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REGAL RIBBON CUTTING FOR CANAPORT LNG TERMINAL



The entire audience cut the ribbon including head table dignitaries (left to right) Jesus Chillon, Director of Operations & Projects for Repsol; Benjamin Palomo, Managing Director of LNG for Repsol; Nemesio Fernandez-Cuesta, General Director of E&P for Repsol; Miguel Martinez, COO of Repsol; Kenneth Irving, Fort Reliance CEO; Antonio Brufau, Chairman & CEO of Repsol; Premier Shawn Graham, NB Energy Minister Jack Keir, Saint John Mayor Ivan Court; Phil Ribbeck, Director of LNG North America for Repsol and Jorge Ciacciarelli, General Manager of Canaport LNG.

Canaport LNG recently celebrated the milestone of completing the \$1.2 billion project by partners Irving Oil Ltd. and Repsol YPF. More than 400 people gathered in a large tent at Canaport LNG for the official commissioning of Canada's first liquefied natural gas terminal.

The elegant event recognized politicians and business partners who worked together on the project which consistently used inner Port facilities during construction.

Kenneth Irving, Chief Executive of Fort Reliance, the parent company of Irving Oil, thanked his father Arthur and late grandfather Kenneth Colin (K.C.) for their vision. He also thanked Repsol and his own employees for their dedication to the project. Antonio Brufau, the Chairman and Chief

Executive of Repsol, called Canaport LNG one of the most important energy facilities ever built on the eastern coast of North America. Canaport LNG is also targeting regional markets in Canada. Future industrial facilities in Saint John could also use the fuel.

The project employed 1,500 tradespeople at its peak and positioned New Brunswick as an energy hub in the international northeast. "I'm extremely excited for what this milestone means for the people of Greater Saint John and all the residents of our province," said Premier Shawn Graham at the commissioning ceremony.

The facility received its first shipment of liquefied natural gas on June 27, 2009 from

the membrane tanker M/V Bilbao Knutsen. Similar tankers will be docking at the terminal monthly with more frequent stops in winter due to peak demand.

With a storage capacity of 9.9 billion cubic feet per day and output capacity of one billion cubic feet, the facility can heat up to five million homes, or 20 per cent of the gas demand out of New England and New York, according to Repsol figures.

Fort Reliance continued to celebrate with the Saint John community with a major fireworks show the same night on the Saint John waterfront.



CITY COUNCIL APPROVES REZONING OF LONG WHARF SITE



The Fort Reliance Long Wharf development would see the construction of a new office building and second cruise ship terminal.

In late September, Saint John Common Council voted in favour of the rezoning application for the Long Wharf Development, a proposed new state-of-the-art building for Fort Reliance, the parent company of Irving Oil, and a second cruise ship terminal for the Saint John Port Authority. The vote concluded Common Council's public hearing on a new waterfront development designation and the rezoning of the Long Wharf site, both of which are amendments of the municipal plan that would allow developers to create mixed-use buildings on designated areas of the inner harbour.

Among the numerous community stakeholders that spoke in support of both applications, Peter Asimakos, General Manager of Uptown Saint John Inc., said the new zoning designation puts an official stamp of approval on the inner harbour land use plan that was developed in 2003 in consultation with more than 500 people and organizations. "This is going to ensure that the community's vision for the waterfront gets built. There will be more mixed-use development and more community vitality," Mr. Asimakos said.

"This project will give us an attractive cruise facility with steady revenue," said Captain Al Soppitt, President and CEO of the Saint John Port Authority, referring to the benefits the Long Wharf Development would

bring to the Port by providing additional cruise ship infrastructure to the existing Long Wharf dock, which has been a secondary berth to the Marco Polo Cruise Terminal since 2007.

Pre-construction activity is now underway at the Long Wharf site, which involves driving foundation piles through the installation of over 300 steel beams driven into the site's sub-surfaces. Fort Reliance says the work is not presumptive of remaining required approvals, but to make further use of the construction season in order to prepare for future construction activities, should the development proposal proceed.

