



ON RAMP TO THE NORTH AMERICAN RAILWAY NETWORK



Industrial
Railways &
Switching
Operations



Short Line
Railways



Terminals &
Transloads

Railway Support Services

63,000 petroleum tank cars/year & 2 million tons of pulp, paper & lumber

We move **\$22 billion** worth of product in **450,000 railcars** per year

13 million tons of **POTASH**

a year with 125,000 railcars

70% of all potash produced in Canada



★★★★★
PREFERRED RAIL SERVICE PROVIDER

at **25+** sites across North America

55 locomotives in our fleet

that's equal to →

45M tons annually

We are the **largest independent railcar storage & staging company** in Canada with more than...

5,000 car spots

...in 13 strategically located yards & sidings across 5 provinces

ALL DATA AS OF JULY 15 2017



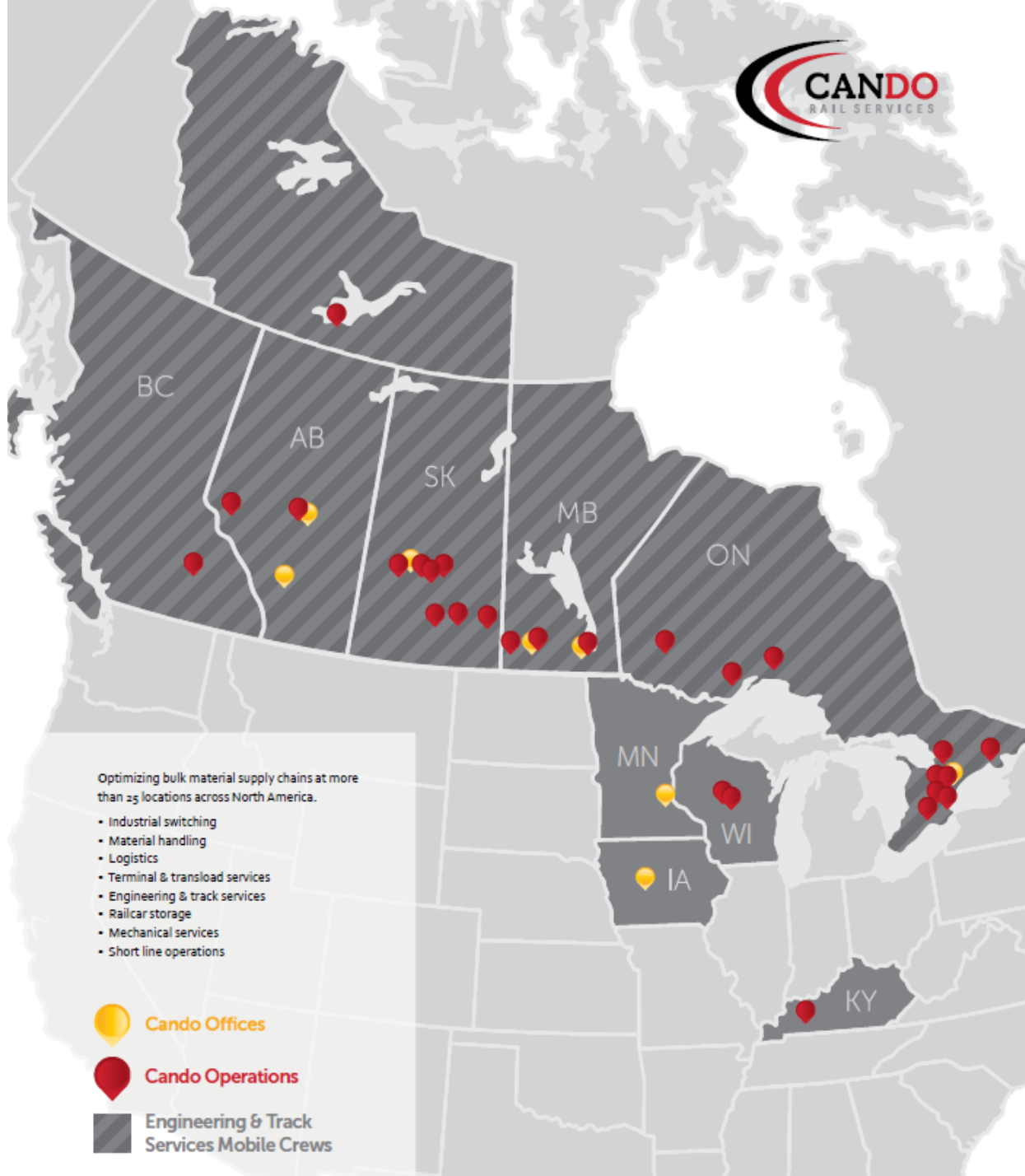
BEST MANAGED COMPANIES

CUSTOMERS



West Fraser



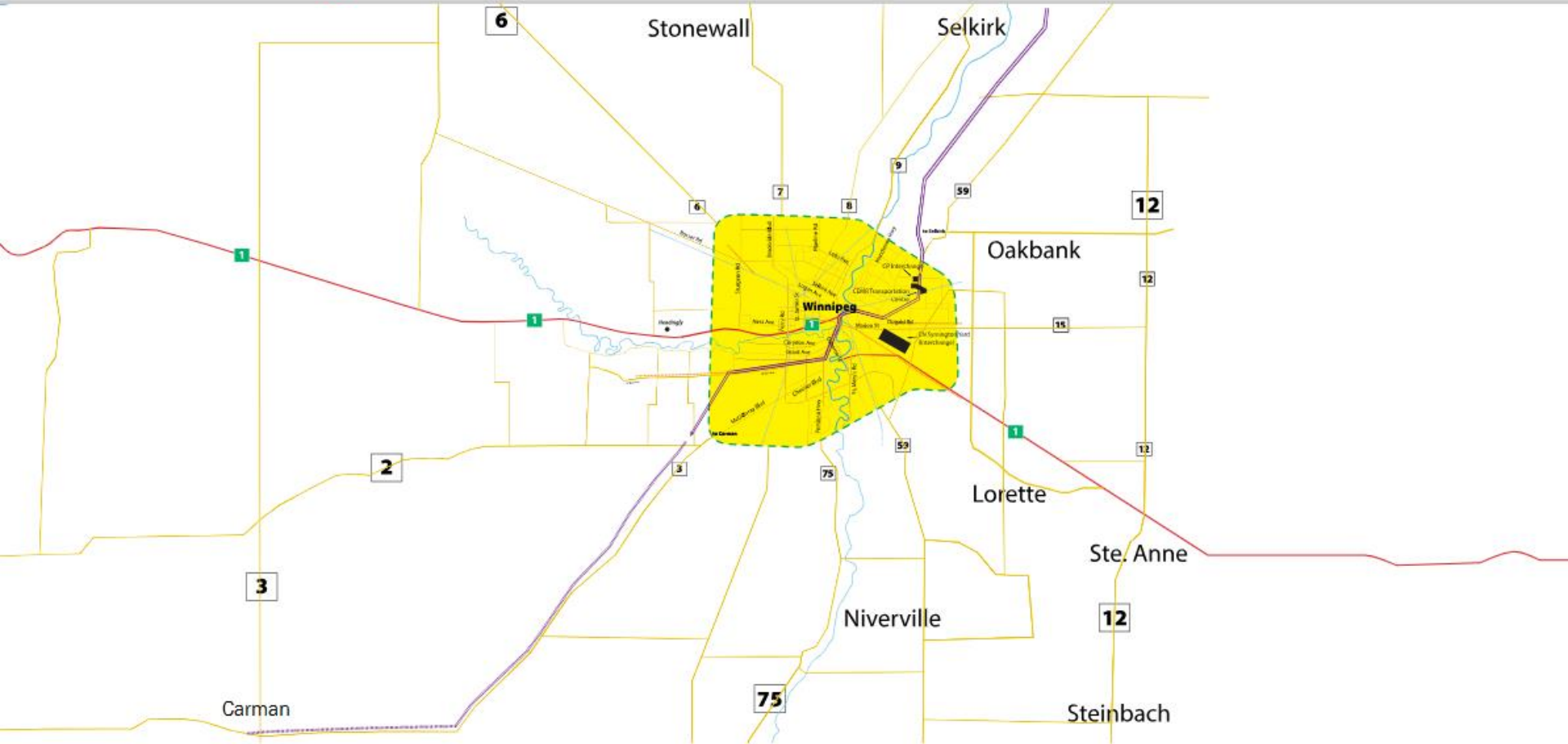


A SHORT LINE STORY

Short line case study perspective on rail's safety and efficiency advantage









LEGEND + CUSTOMERS +

THE SHORT LINE QUANDARY

- We know short lines are a key component of the transportation system
- We know our services are of significant public benefit
- BUT...

THE SHORT LINE QUANDARY

