

From CANADA'S ECONOMIC ACTION PLAN, Feb 19, 2010 - 09:00

Government of Canada Continues to Invest in the Future of the Port of Sept Iles

SEPT ILES, QUEBEC--(Marketwire - Feb. 19, 2010) - The Honourable John Baird, Canada's Minister of Transport and Infrastructure, today announced that the Government of Canada will contribute to a new project for the development of the Pointe Noire terminal at the Port of Sept Iles, which will have a positive impact on the economic development of the region in the short, medium and long terms.

"With this third Infrastructure Stimulus Fund investment in the Port of Sept Iles, our government is investing in the economic future of the region by stimulating job creation and the carrying out of projects that will have a positive impact on the mining industry on the North Shore and in Northern Quebec and Labrador," said Minister Baird. "As we enter the second phase of Canada's Economic Action Plan, our priority will be to continue the rapid implementation of projects such as this. At the same time, we are looking toward the future so as to be ready to face upcoming challenges, which include restoring a balanced budget once our economy is completely recovered, and building a solid foundation for our future economy."

The funding will be used to develop the Pointe Noire Terminal at the Port of Sept Iles. The project includes work on the land owned by the Port near the eastern part of Pier 31 of Pointe Noire, as well as marine work on a 60-metre extension to the east of the pier.

"This financial assistance will have a major multiplying effect for all players," said Pierre D. Gagnon, President and CEO of the Port of Sept Iles. "In addition to generating private investment of a comparable amount, the project will enable tripling the volume of activity at the Pointe Noire Terminal, at a time when our iron mining industry is experiencing substantial growth."

The federal government will provide up to \$5 million for the project from the Infrastructure Stimulus Fund. The Port Authority of Sept Iles will cover the remaining costs of the project, which is estimated to be worth a total of \$10 million.

Today's announcement is in addition to two other Infrastructure Stimulus Fund announcements that were made this past July and September. At these two announcements, the Government of Canada noted that it would invest up to \$19.5 million to improve the operations of the Port of Sept-Iles with its optimization projects at Pier 30 and La Relance Terminal.

The \$4-billion Infrastructure Stimulus Fund, announced in the Government of Canada's Economic Action Plan, targets projects that can be completed by March 31, 2011.

The Port of Sept Iles is a major economic player for the region and, on a larger scale, in the context of North American and international trade. The federal contribution to this project targets

short-term local economic recovery, while recognizing its major potential in terms of sustainable support for economic activity.

For further information on the Government of Canada's Economic Action Plan, visit www.actionplan.gc.ca.

For further information on infrastructure investment, consult www.creatingjobs.gc.ca.

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This news release is available on-line at: www.plandaction.gc.ca.

Backgrounder

Port of Sept Iles

The Government of Canada will contribute up to \$5 million from the Infrastructure Stimulus Fund to the Sept Iles Port Authority for a new project to develop the Pointe Noire Terminal. This project is part of the Port of Sept Iles port facilities modernization plan.

The project includes work on the land owned by the Port near the eastern part of Pier 31 at Pointe Noire, as well as marine work to extend the pier. The project will consist mainly of a 60-metre extension to the east, with the addition of two pile dolphins and walkways, as well as the installation of two piled steel platforms linking the pier to the land with a conveyor. On land, dynamite and backfill work will be required to build a warehousing space with a capacity of up to 1.5 million tonnes, which will be used to store a variety of dry bulk cargo passing through the new facilities.

Anticipated project results include:

- increasing the capacity of the Pointe Noire Terminal to accommodate two vessels at the same time, and the installation of handling equipment required for new iron mining companies;
- establishing a new transshipment centre to improve effectiveness and increase shipping in the St Lawrence-Great Lakes Corridor.

With this new investment, the Government of Canada has committed to invest close to \$24.5 million from the Infrastructure Stimulus Fund in the Port of Sept Iles. Last year, the Government

of Canada announced it would invest up to \$19.5 million in the improvement of operations at the Port of Sept Iles with optimization projects for Pier 30 and the La Relance terminal,

This government assistance is conditional on the results of an environmental assessment, in accordance with the Canadian Environmental Assessment Act. The federal environmental assessment process is currently in progress.

The \$4-billion Infrastructure Stimulus Fund, announced in the Government of Canada's Economic Action Plan, targets projects that can be completed by March 31, 2011. In Quebec, \$936 million from the Fund has been set aside for infrastructure projects.

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