Before the project can proceed to full construction, federal approval of the 99-year lease for the Long Wharf site must be obtained and the land exchange agreement between the City of Saint John, the Port of Saint John and Fort Reliance must be finalized. This would provide the Port with additional access to the harbour's east side in exchange for a portion of the Long Wharf site.

"A construction project of this type could consist of a two-and-a-half year cycle, including regulatory approvals," explained Warren Long, Program Director for Fort Reliance's Long Wharf Development. "Overall, the public's response to this development has been very supportive, and

we're optimistic that we can work through the processes ahead to develop a project our community will be proud of."

Phase one of the proposed development would include the construction of a new four-storey building that will house up to 1,000 employees and a second cruise ship berth with a passenger welcome area, bus parking and vendor space. The development would also enhance public access to the city's waterfront via Harbour Passage, with the addition of new walking trails and green space. In addition, Fort Reliance plans to contribute to the commemoration of the Fort La Tour National Historic Site, as part of the site's landscaping.

The Long Wharf building is being designed by Robert A. M. Stern Architects according to Leadership in Energy and Environmental Design (LEED) standards, a benchmark used throughout the global architectural community.

"The fact that Fort Reliance wants to put their headquarters on the site is wonderful, not just for Saint John but for the whole province," commented Jack Keir, New Brunswick's Minister of Energy. "It sends a positive message to everybody in New Brunswick that the energy hub truly is located in Saint John. Outside businesses and private sector investors see what we're doing."



LNG CARGO SUCCESSFULLY MOBILIZED FOR U.S. AT LOWER COVE TERMINAL



Lower Cove Terminal on the East side of the harbour was a hopping spot last summer for the successful trans-shipment of monobuoys and suction anchors for the Neptune Project, an offshore LNG terminal near Gloucester, Massachusetts.

“Lower Cove provided a lot of space for the project, particularly for laying out the eight kilometers of anchor chain, which was one of the most difficult aspects of the loadout,” explained Rod Malcolm, Project Manager at Irving Equipment in Saint John. “The other major challenge was managing the current during the spring freshet, but with the help of additional lines and tugs, all went without incident.”

Irving Equipment provided heavy lift and transportation services to handle the large monobuoys, each with eight mooring chains and cables. They arrived aboard the heavy lift ship BBC Delaware, in April. A second shipment to Saint John in May included 16 suction anchors, and a third ship carried a riser and umbilical reels. Other equipment arrived at the port by road. In the fall, the BBC Montana picked up the remaining material and equipment for the return to Europe.

The prime contractor on the Neptune project was Advanced Production and Loading (APL) a subsidiary of Norway-based BW Offshore. The company returned to Saint John following the successful handling of another APL project for North East Gateway LNG, also in Massachusetts.

“Based on the North East Gateway experience and the bigger scope for the Neptune project, I forwarded Saint John

as the preferred mobilization site,” recalls Mogens Linnet Møller, Mobilization Manager for Subsea Installation Services of APL. “There were other alternatives in the Maritimes presented to the project, but this choice is regarded as a very successful one,” he emphasized. “As individuals, and together with the group of people who formed teams within their organizations, they performed tremendously well to assist our scope in Saint John. Our common achievements have been greatly acknowledged by APL and the client.”

Suez Energy owns the Neptune Project which will convey regassified natural gas from tankers to a sub-sea pipeline that requires advanced buoys, anchors and chains made in China and Europe.

All of the complex upper deck conversion fabrications and installations for the Neptune Project were carried out locally. Support was received from local suppliers and contractors such as Fleetway Facility Services (fabrication and ship conversion), Source Atlantic (rigging manufacturer and industrial supplies), Chandler Sales (offshore clothing, paint and industrial supplies), Millennium Welding (welding supplies, specialist gases and equipment), Empire (stevedoring), Lenron (trucking), Kent Line (agency), Irving Equipment and the Saint John Port Authority. Often, more than 20 men were working on the dock during offloading and mobilization activities on a 24-hour basis.

