



Alberta to Alaska Railway

Valdez City Council

December 2017

Linking North America to World Markets

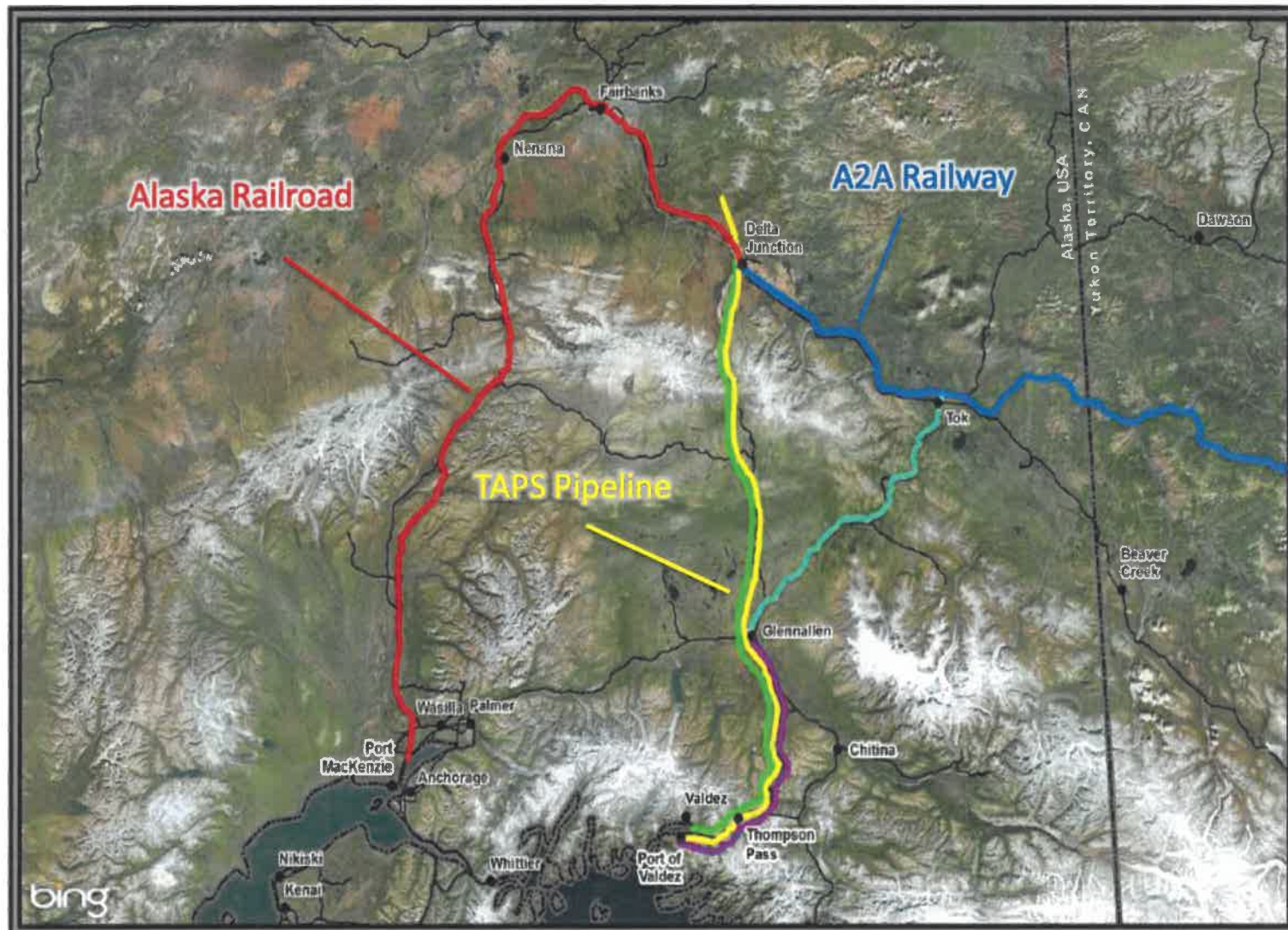
The Alberta to Alaska railway will create a link between Alaska and North America, allowing stranded Canadian bitumen to move to world markets. A2A Rail is a superior infrastructure investment because it will be a high-value asset with long-term, stable, high revenue streams.

