

TEAM CANADA 2001 COMPLETES SECOND LEG OF MISSION WITH \$314 MILLION IN NEW DEALS

February 15, 2001
Shanghai, China

Prime Minister Jean Chrétien and Team Canada got right down to business today in Shanghai China, with 62 new business deals worth over \$314 million to Canadian enterprises. This brings the total of Team Canada 2001 deals to \$5.3 billion after two stops.

The deals include 16 contracts worth a total of \$165 million, 21 memoranda of understanding valued at \$83 million, nine letters of intent valued at \$6 million, in addition to 16 other forms of deals valued at \$59 million.

"Shanghai is where business is done in China," said the Prime Minister. "Our success here today illustrates that Canadians can compete in the most important market in one of the most dynamic and growing economies in the world. I'm especially excited by the announcement of a major investment in Quebec, creating 380 new jobs. This shows that Team Canada is not only about opening doors for Canadian business abroad, it is also about attracting international investment to Canada."

Team Canada is a unique partnership between business and the federal and provincial and territorial governments. The deals announced today show what can be achieved when government and business work together.

This is the second Team Canada mission to China and shows the strength of Canada's commitment to the Chinese market. The deals signed today demonstrate how Canadian companies are successfully positioning themselves in this very competitive market. Those signing deals range from agri-food to health and education, and reflect the diversity of Canadian capabilities and know-how.

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Backgrounder

Atomic Energy of Canada Limited (AECL), Mississauga, ON. AECL signed a memorandum of understanding with Shanghai Nuclear Engineering Research and Design Institute to implement a nuclear engineering cooperation program in support of the operation of the Qinshan Phase III CANDU Nuclear power plant. The project also includes the development of new reactor designs for future application.

BAE Newplan Group Limited, Mount Pearl, NF; Woodpick Enterprises Ltd., Wareham, NF; NFLD Marketing International Oceans Inc., St. John's, NF. BAE Newplan Group, a subsidiary of SNC-Lavalin Inc., Woodpick Enterprises and NFLD Marketing International Oceans signed a memorandum of understanding with Zhejiang Zhoushan International Fishery Co. Ltd., Zhoushan City and Zhejiang Ocean and Fisheries Bureau of Hangzhou, to cooperate and pursue projects in the fisheries and oceans sector. Projects will begin with viability studies and include fish harvesting and processing, under-utilized (emerging) species and new product market development, fish smoking, and aquaculture. The deal is valued at \$80 million, of which \$40 million is Canadian content.

British Columbia Institute of Technology (BCIT), Burnaby, BC. BCIT signed a contract with Shanghai Foreign Services (SFS), a licensed student recruiting company in Shanghai, to recruit Chinese students for BCIT programs. SFS will be authorized to organize short-term training groups at BCIT for various certificate programs. The estimated value for this project is \$1 million, of which \$500,000 is Canadian content.

BCIT signed a contract with Edushanghai International Co. Ltd., a licensed student recruiting company in Shanghai, to recruit Chinese students for BCIT programs. Edushanghai will be authorized to organize short-

term training groups at BCIT for various certificate programs. The estimated value for this project is \$500,000, of which \$300,000 is Canadian content.

BCIT signed a memorandum of understanding with Sichuan Communications College (SCC) to develop distance education programs for Chinese students through SCC. Programs will include civil engineering technology, automotive maintenance and technology management. The estimated value of this project is \$1 million, of which \$250,000 is Canadian content.

BCIT signed a memorandum of understanding with Tong Ji University establishing a partnership to develop curriculum for polytechnic education programs. Tong Ji graduates may continue their studies towards degree programs offered at BCIT. The deal is valued at \$500,000, of which \$200,000 is Canadian content.

BCIT signed a memorandum of understanding with Red Dot Management Inc. to develop corporate training and joint educational programs in China. The programs will offer accreditation from BCIT. The project is valued at an estimated \$650,000, of which \$300,000 is Canadian content.