Mr. Malcolm said the project opens the door for similar projects at the port. “Some companies are reluctant to take on complex logistic and trans-shipment activities but we are well positioned near the United States and we have the industrial and commercial infrastructure.” Crews remarked on the friendliness of the local people, the amenities in the hotels, restaurants and bars, and the ease with which they were able to access medical and dental support for the routine health issues. “These are important elements in encouraging operations managers to base their logistic operations here, so there is major potential for more modular construction and support base work in Saint John.”



PEOPLE AROUND THE PORT

• Stephen Campbell Re-elected Chair, SJPA Board

Stephen Campbell was recently re-elected Chair of the Saint John Port Authority Board of Directors. He was first appointed to the Board of Directors by an Order in Council on December 18, 2006 and previously served as a member of the Board for five years. Stephen holds a Masters in Science, (Economics) and several professional designations, including Professional Financial Planner (PFP), Canadian Investment Manager (CIM), and Fellow of the Canadian Securities Institute (FCSI).



In 2008, Stephen retired from RBC Dominion Securities after a 27-year career in the Investment Industry. He served as Vice-President and Portfolio Manager with RBC from 1995 to his date of retirement. Prior to joining RBC Financial in 1995, Stephen served as Vice President and Director of Midland Walwyn Capital (1983-1995).

• Edward McLean New Director on Saint John Port Authority Board

Edward McLean joined the seven member board as the representative of the City of Saint John appointed by Saint John Common Council. His professional career spans 40 years with, Connors Bros culminating with in his role as President and Chief Executive Officer in 2001. He retired in 2004. Mr. McLean holds a Bachelor of Business Administration from the University of New Brunswick and an M.B.A. from the University of Southern California. He has served as New Brunswick's Private Member of the Gulf of Maine Council for the Marine Environment, which honoured him with a Gulf of Maine Visionary Award in 2004. In 1977, Mr. McLean received the Queen's Silver Jubilee Medal. In 2005, Mr. McLean was inducted into the New Brunswick Business Hall of Fame.



• Steve McCavour, Now Vice President, Engineering Services, SJPA

Steve McCavour has been with the Port for more than 30 years. Holding engineering positions of increased responsibility, covering all aspects of port engineering including dredging, adherence to environmental regulations and played a major role in the design and construction of the new Marco Polo Cruise Terminal. Steve has been involved with every major port infrastructure project since the mid 1970's, including the development of Rodney Container Terminal, the extension of Long Wharf, the redevelopment of Lower Cove and the creation of the potash terminal. He was previously Director of Technical Services for the SJPA.



MARCO POLO TERMINAL OPENS DURING ANOTHER RECORD CRUISE SEASON!



Left to right – Mr. Stephen Campbell SJPA Chair; Mr. Alan Buckelew, Chief Executive Officer & President, Princess Cruises and Captain Abwyn Soppitt, President and CEO, SJPA at Grand Opening of the Marco Polo Cruise Terminal

The Saint John Port Authority officially opened its new Marco Polo Cruise Terminal on June 8th with a record-cruise season beginning the very next day.

“Passengers now disembark on an elevated 90-metre pedway that connects directly to a motorized gangway that rises with all stages of the tide” explains Captain Al Soppitt, President and CEO of the Saint John Port Authority. “The two-story building was designed to create a seamless flow of passengers from the ship to large indoor escalators that descend into our Great Hall,” he says proudly.

The \$11-million terminal features three-metre-high Douglas Fir wainscotting along the walls of the Great Hall which can be rented during the off-season for special events. The Saint John Port Authority also has 25 office spaces for its employees on the second floor. The terminal’s exterior design blends with the heritage architecture of the community. Decorative concrete adorns the courtyard, trees and shrubs give the site a lush landscape. Harbour Passage walking trail leads right up to the terminal building.

The facility’s name, Marco Polo, was chosen by Laura Daigle, a local high school student, whose 200-word essay lauded the Marco

Polo, which in its day was the fastest sailing ship in the world and was built in Saint John in 1862. Laura participated in the grand opening, had lunch on board a cruise ship, and received a pizza party for her classroom at Saint John High School, courtesy of Galen Price, the owner of Big Daddy’s Pizza.