- Short line economics and constraints are very difficult
- Government policy and programs have not reflected an understanding and appreciation for the short line sector
- Lac Megantic changed everything

WORKING THE PROBLEM

- Concerted effort to secure government support for investment in short line infrastructure renewal

MAKING PROGRESS






- Awareness on “The Hill”
- CTA and RSA reports
- CN and CP collaboration
- Provincial programs
- Access to major federal programs

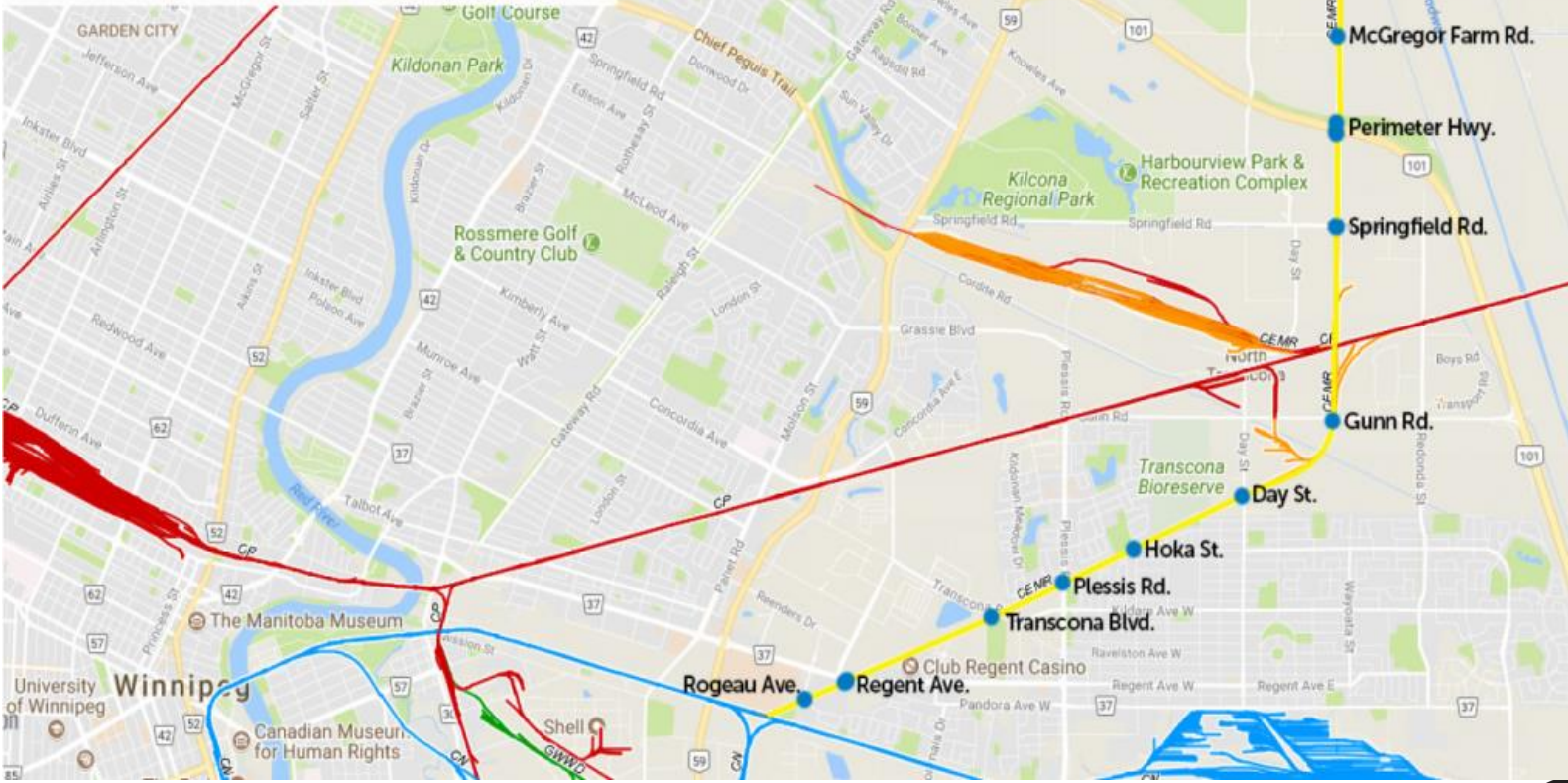
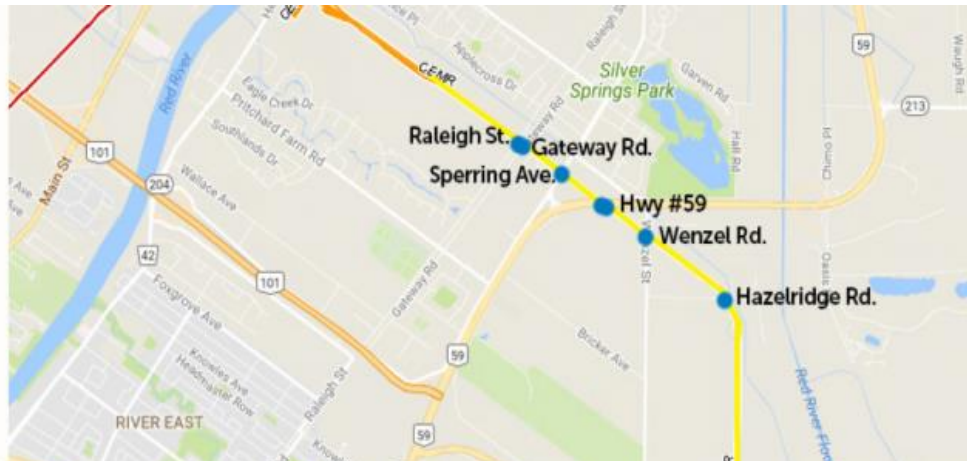
PINE FALLS SUB ENHANCEMENT PROJECT