BCIT signed a memorandum of understanding with the Zhenjiang Institute of Science & Technology (ZIST), Zhejiang Province, to license BCIT's mechanical technology programs to be taught at the Institute. Graduates of this program will be accredited by both BCIT and ZIST. The project is valued at an estimated \$2.5 million, of which \$1 million is Canadian content.

Canadian Securities Institute (CSI), Toronto, ON. The Canadian Securities Institute signed a letter of intent with Shanghai Zhonglu Consulting Co. Ltd. to promote and advocate CSI's securities and investment training programs in China. The deal is valued at \$700,000 all Canadian content.

Canbreal Therodiagnosics International Inc., Ottawa, ON. The Canadian Breast Cancer Laboratories, Canbreal Therodiagnosics International Inc., signed a memorandum of understanding with the Nantong Cancer Hospital of Jiangsu Province to establish a regionally-based cooperative program for the development of innovative biotechnology products and services, such as new diagnostic procedures and therapeutic products. The project will focus on public health initiatives including early prevention and quantitative diagnosis of breast cancer. The project is valued at an estimated \$45 million over five years, \$35 million in Canadian content.

Carlos Ott and Petroff Partnership Architects, Toronto, ON. Carlos Ott and Petroff Partnership Architects signed a draft contract agreement with the Municipal Government of Hangzhou to design an opera house in Hangzhou, the first part of a the New Administration Centre of the City complex. The project is valued at \$225 million, of which at least \$3.2 million is Canadian content.

CECA International Trade Inc., Montreal, QC. CECA International Trade Inc. signed a contract with Shanghai Shen Hong appointing them as a distributor for Canada Gold Maple Syrup products produced by Citadelle, a farmer's cooperative located in Plessisville, Quebec. This venture is a major undertaking for both CECA and Citadelle into the Chinese market.

Centennial College of Applied Arts and Technology, Toronto, ON. Centennial College signed a cooperation agreement with Yuanjing Business Consulting Service Co. Ltd., a licenced student recruitment agency, to facilitate educational and cultural exchanges between China and Canada. Chinese students will receive career training at Centennial in the fields of international business and trade, accounting and finance, computer programming systems, hospitality and tourism administration and automobile engineering technology.

Certified General Accountants Association of Canada (CGA-Canada), Vancouver, B.C. Certified General Accountants Association of Canada and the National Accounting Institute (NAI) of Shanghai signed a memorandum of understanding for the development of a public practice manual and specialized courses in comptrollership, finance and securities, and government accounting. The NAI is an accounting training institution that accredits 10,000 professional accountants and financial managers each year.

Chai-Na-Ta Corp., Langley, BC. Chai-Na-Ta Corp. signed a contract with Madaus AG of Germany to, through their joint venture with Madaus CNT Health Sciences Limited, will acquire the rights to 40,000 square metres of land from the Chinese Foreign Investment Promotion Bureau of the Wuxi National Hi-Tech Industrial Development Zone. This piece of land will be used for the construction of factories for

manufacturing health foods and herbal-based pharmaceutical products. The project is valued at \$18 million, of which \$9 million is Canadian content.

China World Best Group Company Ltd. China Worldbest Group Company Ltd. (CWGC) will establish a dying and knitting plant subsidiary in Drummondville, Quebec (W&B Industries) creating 380 jobs in the region. The Governments of Canada, Quebec and the city of Drummondville all contributed to the realization of this project. The investment is valued at \$45 million.

College de Rosemount, Montreal, PQ. The College de Rosemount signed a memorandum of understanding with Shanghai Funeral & Internment Service Center (FIS) to establish a training program to help further develop the expertise of funeral service employees. The first phase of the program will involve the training of 10 people from China at College de Rosemount. The deal is valued at \$150,000, all Canadian content.