During the annual Port Days celebrations in June, The Port Authority was pleased to host Mr. Alan Buckelew, CEO and President of Princess Cruises for two days. During his time in the Port City, Ms. Betty MacMillan, Manager Business Development with the Port Authority, was given the chance of a lifetime to showcase Saint John and the Bay of Fundy to the President of one of the major cruise lines in North America. The red carpet was rolled out for Mr. Buckelew as Ms. MacMillan planned a private helicopter ride over the Bay of Fundy, highlighting the many natural attractions of our region. Upon their return, Mr. Buckelew was the guest of honour at the grand opening ceremony of Saint John’s cruise terminal facility, unveiling the name to over 300 guests.

In his address, Mr. Buckelew noted “Princess Cruises brings to Saint John nearly 10 times the number of passengers we did 15 years ago. This year, we’ll have two of our largest ships calling here – each carrying more than

3000 passengers. With 13 calls this season, you’ll be welcoming more than 40,000 of our passengers to Saint John. So we plan to make good use of this terminal.” He continued, “Cruise ships first started calling in Saint John 20 years ago this year, so it’s still a relatively young industry here. But this port has been in the forefront of attracting new business to the region, and I congratulate your achievements, which could serve as a model for other ports around the world.”

The next day during the Port Days luncheon, Mr. Buckelew was the keynote speaker and was awarded with the 2009 Port Award of the Year. Each year, the Port Authority selects a worthy recipient to receive the Port Award of the Year, in recognition of their contribution to the success as a Port.

Highlights of the season included Cunard Line’s Queen Mary 2, followed by the October 1st arrival of the newest vessel to join the legendary Cunard Line, Queen Victoria. This year, on a rare occurrence, 122 passengers boarded the Queen Mary 2 in Saint John for New York, while 52 Saint Johners also took a motor coach to New York City where they returned home on the majestic luxury liner. “It was amazing. There was a real demand for it,” said Bob Kane, President of Kane Travel Agency in the city. “Cunard Line is very happy about it because they sold their cabins in both directions,” he said.

The record season, which stretched from June 9th to November 2nd with a total of 73 ship calls, saw 187,000 passengers which exceeds last year’s record of 183,000,” noted Captain Soppitt. “We’re hoping for more than 200,000 passengers next year,” he said optimistically. Saint John is now the fourth-busiest port in Canada for cruise ship passengers, after Vancouver, Victoria and Halifax.

The Marco Polo Cruise Terminal is a secure transition point between the building and the cruise ships, in compliance with 2008 Transport Canada Security Clearance regulations. “This means any person needing ongoing access to cruise or container handling areas will require a security clearance issued by Transport Canada,” reminds Captain John McCann, Director of Operations and Harbour Master at the Saint John Port Authority.



SEATRADE VOTES SAINT JOHN AMONG WORLD'S TOP THREE CRUISE TRANSIT PORTS



Betty MacMillan accepts a plaque from Mary Bond, Executive Director/Editor Seatrader Insider & Seatrader Cruise Review.

The Port of Saint John was voted by a panel of industry judges as one of the top three transit ports in the world at the Seatrader Insider's Cruise Awards at the Schmidts Tivoli Theatre, Hamburg, Germany on September 15th.

Captain Al Soppitt, President and CEO of the Saint John Port Authority gave credit where credit was due, "This nomination is an extremely gratifying international recognition of not only the inherent beauty of our region but also the unsurpassed warmth of our people. Cruise passengers consistently rave about the friendliness of the people they encounter when touring Saint John. The unique architecture, tidal shifts and shore excursions are hits too."

Nominated along with the Saint John Port Authority were the Port of Malaga, Spain and the St. Petersburg Marine Façade in Russia. The award recognized "ports which have made significant improvements to its handling facilities/cruise-tourism infrastructure over the past 12 months." Annual Seatrader events are hosted internationally, bringing together all of the major stakeholders in the shipping and cruise industry.

The Seatrader Insider Cruise Awards 2009 Judging Panel was comprised of cruise

executives, Seatrader Insider's global editorial team, cruise consultants, analysts and association experts from around the world.