- **Design, Permit, Build & Operate a multipurpose railway from Alberta to tidewater**
- **Canadian First Nations and Alaska Natives are currently being engaged to become full partners in the project**
- **Capacity to move commodities, goods, people & data (fiber optics)**
- **Potential to also connect Alaska to lower 48 states**



Partner in the development of 1,516 miles (2,440 km) of railway to enable stranded commodities to get safely to market.

Proposed Route Options



Source: AECOM Alaska to Alberta Railway Final Summary Report

Note: the green, cyan, and purple lines represent alternative routes to tidewater

Alberta to Alaska Railway Opportunity



The Alberta to Alaska Railway ("A2A Rail") provides an incredible economic opportunity for the region

- Connecting two highly **successful existing end points** (Anchorage and Fort McMurray) will allow:
 - Transport of stranded Canadian bitumen
 - Dual direction freight to and from North American destinations
 - Economic connectivity that makes currently unviable projects viable, increasing A2A Rail growth potential

Efficient Exports: Alaska 2 – 4 days closer to Asia

- The project will ship bitumen to and containers to and from the closest ports in North America to Asian destinations
- A2A railway offers enhanced shipping speed for containers and low energy cost for bringing oil to tidewater
- All west coast ports are nearing capacity and additional capacity is needed

In nautical miles	Long Beach, CA	Vancouver, BC	Prince Rupert, BC	Valdez, AK (oil)	Anchorage, AK (freight)
Vladivostok	4,831	4,024	3,629	3,415	3,334
Seoul	5,630	5,027	4,592	4,168	4,087
Tokyo	4,803	4,102	3,729	3,414	3,333
Hong Kong	6,363	5,756	5,335	4,911	4,830
Shanghai	5,708	5,110	4,678	4,254	4,173
Singapore	7,666	6,944	6,554	6,243	6,162

Source: sea-distances.org; 1.15 miles per nautical mile

Superior Infrastructure Investment

Safest Railway

- A2A Rail is building the safest railway in the world
- Significant operation, engineering, regulatory experience on A2A Rail team will ensure permitting success in a timely fashion

Innovative Indigenous Partnership

- A2A Rail proposes to engage with Tribes, First Nations, and Alaska Native Corporations to generate:
 - Beneficial equity in the enterprise
 - Establish a business relationship
 - Gain support for the project

Innovation in Logistics

- A2A Rail team has dramatically improved the logistics from the VHI study; these improvements have added 30% to the bottom line to the project over 20 years
- Appropriate application of Free Trade Zone ports could improve this further
- This reduces speed and costs of getting commodities to port, increasing investor returns dramatically

Stable Long- Term Revenue

- Expect first dollar of revenue in year 6 and first full year of operations to occur in year 8

Additional Economic Opportunities

- Participate in port expansion development in Alaska
- Shipment of supplies and commodities to the U.S. or Canada from Asia Pacific via Alaska ports
- Trains offer other community benefits such as small business opportunities, contracting, infrastructure, and both short-term and long-term job creation
- Reduced cost of goods and diversifying goods to remote communities
- Provide corridor for fiber optic telecommunications services
- Connect Alaska to the lower 48 states