Concordia University, Montreal, PQ. Concordia University signed an academic cooperation agreement with Southeast University of Nanjing in the fields of engineering and computer science and arts and science. The agreement involves research, collaboration and the exchange of expertise and faculty. The agreement will focus on web-based introductory content in several academic fields.

Concordia University signed an academic cooperation agreement with Nanjing University in the field of chemistry. The agreement includes research, collaboration, co-training, and the exchange of expertise and staff. This agreement will focus on bio-inorganic and materials chemistry.

Cosem Neurostim Ltd., Saint-Foy, QC. Cosem Neurostim signed a letter of intent with Shanghai Chun Ling Co. to collaborate on the research and development of neurostimulators. Shanghai Chun Ling will become a shareholder in Cosem Neurostim and the primary rights holder to promote Cosem products in China. Shanghai Chun Ling's investment is valued at \$300,000, and will open the multi-million dollar Chinese market for both companies.

Entrust Technologies, Ottawa, ON. Entrust Technologies signed a memorandum of understanding with Shanghai Electronic Certificate Authority Centre Co. Ltd. to establish a relationship to provide e-business security solutions for the Chinese market.

First Nat Consulting & Export Corp., Point-Claire, QC. First Nat Consulting & Export signed a contract with Fasto Fountain Ltd. to build and manage a tomato processing and potato powder plant in the Shanghai region. A percentage of the plant's output will be imported to Canada by First Nat. The deal is valued at \$3 million, of which \$2 million is Canadian content.

Friede Goldman Newfoundland Limited, Marystown, NF. Friede Goldman Newfoundland signed a memorandum of understanding with Zhejiang Zhoushan International Fishery General Co. Ltd. to construct up to sixty fishing vessels in Marystown and provide associated equipment, technology transfer and training. This multimillion dollar project will be completed over 15 years.

Government of Manitoba. Gary Doer, Premier of Manitoba and Xu Zhongling, Governor of Anhui Province signed a memorandum of understanding to increase trade and economic information in agriculture, animal husbandry, education, food and beverage processing, communications, agricultural machinery and information and telecommunications. The agreement will strengthen cooperation and exchanges between the two provinces and promote an open dialogue between respective scientific research centres in each province in the areas of health care, information technology and biological engineering.

Newfoundland and Labrador Development Corporation (NLDC), St. John's, NF. NLDC signed a contract with Goodard Electronics Group of Suzhou province to invest in NLDC's International Manufacturing Centre's Venture Capital Fund. The centre will provide international manufacturers with a duty-free zone to import components, assemble Hi-tech products, distribute goods to markets in North America and Europe, and offer product maintenance services. The deal is valued at \$2.5 million, all Canadian content.

Holland College, Charlottetown, PEI. Holland College signed a joint venture agreement with Zhenjiang College to deliver its Business Programmer Analyst Information Technology Program in Zhenjiang, Jiangsu Province. This five year renewable agreement has an overall estimated value of 1.8 million, of which \$830,000 is Canadian content.

Holland College signed an agreement with East China Petroleum College to deliver its Business Programmer Analyst Information Technology Program in Yangzhou City, Jiangsu Province. This five year renewable agreement has an overall estimated value of \$1.8 million, of which \$770,000 is Canadian content.

Holland College signed a memorandum of understanding with Changzhou Institute of Technology, to pursue an educational joint venture to deliver Holland College programs in Changzhou city. The project is estimated at a value of \$1.8 million, \$830,000 in Canadian content.

IBI Group, Vancouver, B.C. IBI Group signed a memorandum of understanding with the Shanghai Informatization Office to prepare an Intelligent Transportation System (a computerized traffic management system) Strategic Plan for Shanghai. The project is valued at \$440,000, of which \$400,000 is Canadian content.

IBI Group signed a memorandum of understanding with the Shanghai Science and Technology Commission to examine the feasibility of a computerized taxi dispatch and monitoring system. The project is valued at \$1.5 million, of which approximately \$1 million is Canadian content.