- Federal government funding for CEMR's Pine Falls Subdivision Enhancement Project under the National Trade Corridor Fund (NTCF)
- \$11.4 million project costs shared equally by NTCF and Cando

THE PROJECT

- Complete rehabilitation: rail, OTM, ties, mainline switches, grade, drainage, crossing improvements
- 8.8 miles
- Heavy Axle Loading

-  CEMR Pine Falls Subdivision Proposed Construction Area
-  Central Manitoba Railway (CEMR)
-  Canadian National Railway (CN)
-  Canadian Pacific Railway (CP)
-  Crade Crossings, Proposed Construction within the Crossing Area



BACKGROUND

- Built in 1927
- Light rail manufactured 1924
- Rated at 263 load capacity
- Operating speeds 10 mph
- Major highway and road crossings
- Dense urban infill
- DG intensive



WHY SPEND \$11.4 MILLION?







SUMMARY

- Collaboration is key
- Call to action
- Need suppliers

SUPPLIER INQUIRIES

Troy Will, Project Manager

O: 204.725.5179 / M: 204.761.1226

E: troy.will@candorail.com

Corporate Services

Unit 400 -740 Rosser Avenue

Brandon, MB R7A 0K9

GENERAL CONTACT INFORMATION

Lee Jebb
Vice President, Cando Rail Services
E: lee.jebb@candorail.com
Website: www.candorail.com