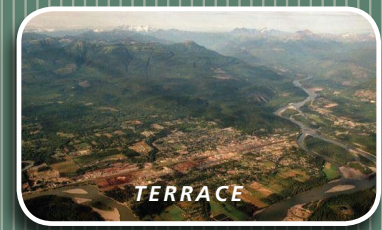


# KITIMAT-TERRACE INDUSTRIAL CORRIDOR



## Investing? Relocating?

**You probably know – that** in 2008, KPMG ranked Canada, for the seventh consecutive time, as having the lowest business costs of all G9 countries.

**You probably know – that** the provincial government in British Columbia, since 2001, has created a tax and regulatory environment that welcomes international business. The province has no general corporation tax, employer payroll tax, franchise taxes or machinery sales tax. British Columbia also provides refundable tax credits and exemptions for investors in a range of sectors including manufacturing, oil and gas, and international financial activities.

**You probably know – that** in the last five years, British Columbia, located on Canada's Pacific coast, has welcomed impressive multi-nationals such as eBay, Intel, Nokia, Microsoft and PeopleSoft, which have located corporate head offices or divisional head offices within its borders.

**You may NOT know – about** one of British Columbia's best-kept secrets: the Kitimat-Terrace Industrial Corridor. Located in Northwest British Columbia, it is 694 kilometres (431 miles) north of Vancouver via air. The region offers very affordable

industrial land, an abundance of natural resources, access to global markets, and communities that welcome business investment. Home to the largest industrial complex in British Columbia, Rio Tinto Alcan's aluminum smelter, the region is also connected to the rest of the world through high-speed wireless and wireline telecommunications. These attributes

work together to make the Kitimat-Terrace Industrial Corridor a desirable, accessible investment destination.

The Kitimat-Terrace Industrial Corridor is a 55-kilometre (34 mile) long valley anchored by the deep-sea, private port of Kitimat at one end of the valley, and Terrace, served by the Northwest Regional Airport at the other. There are thousands of hectares of developable land stretched between the two communities.

Terrace, the service and supply and transportation hub of Northwest British Columbia, is a strategic gateway to the duty free

North American Free Trade (NAFTA) marketplace of approximately 435 million consumers. The city links the corridor and the port of Kitimat to a junction of major inter-provincial and international highways, railways, and the region's largest airport.

*Continued...*



*In 2007 Rio Tinto Alcan in Kitimat produced 241,738 tonnes of hot metal, cast into trilock, value-added sheet and aluminum ingot.*

# KITIMAT-TERRACE INDUSTRIAL CORRIDOR

The Kitimat-Terrace Industrial Corridor is also the gateway to Pacific Rim markets through the Port of Prince Rupert, located 147 kilometres (90 miles) west of Terrace, and through the potential development of a second – public – deep-sea, break-bulk port facility at the Port of Kitimat.



*The planned community of Kitimat began in 1950, when construction of the original Alcan aluminum smelter began.*

The region has a strong history of industry. Timber harvesting, primary manufacturing and petroleum industries have been the traditional backbone of Northwest British Columbia. Rio Tinto Alcan's Primary Metal Group has been the major employer in the Kitimat-Terrace Corridor for more than 50 years. As the centre of business services, education, health care, and government in the region, Terrace complements Kitimat's industrial heritage.

Manufacturing and its support services employ over 60% of the regional workforce. And education levels are high among the 40,000 Kitimat-Terrace Industrial Corridor residents. More than 52% of the skilled workforce has attained a post-secondary diploma or higher.

Recently, Rio Tinto Alcan confirmed its commitment to the region by announcing its intention to invest over \$2 billion to upgrade and modernize the Kitimat aluminum smelter. Reinvestment by existing businesses, such as Rio Tinto Alcan, is a major source of economic stability. But the region's future growth lies in economic diversification. Currently, there is more than \$16 billion in proposed investment on the books for the Kitimat-Terrace Industrial Corridor. Affordable land, labour, power and facility costs, as well as high-speed telecommunication infrastructure, access to world markets, and a rich quality of life continue to drive regional business investment forward.

In addition to Alcan's \$2-billion manufacturing infrastructure investment:

- Power projects in development total \$9.1 billion in potential investment. These projects range from hydroelectric power to renewable sources of energy, such as run of river projects.
- Mining projects currently under development in the region account for more than \$4 billion in investment due to a resurgence in mineral exploration. Mines in Northwest British Columbia yield copper, gold, molybdenum, coal, and silver.
- Industrial projects, such as liquefied natural gas import facilities and aggregate exports, total an additional \$3.7 billion in investment.

The Kitimat-Terrace Industrial Corridor's strategic location, affordable land and lifestyle, and access to key markets all combine to provide investors with a unique opportunity to cost-effectively expand business, and be situated in North America.