Intracoastal System Engineering Corporation, Vancouver, BC. Intracoastal System Engineering Corporation signed a contract with JST Automation to provide its Power Line Communication technology to enhance existing electrical meter reading in China where resources require accurate use management and timely monitoring. The total project value is \$5.8 million, of which \$1.3 million is Canadian content.

Justice Institute of B.C., New Westminster, BC. Justice Institute of B.C. signed a memorandum of understanding with Shanghai Medical Emergency Centre to pool their training and expertise in order to develop Shanghai area doctors as world class teachers of resuscitation training and the skills of emergency care personnel. The deal is valued at \$150,000, of which \$50,000 is Canadian content.

Lotus Group International Ltd., Vancouver, B.C. Lotus Group International signed a letter of intent with Wuhan Overseas Scholar Business Park whereby China will gain well educated and well trained leaders and entrepreneurs in the high technology sector. The project will include the establishment of bilingual (Chinese/English) schools, the exchange of faculty and students and the establishment of full bachelor, master and doctorate degree programs. This agreement will assist graduates of the programs in business start up and employment opportunities.

Lotus Group International signed a letter of intent with Huazhong University of Science and Technology to provide a five-year intensive hi-tech training program. The participants will attend Huazhong University for a two-year training course, then complete a three-year session at Century College in Vancouver. The final year will be an on-the-job training experience arranged by Century College. The project is valued at \$2 million, of which \$500,000 is Canadian content.

Meridian Technologies Inc., Etobicoke, ON. Meridian Technologies signed a technology assessment agreement with Shanghai Cosmopolitan Automobile Accessory Co. Ltd. to open a discussion for potential joint venture collaboration on a magnesium high pressure die-casting foundry to service the Asia-Pacific Market.

Motry International Inc., Toronto, ON. Motry International signed a contract with Shanghai Honest Commercial and Trade Co. Ltd. to collaborate on the production and marketing of plush toys. Shanghai Honest Commercial and Trade will manufacture the toys in China and Motry will design and market the toys in Canada and abroad. The venture is valued at \$500,000, of which \$350,000 is Canadian content.

Motry International, in collaboration with Icewine Co. of Canada, signed a letter of intent with Shanghai Honest Commercial and Trade Co. Ltd. to export Niagara region ice wine to China. The deal is valued at \$800,000 yearly, all Canadian content.

Motry International signed a letter of intent with Shanghai Jiahua Co. Ltd. to collaborate on the production and marketing of Chinese herbal cosmetics. Shanghai Jiahua will develop the cosmetics in Shanghai and Motry will design and market the cosmetics in Canada and abroad. The venture is valued at \$500,000, of which \$300,000 is Canadian content.

Mount Royal College, Calgary, AB. Mount Royal College signed a cooperation agreement with the Beijing National Conservatory of Music to establish faculty and student exchanges. This agreement will enrich the learning experience in culture and music.

Mount Saint Vincent University, Halifax, NS. Mount Saint Vincent University signed a memorandum of understanding with Ginling Women's College and Nanjing Normal University to foster collaborative research, promote the exchange of faculty and students, and share expertise in teacher training, distance learning, food science and nutrition, and the education of women. Mount Saint Vincent University is dedicated primarily to the education of women.

Nascor Incorporated, Calgary, AB Nascor Incorporated and Grand Central Holdings Limited of Suzhou Province signed a two phase agreement to introduce Canadian-style housing into the Chinese market. The deal is valued at \$10.8 million, \$9 million of which is Canadian content.

Niagara College, Welland, ON. Niagara College signed a contract with Shanghai Commerical Polytechnic to offer two-year diploma programs to Chinese students. Approximately 40 students will enrol in the computer programming course and 30 students in the hospitality and tourism course, both of which will be taught in English in Shanghai. The students will receive accreditation from both Niagara College and Shanghai Commercial Polytechnic. Faculty members from Niagara College will travel to China to teach portions of the programs. The project is valued at \$400,000 over two years, of which \$200,000 is Canadian content.

