user dock.

In July, the Port concluded agreements that enable SFPPN to begin building a conveyor system connecting the multi-user dock to its storage sites. The work involved the Port contributing \$2.4 million to the estimated \$15 million project. The contract was awarded to local contractor Groupe G7.

In the same month, the Port and Champion Iron Mines Limited (Champion) finalized agreements to settle their contractual dispute, conditional on closure of the financing required to resume operations at the Bloom Lake mining site. This important step occurred in October and led to Champion paying all sums due to the Port at the end of the year.

The Quebec government's November announcement of \$26.2 million in funding for MFQ's relaunch of Bloom Lake operations made the mine's reopening official and opened the door to prospective shipments to the multi-user dock starting in the first quarter of 2018.

The year ended on a positive note with the closing of important agreements geared toward easing contractual obligations for mining company partners of the multi-user dock that have not yet begun operations, namely New Millennium, Alderon, and Champion subsidiary MFQ.

In terms of cruises, we could not overlook such a fantastic year with five cruise ships and eight tall ships bringing some 8,000 passengers and crew members to experience Sept-Îles. The unexpected arrival of the prestigious RMS *Queen Mary 2* with just two weeks' notice rallied the whole community, superbly demonstrating each invaluable local partner's ability to respond with panache to the biggest challenge our port of call has ever experienced.

"In short, 2017 was marked by fruitful, ongoing discussions between the Port and its business partners to reach no fewer than ten agreements facilitating the revival of port activities and the multi-user dock's launch," said Port of Sept-Îles President & CEO Pierre D. Gagnon.

ABOUT THE PORT OF SEPT-ÎLES

Boasting diverse, state-of-the-art facilities, the Port of Sept-Îles is one of North America's largest ore-handling ports, with an expected volume of more than 30 million tons in 2018. The port facilities at Sept-Îles play a vital and strategic role in the economy of Eastern Canada. Annual economic impacts are estimated at nearly \$1 billion and almost 4,000 direct and indirect jobs.

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Source:

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