



October 4th, 2011

Fraser Surrey Docks joins the Container Capacity Improvement Program as requested by Port Metro Vancouver

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Fraser Surrey Docks (FSD) is pleased to announce that the terminal has been included in Port Metro Vancouver's (PMV) Container Capacity Improvement Program (CCIP). The CCI Program is the PMV's long-term strategy to reliably support growing international trade with Canada through Canada's west coast. Since the inception of the program at the start of 2011, PMV has been focused on providing more efficient container capacity in the Roberts Bank area (existing Deltaport terminal and exploring the option of constructing a multi-berth mega port called T2). In June 2011, Port Metro Vancouver announced Fraser Surrey Docks will also become part of the Container Improvement Program as a viable container terminal to accept future container growth. FSD proudly supports PMV's initiative to expand Roberts Bank via Deltaport and the proposed T2, however is very excited to be recognized as part of the Container Capacity Improvement Program (CCIP).

Port Metro Vancouver and Fraser Surrey Docks are anticipating container traffic volume on the West Coast to double over the course of the next 10 to 15 years, and nearly triple by 2030. The Container Capacity Improvement Program is hoping to provide infrastructure and system enhancements to handle the expected added growth through Canada's west coast. The Program will evaluate and develop sustainable capacity and efficiency improvements to Lower Mainland container facilities, predominately in the Roberts Bank area and potentially to the Fraser River and Fraser Surrey Docks. The PMV is currently investigating additional capacity improvements to the existing Deltaport Terminal via debottlenecking access points to and within the terminal. The PMV has also launched into a six year consultation period in conjunction with a Port Community Liaison Committee surrounding the development of T2, a multi-berth container terminal that could provide additional capacity of more than 2 million TEUs per year. The proposed T2 vision includes multiple berths equipped with ship-to-shore cranes capable of handling the latest generation of container ships. Further to this, PMV is now also engaged in a review process with FSD to determine the feasibility of utilizing Fraser Surrey Docks as a alternate low cost, environmentally friendly avenue for added container capacity through the increased utilization of the Fraser River, a natural marine highway.

The overall objective of the CCIP is to establish a decision matrix outlining options of developing various container capacity improvement projects, both brownfield and greenfield, within the boundaries of the Port Metro Vancouver, such as Deltaport debottlenecking and T2 construction. FSD, as an organization, strongly believes that our 49 year old river terminal is the best environmentally, socially and economically responsible short term growth option for Canada. Fraser Surrey Docks, the multi-purpose terminal located 34 kilometres up the Fraser River has the real estate and a majority of the infrastructure already in place to provide upward of 1,000,000 TEU of container capacity. Located on a natural marine highway, in the epicentre of off dock and industrial areas, Fraser Surrey Docks believes environmentally low cost container capacity can be achieved with as little as 10% of the cost of other options.

During an 18 month period precursor to being accepted as a viable container growth facility, Port Metro Vancouver and Fraser Surrey Docks had been jointly engaged in a Fast Time Computer Simulation initiative. In the computer model facilitated by a third party, two larger vessel sizes from the current fleet calling the PMV were simulated to transit up, berth and transit down the Fraser River under varying conditions of tide, flow rate and wind. The results of the simulation of both larger vessels were very favourable to Fraser Surrey Docks, leading to the acceptance into CCIP.

A decision on if Fraser Surrey Docks will be a feasible option for future increased container capacity in the PMV is hoped to be reached by December 31st, 2011.

We will be updating stakeholders as the CCIP process moves along. Please check our website at www.fsd.bc.ca for further updates. We sincerely appreciate your continued support of Fraser Surrey Docks.

Thank you,

Fraser Surrey Docks