"This makes one feel so proud to live in such a wonderful place on the Bay of Fundy," noted Betty MacMillan, Manager of Business Development for the Saint John Port Authority, who represented Saint John at the awards gala. "I'm sure, the judges were impressed by the natural appeal of the Bay of Fundy with the highest tides in the world, the service of Aquila Tours, our guides, and our Meet and Greet volunteers. All of them have made Saint John a great destination!"

Ms. MacMillan said the award acknowledges the Port's commitment to continually enhancing its cruise infrastructure. This year, the Saint John Port Authority officially opened its Marco Polo Cruise Terminal on the waterfront which features a gangway that rises and falls with the changing tides. Saint John Meet and Greet volunteers, who give a rose and personal welcome to passengers, have also received numerous global and local accolades.

Further cruise infrastructure is planned including enhancements to a second cruise terminal at Long Wharf which is also proposed to be the site of a new headquarters for Fort Reliance--the parent company of Saint John-based Irving Oil Limited.



NEW ENGLAND CRUISE SYMPOSIUM COMES TO SAINT JOHN THIS SPRING

Planning is now underway for the 12th Annual Canada New England Cruise Symposium in Saint John New Brunswick on June 8-10, 2010 at the Saint John Trade and Convention Centre.

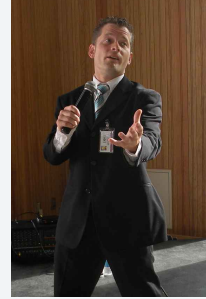
"We have a great program in place for you and would like for you to mark the dates and plan to join us," invited Betty MacMillan, Manager, Business Development for the Saint John Port Authority. "We look forward to welcoming you in Saint John, on the Bay of Fundy."

Guest speakers will soon be announced. Attendees will include Cruise Line Executives, Port Representatives from Canada/New England, Government Tourism Representatives, Cruise Shore Excursion Suppliers, Cruise Agents, and Local Businesses. Check the website for details as they become available. www.bayoffundy2010.com



LET US ENTERTAIN YOU!

Port performers add smiles and song to passenger greetings



Tim Maloney and Johnny Storm are among the professional Saint John performers who make passenger debarkation and boarding a harmonious experience.

Tim Maloney describes his show as "mime meets song and dance". Tim has a way of seducing an audience with his interactive antics, Elvis the pelvis thrusting, and Neil Diamond baritone booming from his small frame. "I like the fact that I blend into the scene," he says performing on the dock beside the towering Jewel of the Seas. "Most people hear the music and don't realize that it's the little guy singing. I get a kick out of belting out a bar or two completely off key just for the giggles."

Maloney started entertaining at the port with his family's group, Shades of Harmony, during the very first cruise ship arrival in 1989. Tim is well known for performing as a singing waiter at the Water Street Dinner Theatre where he'll be in a new Christmas production after the Tim Maloney Show hits Boston and Fort Lauderdale for a few shows.

Inside the new Marco Polo Cruise Terminal, Johnny Storm performs with Sonny Weyman accompanying him on keyboards. Originally from Kelowna, B.C., Storm comes from a large musical family and has made his living for as an entertainer for 50 years.

He stormed his way to Saint John in 1969 where he performed for 15 years at The Cave in the old Holiday Inn, the Colonial Inn, other venues in the Maritimes, Montreal's Faison Bleu club, and in Calgary and Minneapolis. "I used to play six nights a week in those days," he recalls. "It's rewarding to play for the cruise passengers for more than two years now. I'm a real crowd watcher and if I see some older folks coming by, I'll play *I See You Smiling*, a polka or a Vera Lynn song, which are back on the charts in England." Ask Johnny to play his original recording, *Rock and Roll Riot*.

"These local entertainers really help us roll out the red carpet for our guests," says Betty MacMillan, Manager, Business Development, Saint John Port Authority. "A warm smile and nostalgic tunes create a warm and friendly greeting for each one of our thousands of guests. They have wide tastes for music and Tim and Johnny know how to deliver the goods."