Niagara College signed a contract with Shanghai Commercial School to establish a two-year diploma program for Chinese students. Approximately 80 students will enrol in the English taught international business program which has an e-commerce focus. Students will receive accreditation from both Niagara College and Shanghai Commercial School. Faculty members from Niagara College will travel to China to teach portions of the programs. The project is valued at about \$400,000 over two years, of which \$200,000 is Canadian content.

Nortel Networks, Ottawa, ON. Nortel Networks signed a CDMA supply contract with China Shanghai Datang Mobile Communications Equipment Co. Ltd. to enable Datang to locally manufacture CDMA systems for upcoming Unicom CDMA projects. The contract will substantially enhance Nortel's positioning in the Chinese wireless market. The deal is valued at over \$150 million, of which \$120 million is Canadian content.

Northern Alberta Institute of Technology, Edmonton, AB. The Northern Alberta Institute of Technology (NAIT) signed a letter of agreement with Shanghai Youth Limousine Garage to establish a course of study based on NAIT's Automotive Service Technician Program. The program will combine Canadian training conducted at NAIT in Edmonton and Chinese training conducted at Shanghai Youth Limousine Garage facilities in Shanghai and Jiangsu. The project is valued \$1 million, all Canadian content.

Pan Pacific Design and Development Group Ltd., Scarborough, ON. Pan Pacific Design and Development Group signed a design contract with Anyue Real Estate Co. Ltd. to carry out the master planning, architectural and landscape design for Azure Heights Residential Village in Qinghuagdao, Hubei province. As the largest modern residential development of Qioghuagdao, the project will include various types of residential buildings, luxury condominiums, offices and commercial retail amenities. This project is valued at \$800,000, all Canadian content.

Partition Components Asia, Markham, ON. Partition Components Asia signed a letter of intent with Anhui Baitong Group to establish a joint venture factory to bring the PC-350 gravity-lock, a system of components for constructing interior walls, to China. The project's estimated value is \$2 million, of which \$500,000 is Canadian content.

PIC Canada Ltd., Airdrie, AB. PIC Canada signed an agreement with PIC (Zhang Jia Gang) Pig Improvement Co. Ltd. to cooperate on pig production and introduce genetic breeding stock to China. PIC will also provide pig production management, including nutrition, health, manure, transportation, slaughtering and meat packing plant management. This deal is valued at \$10 million, of which \$2 million is Canadian content.

QGI Institute of Information Technology, Toronto, ON. QGI Institute of Information Technology signed a letter of intent appointing the Graduate School of Tongji University as an authorized educational supervisor

of QGI programs. QGI programs will be linked with universities and colleges in southern parts of China offering English as a second language, IT, business education and short-term professional training. The agreement is valued at \$10 million, of which \$2 million is Canadian content.

QGI Institute of Information Technology signed a letter of intent with Lawrence International Development Company, a branch of Shanghai Donglin Group, to provide management, administration and Canadian-style curriculums for two schools that are part of a new district development in the city of Nanjing, Jiangsu province. This agreement is valued at \$10 million, of which \$1 million is Canadian content.

Quebec Wood Export Bureau (QWEB), Quebec, PQ. QWEB and Tecslut International Ltd. signed a memorandum of understanding with Shanghai Huili Group Co. Ltd. to conduct a feasibility study for establishing a hardwood flooring manufacturing plant in Shanghai. The project is valued at \$6 million, of which \$3 million is Canadian content.

Royal Roads University, Victoria, B.C. Royal Roads University signed a contract with the Shanghai Foreign Service Corporation to recruit Chinese students facing mid-career challenges of the new knowledge-based economy for business programme training in Canada. The deal is valued at \$675,000, all Canadian content.

