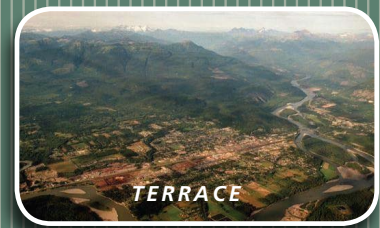


ACCESS TO WORLD MARKETS



Transporting goods by road, rail, or ocean is easily accomplished from the Kitimat-Terrace Industrial Corridor. It is a land gateway to North American markets via road or rail, and a marine gateway to the west coast of North America, the Pacific Rim and beyond, via the Pacific Ocean.

Port of Prince Rupert

The Port of Prince Rupert, located 147 kilometres (90 miles) west of Terrace, boasts the shortest route between Asia and North America by up to three days. Situated approximately 702 kilometres (436 miles) closer to Shanghai than Vancouver, and more than 1,600 kilometres (1,000 miles) closer than Los Angeles, Prince Rupert's strategic location puts shippers closer to their markets, allowing ocean carriers to benefit from faster transit times between Asian and North American markets.

The Port of Prince Rupert boasts the deepest inner harbour entrance of any shipping facility on the west coast, and its proximity to open ocean ensures that Prince Rupert is ice-free year round. With average winter temperatures hovering around zero degrees Celsius (32 Fahrenheit), Prince Rupert's winter temperatures compare favourably with those of Vancouver.

The port currently features five world-class terminals: two cruise terminals, a container terminal, a coal terminal, and a grain terminal. Recent agreements between the Port and Canadian National Railroad now provide direct rail access to major North American hub

cities including Toronto, Ontario in Canada, and Chicago, Illinois and Memphis, Tennessee in the United States.

In order to handle increased demand for global container shipping, there are plans to expand the Port's capacity by building two additional container terminals; the first with a projected completion date of 2012 and the second by 2020.



The private ports of Rio Tinto Alcan, Methanex and Eurocan/West Fraser. A proposed break-bulk dock could extend capacity by up to five million tonnes/year.

Proposed Port of Kitimat

The Kitimaat Port Development Society has proposed creation of a break-bulk facility where ample space exists adjacent to current, industry-owned harbour facilities. With ports in Vancouver and Prince Rupert leaning heavily toward facilitating container traffic, there is an opportunity for break-bulk docks to complement those operations. The Port of Kitimat has the largest foreshore available of any existing facility on the West Coast, and in addition has deep, calm waters to accommodate ocean carriers.

Continued...

ACCESS TO WORLD MARKETS

The proposed break-bulk facility in Kitimat could handle:

- Up to two million tonnes/year of break-bulk cargo
- Up to three million tonnes/year of bulk cargo
- Space for up to eight deep sea berths
- 100,000 m2 of warehouse space
- Open space for 40,000 tonnes of steel imports
- Space for up to 180,000 tonnes of pellet storage
- Space for up to 500,000 tonnes of concentrate and aggregates storage



For more than 30 years the Eurocan pulp and paper complex in Kitimat has produced high quality unbleached linerboard and sackkraft paper for sale worldwide.

For investors, development of a break-bulk facility at the Port of Kitimat would mean:

- Access to fast, short, routing between Asia and North America;
- A position in a manufacturing cluster serving global markets; and
- Access to the closest inland port and intercontinental transport: Kitimat-Chicago via Canadian National Railroad compares favorably with the Vancouver-Chicago rail line.

Truck and Rail Transportation

Major highways and railroads in British Columbia come to a junction at Terrace. Canadian National Railroad operates the only transcontinental rail network covering all of Canada and the United States. This international rail line follows the Northwest Transportation Corridor from the Ports of Kitimat and Prince Rupert through the Canadian Rocky Mountains and on to the rest of Canada and the U.S. The Northwest Transportation Corridor is a modern, uncongested, and well-connected network of highways, railways, airports, and marine ports. Avoiding congested, southern routes means that products are delivered to North American destinations without delay.

Lands available for development in the Kitimat-Terrace Industrial Corridor feature access to rail lines and/or highways, so products of any kind can be shipped continent-wide quickly and easily from north-west business sites.