

CONTAINER TERMINAL EXPANSION WILL INCREASE PORT'S CAPACITY AND ECONOMIC IMPACT

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PRINCE RUPERT, BRITISH COLUMBIA — Maher Terminals Holding Corp., the operator of the Port of Prince Rupert's Fairview Container Terminal, today announced its decision to proceed with expansion of the 7-year-old facility, increasing its container capacity by 500,000 TEUs to accommodate growing container volumes and further enhancing the Canadian gateway's growing role in North American trans-Pacific trade.

"Intermodal customers have been capitalizing on the advantages of Prince Rupert as part of their transpacific trade solution since Fairview's first phase opened in 2007," said Don Krusel, President and CEO of the Prince Rupert Port Authority. "We're very pleased to see Maher Terminals continue delivering on the vision of fast, reliable container service — while creating new opportunities for the workers, communities, and nations who benefit from this trade gateway."

Since its conversion from a breakbulk handling operation, Fairview Container Terminal has been operated by Maher Terminals. The terminal anchors an efficient trade lane served by CN's North American Class 1 railroad providing extensive reach into both central Canada and the US Midwest. In seven years of operation, traffic through the Fairview Container Terminal has grown at the fastest pace of any container terminal in North America as shippers have discovered the advantages of speed and reliability that have come to define the Prince Rupert gateway. In 2014, impressive container growth continued, with container volume up 15% over 2013 volumes.

Maher Terminals awarded the construction contract to FRPD-BEL Gateway Joint Venture as the prime contractor. The project will provide a second deep-water berth, four additional gantry cranes, and land reclamation to further expand the container yard. On-dock rail trackage will also be expanded through densification of the current track configuration, which will be supported by a rubber-tired gantry crane operation. The terminal expansion will increase the capacity to over 1.3m TEUs annually, and is scheduled for completion in mid-2017.

Gary Cross, President and Chief Executive Officer of Maher Terminals, said, "The two-berth, eight-crane operation that the expanded Fairview Container Terminal will provide, together with the intense focus on delivering industry-best dwell times, assures ocean carriers and beneficial cargo owners alike that the Prince Rupert gateway will continue to flourish as a premium service provider by remaining comfortably ahead of demand."

Claude Mongeau, president and chief executive officer of CN, said: "Maher Terminals' terminal expansion to accommodate growth is very good news for our customers and the Prince Rupert gateway. It goes to show how supply chain collaboration and innovation can produce a highly successful transportation product that has real market appeal."

“Today’s announcement affirms the value of the forward-looking investment in Prince Rupert’s original Fairview Terminal conversion project,” said Don Krusel. “The strategic vision, partnership and alignment of the original partners—Maher, CN, the Governments of Canada and British Columbia, and the Port of Prince Rupert—seized an opportunity that is still paying dividends today.”

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BACKGROUNDER

ABOUT FAIRVIEW TERMINAL

In September 2007, the Port of Prince Rupert completed the conversion of Fairview Terminal from a break-bulk and general cargo facility to a modern containerized import/export terminal. The \$170 million project was funded in partnership by the Government of Canada, Province of British Columbia, Maher Terminals of Canada, CN and the Prince Rupert Port Authority.

As the first dedicated intermodal (ship to rail) container terminal in North America, Fairview saw exponential growth in volumes throughout the first seven years of operation. Current maximum capacity is upward of 850,000 TEUs (twenty foot equivalent units).

Fairview Container Terminal benefits from the shortest marine distance to major Asian markets, and is currently served by the CKYHE Alliance as the first port of call on three weekly marine carrier services. CN's extensive rail network provides a direct connection to and from North America's resource, manufacturing and distribution centres.

The terminal is a key export point for British Columbia's forest sector products, particularly forest products from mills across northern BC. Other containerized exports include agriculture and agri-food products, textiles, pulp and recycled materials. It also anchors import trade of high value goods from Asian ports such as Shanghai, Hong Kong and Busan. The majority of imported goods shipped through Fairview Container Terminal are apparel such as footwear and clothing, furniture and other household goods, electronics and automotive parts, as well as building materials.

Following a 24 to 30 month construction period to begin in Q2 this year, the newly expanded Fairview Container Terminal will have capacity for upwards of 1.3 million TEUs once completed in mid-2017.

Expansion includes:

- Creation of an additional 155 metres of wharf at the north end of the terminal
- Extending the existing wharf to create a seamless 765-metre wharf stretching across the entire western face of the terminal
- Installation of crane rails to support an eight-crane, two-berth operation
- Construction of an additional mooring dolphin structure at the north end of the wharf
- Augmented secured storage space for empty containers at the east end of the terminal
- Upgraded rail capacity through the creation of three additional working tracks, supported by up to six rubber tire gantry cranes

An environmental assessment (Comprehensive Study Report) on the project was completed in 2012 by the Prince Rupert Port Authority and CN according to the requirements of the Canadian Environmental Assessment Agency. The report details specific mitigation measures that will be enacted to address environmental impacts of the expansion project.

ABOUT THE PORT OF PRINCE RUPERT

The Port of Prince Rupert is Canada's second largest westcoast Port, and the closest North American Port to Asia anchoring a strategic gateway for trade in the Asia Pacific Region. The Port's deep natural harbour is capable of handling the world's largest ships, and direct connection to CN's North American rail network offers extensive reach across the continent including key natural resource, manufacturing and distribution centres.