KOREAN TANKER M/V SKOLTEN MAKES INAUGURAL CALL, MAIDEN VOYAGE



Captain Im, Bu-Chon (centre) presents a vintage Korean ship model to Capt. Al Soppitt, President and CEO of the Saint John Port Authority, and Wendy McGee, SJPB Director.

The Port of Saint John welcomed a brand new Korean chemical tanker the M/V Skolten last summer. “She’s quite the vessel,” remarked Norman Raynes of Protos Shipping Limited, the agent for the Skolten, who cut a celebratory cake on the vessel’s bridge.

“The 12,560-tonne vessel is 150 metres long, was built in only eight days, and was delivered at Ulsan, Korea in June,” said Mr. Raynes. “With a crew of 24 aboard the vessel, she docked at Pier 12 on the west side of the harbour and discharged 4,300 tonnes of fish oil.”

Liquid bulk products like fish oil are piped from ocean-going tankers at Pier 12 into the storage tank farm operated by Crosby Molasses Company, traditionally a large importer of two different grades of molasses.

“Three grades of fish oil and calcium chloride, a firming agent for cooking and baking ingredients, are stored in the two large green tanks at the terminal” explains Jim Crosby, President of Saint John-based Crosby Molasses. “It’s been working out well,” he says of the storage facility which was inactive for a number of years. “Customers kept asking to use it so the

operation was tested and passed and has subsequently been in regular use for many years now.”

The fish oil was loaded aboard the Skolten at four different South American Ports. The liquid cargo can be discharged from the vessel in one day. “They give us the specs of the vessel and we plan where to store it,” added Mr. Crosby. “The product is trucked to the client’s site where it is used to make pelletized salmon feed for aquaculture farms.”

Captain Im, Bu-Chon said the Skolten left Korea in early May and called ports in Mexico and Peru and then went through the Panama Canal. From Saint John, the Skolten crossed the Atlantic for the United Kingdom and Denmark. Mr. Raynes said the state-of-the-art vessel was highly efficient and the crew was friendly and communicative. Captain Im, Bu-Chon gave port officials a tour of the vessel and presented the Saint John Port Authority an intricate Korean ship model in a glass case. The Port Authority exchanged a painting of the new Marco Polo Cruise Terminal and a book of Saint John photography, to celebrate the Skolten’s maiden voyage and first visit to Saint John.



CONTAINERS DONATED TO COMMUNITY FOOD BASKET



Left, front row, Saint John Lancaster MLA Abel LeBlanc; James Wortman of GE Trailer Fleet Services; Capt. Al Soppitt, Saint John Port Authority, President and CEO; and Saint John Community Food Basket Coordinator Esther Shanks and Chairwoman Anne Wade. In back are Saint John Councilor Carl Killen and Gordon Cole, General Manager of Tropical Shipping.

GE Trailer Fleet Services and Tropical Shipping recently donated two refrigerated containers (reefers) to the Saint John Community Food Basket’s new cold storage facility at Lower Cove.

When the previous container malfunctioned, the port users stepped up to the plate with a refrigerated trailer that wasn’t being used in a yard in Mississauga, Ontario.

“They thought it was a perfect opportunity to send it down and help out,” said James Wortman, GE spokesman.

“We wanted to be involved again too,” said Gordon Cole, General Manager, Tropical Shipping. “Tropical always wants to support the community and do everything we possibly can.”

Volunteers unload boxes of frozen food from the containers and place them in trucks for delivery to food banks from Sussex to St. Stephen.

“The food basket greatly appreciates the assistance of all of the donors who made this project possible,” said Anne Wade, Chairwoman of the Saint John Community Food Basket Inc.



PORT TO BENEFIT FROM \$36-MILLION IN RAIL UPGRADES



Prime Minister Stephen Harper chats with NBSR employees during his economic update announcement in Saint John.

Last summer, the federal and provincial governments committed to spending \$9 million each as part of a \$36-million investment in the New Brunswick Southern Railway (NBSR) with the company putting up the other \$18 million.