Workforce Development & Training

~1,600 positions will be needed to construct the 300 miles of Rail within Alaska

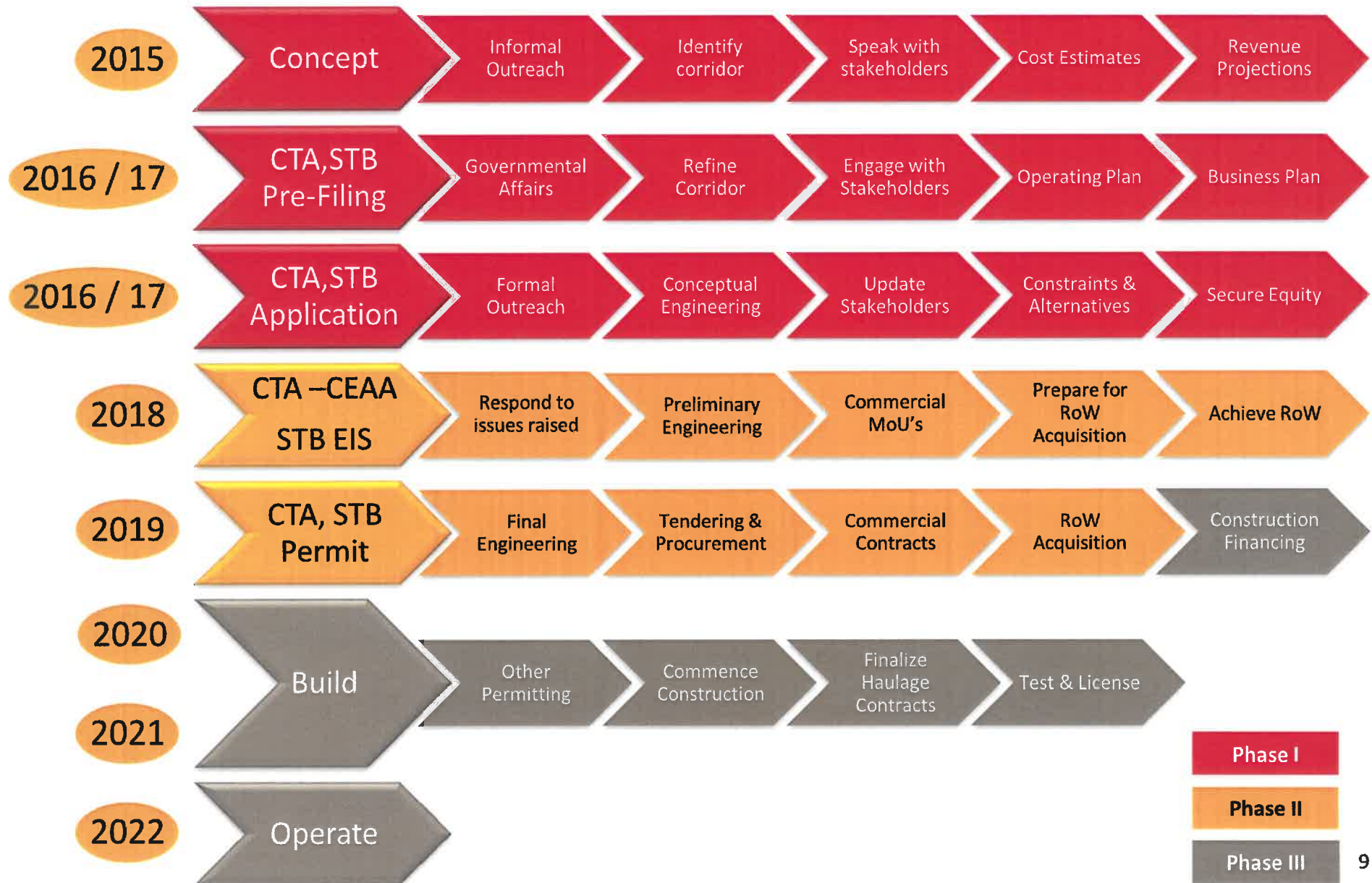
Camps & Early Works	Average ~135 positions annually / 3+ years	breaking trail, clearing land, removing trees, setting up camps, etc.
Major Bridges	Average ~100 positions annually / 3 years	steel construction, concrete, pile driving, etc.
Culverts & Tunnels	Average ~130 positions annually / 3 years	Building drainage system, rock cutting, blasting, etc.
Grading	Average ~2,950 positions annually / 3 years	labors and heavy equipment operators to establish foundation of Rail
Track, Signals & Communications	Average ~75 positions annually / 3+ years	Building ties and rails, laying fill in between the ties, and installing the telecommunications system
Facility Construction	Average ~250 positions annually / 3 years	Constructing Customs and Border Protection, operations and maintenance facilities
Support	Average ~175 positions annually / 3+ years	Concrete, granular, trucking personnel