The Port of Prince Rupert has a current capacity of 35 million tonnes per annum featuring three modern dry bulk terminals handling coal, petroleum coke, agricultural products, and bioenergy; an intermodal container terminal and cruise ship facilities. In 2014 cargo volumes through the Port of Prince Rupert exceeded 20 million tonnes.

A recent economic impact study found that port-related employment has increased by more than 110%. In 2014, over 3,060 person-years of employment were directly attributed to activities at the Port of Prince Rupert. Of those, more than 700 are men and women directly employed at one or more of Prince Rupert's marine terminals, and over 1,500 are directly related to rail and tracking operations.

ABOUT MAHER TERMINALS LLC

Maher Terminals LLC is one of the largest multi user container terminal operators in the world. As a vital link in the container cargo movement chain, Maher developed North America's largest marine container terminal in the Port of New York and New Jersey, and operates the Fairview Container Terminal in the Port of Prince Rupert. Maher's highly efficient container terminal operation strategically provides ample container throughput capacity to efficiently meet and exceed the current and longer term operating requirements of its ocean carrier customers.

ABOUT FRASER RIVER PILE & DREDGE INC.

Fraser River Pile & Dredge Inc. (FRPD) was incorporated in Alberta in 2008, and is successor company to Fraser River Pile Driving Company (founded in 1911). FRPD is Canada's largest marine construction, land foundations and dredging contractor. The company is privately owned with operations mainly in western Canada and the Northwest Territories.

ABOUT BEL CONTRACTING

BEL Contracting, a division of BEL Pacific, has been involved with a wide range of transportation and infrastructure projects of all sizes for provincial, municipal and private sector clients. Established in 1972, BEL's field personnel have worked in the areas of underground utility installation, earthworks, drainage, fisheries works, retaining wall construction, aggregate production, road grading and traffic control.

QUOTES

THE HON. LISA RAITT, Minister of Transport, Government of Canada

“The Fairview Container Terminal expansion project is good news for all Canadians. It will help open new markets for Canadian exports, create more jobs and create more capacity for imports. A safe, strong and efficient transportation sector is essential for Canada’s future economic growth.”

THE HON. SHIRLEY BOND, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour, Government of British Columbia

“The expansion of the Fairview Container Terminal is an investment in our province that will enable job creation and support families and the community. The expansion work aligns with the BC Jobs Plan goal of further developing the Port of Prince Rupert and helps keep B.C. diverse, strong and growing.”

THE HON. TODD STONE, Minister of Transportation and Infrastructure, Government of British Columbia

“The expansion of Fairview Terminals is great news for B.C. and for our expanding Pacific Gateway trade with Asia. This investment will support increasing volumes of imports and play an important role in exporting B.C.’s wood products and other commodities, which travel by rail from Prince George to Fairview for export to Asia. This expansion will contribute significantly to B.C.’s economy, creating jobs and opportunities for families in Prince Rupert and the north.”

NATHAN CULLEN, Member of Parliament, Skeena-Bulkley Valley

“This investment is yet another vote of confidence in one of North America’s most efficient and fastest-growing port developments. Maher is placing its money and confidence in Fairview and a strong future in the Northwest.”

JENNIFER RICE, Member of the Legislative Assembly of British Columbia, North Coast

“The growth and diversification of the port industry on BC’s north coast has had a positive impact on the quality of life for those who call this region home. The expansion of Prince Rupert’s container operations is more great news for our gateway economy. The Port of Prince Rupert and Maher Terminals are not only world leaders in facilitating trade, they are good partners--providing opportunities for families in our communities”.

LEE BRAIN, Mayor, Prince Rupert

“The development of Prince Rupert’s intermodal gateway business has been responsible for a gradual but unmistakable transformation of our city’s economy. The expansion of Fairview Container Terminal has been hotly anticipated. Its completion will bring much-needed employment growth and additional municipal revenues to our growing port city.”

CLARENCE INNES, Acting Chief Councilor, Gitxaala Nation:

“Our community has demonstrated a model of economic partnership with the Port of Prince Rupert that should be a model to others. The jobs and skills training enabled by the container terminal has meant members of our nation have benefitted. We are interested in finding even more new and original ways of connecting with future benefits as the terminal grows.”

HAROLD LEIGHTON, Elected Chief, Metlakatla First Nation:

“The Metlakatla First Nation has experienced at first-hand the positive impact of Prince Rupert’s Fairview Container Terminal operation. An expansion to the terminal will continue to help our people achieve access to the training, specialized skills and job opportunities that make Prince Rupert’s workforce the envy of northern BC. We anticipate the Port of Prince Rupert maintaining its high standards of environmental sustainability and active community engagement as this project is developed.”

GLEN EDWARDS, President, ILWU 505

“Fairview Container Terminal has provided hundreds of local longshoremen and women with skills and opportunities to employ those skills in running one of the world’s most efficient and productive marine terminals. The terminal’s expansion will obviously increase demand for committed, hard-working ILWU members. This is good news for them, their families and new generations of workers.”

JOHN FARRELL, President, Prince Rupert and District Chamber of Commerce

“This announcement is what the business community has been waiting for,” says John Farrell, president of the Prince Rupert and District Chamber of Commerce. “The Fairview Expansion is the first domino to fall in a line of industrial projects that will shape the economic revitalization and growth of the Northwest.”