Captain Al Soppitt, President and CEO of the Saint John Port Authority, said the Port of Saint John will benefit strongly from the upgrade. "This announcement signifies a key component in building the Atlantic Gateway and strengthening rail services out of the Port of Saint John both westbound to Quebec and Ontario as well as southbound into the US markets." On September 28, Prime Minister Stephen Harper came to NBSR in Saint John to give an update on Canada's economy and showcase the project that is receiving stimulus funding.

"This joint effort of the railway, the province of New Brunswick and the federal government, will create jobs, inject millions into the local and regional economy, and help New Brunswick manufacturers get their product to market," said the Prime Minister. Following his

speech, Federal Finance Minister Jim Flaherty provided a brief state of the economy update. Mr. Flaherty said recent growth in the nation's gross domestic product was reassuring, and a sign of consumer confidence. About 90 per cent of the financing to roll out under the federal economic action plan has been awarded through 7,500 infrastructure and housing projects across the country. New Brunswick Premier Shawn Graham said by making these necessary upgrades to NBSR, "all New Brunswick companies can benefit from the increased capacity." Jim Irving, President of NBSR, said the upgrades to the 364-kilometre line will put the railway on a level track with the bigger national railways. "We'll be able to carry the maximum payloads, which is very important on freight-sensitive products or any product," Mr. Irving said. "These railway upgrades are good for our customers, the environment and our business".

The stimulus funding will be used to replace, upgrade and improve the ties, steel rail, rail bed and bridges and upgrade the railway's terminals in Saint John and McAdam, as well as its mainline track from West Saint John to the New Brunswick-Maine border and from McAdam to St. Stephen.

Derek Oland, Executive Chairman of Moosehead Breweries Ltd., is counting on the upgrades for faster rail trips west and south. He believes the move will position Saint John an alternative to the nation's West Coast for shippers reaching North America.

NBSR and its U.S. affiliate, Eastern Maine Railway, are connected to three partnering railways, including Canadian National Railway, Pan Am Rail and the Montreal Maine and Atlantic Railway. The new investment will deliver an estimated \$10.6 million in wages and benefits over the next two years. In addition to sustaining 40 jobs at the railway, approximately 40 additional people will be hired for the duration.



PEOPLE AROUND THE PORT

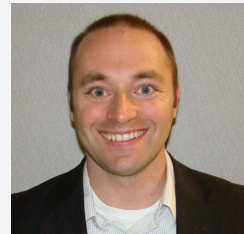
• Paul Doiron appointed Executive Director of the New Brunswick Gateway Council

Paul Doiron was recently appointed Executive Director of the New Brunswick Gateway Council. Formerly Senior Vice-President with Logistec Stevedoring Inc., Mr. Doiron retired at the end of last year and started his own transportation firm, Leedo Transportation Consultants Inc. Mr. Doiron, who is also Chairman of the Saint John Airport Board of Directors, has been involved with the Gateway Council since the beginning. The council is developing a priority list for Atlantic Gateway funding which includes south end marine terminal expansion and lower west side pier reconstruction for the Port of Saint John and several other projects related to roadways and rail transportation.



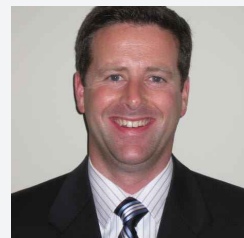
• Douglas Costello, Marketing Manager for Irving Equipment

Douglas Costello has been appointed to the position of Marketing Manager for Irving Equipment. He has been with the company since December 2006. Previously, he was an Account Executive with Xerox Corporation and held management positions with Enterprise Rent-a-Car. Doug holds a Bachelor of Business Administration from UNBSJ. He works with the Port of Saint John to help promote a complete package of services to grow the existing break bulk, project based business segment. Irving Equipment provides project management, crane rentals, and specialized transportation support for port users.