Saint Mary's University, Halifax, NS., Simon Fraser University, Burnaby, BC., and Université du Québec à Montréal, Montreal, QC. Saint Mary's University, Simon Fraser University and Université du Québec à Montréal signed a protocol of agreement with Shanghai University to establish the Canada-China Institute of Shanghai University. The Institute will focus on communication and business related programmes in French and English.

Seneca College, Toronto, ON. Seneca College and Shanghai University signed an educational cooperation agreement to promote cultural and educational communications between China and Canada. The agreement will promote the establishment of broadcasting, television, international business and marketing programs. The first part of these programs will be offered in China, with the final year of study at one of Seneca's campuses in Toronto. The deal is valued at \$1.2 million, of which \$600,000 is Canadian content.

Simon Fraser University, Burnaby, BC. Simon Fraser University signed a memorandum of understanding with the Shanghai Academy of Social Sciences to promote a research collaboration between the two institutions. Initially, the focus will be on research relating to the issue of immigration and will actively involve the national Network of Centres of Excellence (NCE) in immigration coordinated by Simon Fraser University.

Spruce Capital Homes Ltd., Prince George, B.C. Spruce Capital Homes signed a memorandum of understanding with Chengdu Jian Rui Fa Construction Development Co. Ltd. for the supply of design services, wood structural components and materials, site labour and supervision for the construction of 6 Canadian-style wood frame detached houses in Chengdu, Sichuan Province. The 6 houses are Phase 1 of a planned development of approximately 100 houses and townhouses. The agreement is valued at \$3 million, of which \$900,000 is Canada content.

STW Holdings (Canada) Consultant Inc., Richmond Hill, ON. STW Holdings signed a contract with Shanghai Scienceland Co. Ltd. to provide building and design consulting services for the Children's Technoland area at Shanghai's Scienceland, a gallery designed specifically for children under the age of twelve. Scienceland is a new government-sponsored museum project offering educational opportunities relating to all areas of science. The project is valued at \$5.8 million, of which \$3.5 million is Canadian content.

Turkhot Tech Inc., Longueuil, QC. Turkhot Tech signed a joint venture contract with Shanghai Shihua Technology to fabricate thermal and heat pumps in Shanghai. Shihua will also market Turkhot's improved thermal heat pump for the Chinese market that also purifies the air inside the home at up to 99 percent. The initial joint venture investment is valued at \$2.25 million, with subsequent sales worth over \$20 million yearly in Canadian content.

University of British Columbia, Vancouver, B.C. The Faculty of Commerce and Business Administration of the University of British Columbia signed a cooperative agreement with the Aetna School of Management of Shanghai Jiao Tong University to establish a joint International Master of Business Administration (IMBA) program. Chinese students will attend classes taught by UBC faculty in Shanghai and, upon completion of

the program, will receive a UBC degree. Approximately 50 students will be accepted into the program in the first phase which may begin later this year.

Westeel Ltd., Winnipeg, MB. Westeel signed a contract with Hoi Tung Marine Machinery Suppliers to supply eight grain storage silos at the Port of Qingdao. The silos, with a total storage capacity of 100,000 metric tonnes, will allow the port authority to import grains and oilseeds such as barley and soybeans for further processing in China. Westeel is one of North America's oldest and largest manufacturers of agricultural and industrial steel storage products. The contract is valued at \$1.9 million, all of which is Canadian content.

Yukon College, Whitehorse, YT. Yukon College signed a memorandum of understanding with the International Study Institute (ISI) of Tokyo, and its affiliates, to establish guidelines for a long-term business partnership at ISI's school in Shanghai. Cooperative efforts include sending Chinese students to Yukon College to study English. The deal is valued at \$50,000 yearly, all Canadian content.

Yukon College signed an agreement with the International Study Institute in which ISI will send 40 to 50 students and 4 faculty members to Yukon College in September, 2001 for a one-month English as a second language immersion program. The deal is valued at \$100,000, all Canadian content.

Yukon College signed a general memorandum of cooperation with Shanghai Foreign Language School and Shanghai International Studies University for academic and student exchanges between the schools.