Workforce Development & Training

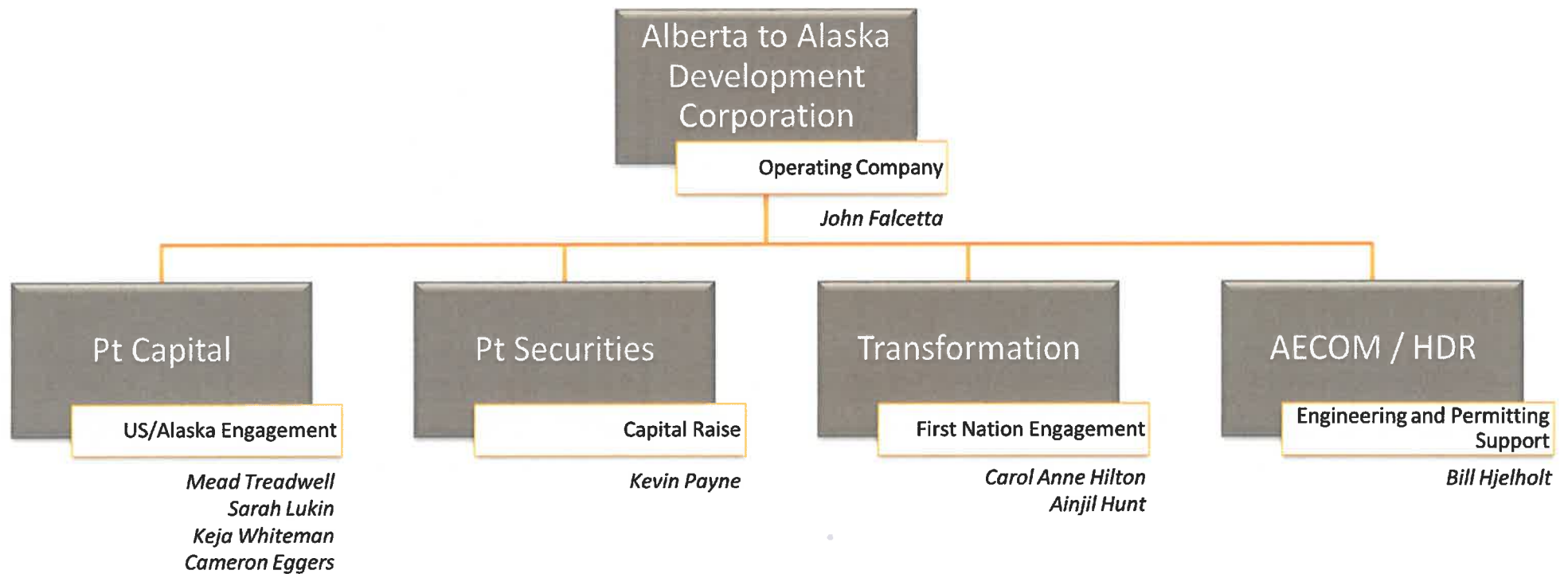
~139 year round positions will be needed to service the 300 miles of Rail in Alaska

Management	~7 positions	Field operations management positions (Superintendent, Assistant Superintendent, Train Master, Rules Examiner)
Train & Yard Crew Members	~88 positions	Train and yard crew members (locomotive engineers, conductors, yard foremen, operations crew)
Mechanical	~22 positions	Mechanical Manager, locomotive machinists/electricians, car men, foremen, labor
Track & C&S	~22 positions	Manager, track crews, foreman, laborers, truck driver, tamper and ballast regulator operators, welding crew, bridge and structure, signals and communications crew
Seasonal Employees	~15-20 (not included in year round)	Capital replacement programs, tie and ballast replacement, bridge repair, other preventative maintenance as necessary
Contract Labor	Varies Annually (not included in year round)	Crew van drivers, capital maintenance of track, grinding, geometry, clearing land, vegetation control, crew facilities staff (dormitory, dinning hall, recreation hall)

Proposed Project Timeline



A2A Project Team and Roles



For More Information



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