• Curtis Doiron, Logistec National Sales Manager, Special Commodities

Curtis Doiron will oversee business development efforts in the break-bulk sector in Canadian ports in his new role. He joined Logistec Stevedoring Inc. in 2005 after holding key sales management positions at Xerox in Vancouver and Halifax. Curtis holds a Bachelor of Business Administration degree from UNB Fredericton. Logistec Corporation is based in Montréal (QC) and provides specialized services to the marine community and industrial companies at 20 ports in Eastern Canada, the Great Lakes and the U.S. East Coast, including the operation of Rodney Container Terminal, Navy Island Forest Products Terminal and Autoterm in Saint John.



POTASH 2.0: PORT TONNAGE TO DOUBLE WITHIN FOUR YEARS



The Picadilly Potash mine construction is on target for production in 2010.

Shipping huge volumes of the fertilizer component potash to such countries as Brazil, makes the Port of Saint John's Barrack Point Terminal a prime distribution centre. As the global economy rebounds, PotashCorp will be ready to double existing exports with its new \$1.7-billion mine, the Picadilly Potash Project, near Sussex, where a deposit was discovered while drilling for Natural Gas in 2002.

New mine construction is scheduled for completion by the end of 2010, and the mine will reach its full production by the end of 2015. Despite recent production slowdowns due to a weak demand for potash, annual shipments through the Port are expected to increase from one million tonnes per year to roughly 2.5 million tonnes per year.

Mark Fracchia, General Manager of PotashCorp New Brunswick Divisions, says the Picadilly Potash project is progressing as planned. "The most interesting development is the construction of a concrete structure that will be our new service headframe," he said, pointing to the 93-metre structure that was built in just two weeks using a slip-form concrete construction method. The specialized work was performed by J:son International.

"Structural steel will be installed inside the concrete structure and a steel penthouse will raise the headframe to a final height of 99 metres," he said. "The production headframe is now being erected using a similar construction method. Shaft sinking operations, which will go down to a depth of about 900 metres, are scheduled to begin in January, 2010."

Another prominent feature is the salt storage shed that has been erected at the south end of the site. It was constructed using glulam beams (glue laminated timber) recycled from the product storage shed at PotashCorp's Cassidy Lake Division.

Mr. Fracchia says work is progressing on the foundation of the new Picadilly mine and the fabrication of large tanks at the north end of the mine. "The new compaction plant adjacent to the existing Penobsquis mill is scheduled to be ready for commissioning in May, 2010," he estimates. "Construction will also be completed this fall on the new brine pipeline from the existing Penobsquis mine to Cassidy Lake Division."

The value of equipment purchased and supply and service contracts awarded to local suppliers to date exceeds \$470 million, representing over 50% of the total project expenditures to date.

Long-term outlook is positive for potash markets but remain weak following the world economic downturn that began in the second half of 2008. Through this period, PotashCorp followed its successful strategy of matching production with demand and this has resulted in inventory adjustment shutdowns at New Brunswick Division and at the company's potash divisions in Saskatchewan. "We have taken advantage of this downtime at the mine site and at the Potash Terminal in Saint John to undertake required maintenance and project work," notes Mr. Fracchia. "PotashCorp remains confident that the long-term outlook for potash is positive."

PotashCorp employs approximately 1,450 employees in Saskatchewan and 340 in New Brunswick and contributes over 50% of the revenue of the Port of Saint John. About 785,000 tonnes are typically exported annually from two storage sheds at the Barrack Point Potash Terminal which has a total storage capacity of 250,000 tonnes. Loaded at a rate of 2,000 tonnes/hour, the operation also provides over 200,000 tonnes-per-year of salt which is exported for highway use.

SAINT JOHN HOSTING PR COMMITTEE MEETING FOR AAPA

The Saint John Port Authority is pleased to announce that the Public Relations Committee of the American Association of Port Authorities (AAPA), a member organization for Port Authorities located in the United States, Canada, Latin America and the Caribbean, will hold its mid-year committee meeting in Saint John from June 15-17, 2010.

Members of the committee are public relations professionals who meet three times a year to discuss projects being carried out within the AAPA and common issues amongst Port Authorities in general as well as to share ideas and best practices from their own Ports. This will mark the first time the committee has met in Saint John. The meeting is being held during the annual Saint John Port Days.



SAINT JOHN PORT AUTHORITY
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