

FIRST TEAM CANADA MISSION TO EUROPE WRAPS UP WITH OVER HALF A BILLION IN NEW BUSINESS

February 21, 2002
Munich, Germany

Prime Minister Jean Chrétien welcomed today the success of the first Team Canada mission to Europe, which opened doors for Canadian business in Russia and promoted science and technology and investment partnerships with Germany. The mission was led jointly with Canada's provincial premiers and territorial leaders.

"The Team Canada 2002 mission has given Canadian companies unprecedented profile and exposure in Russia at a time when the economy is showing positive growth and becoming more open and market-driven as a result of historic reforms," said the Prime Minister. "Our mission to Germany has positioned Canada as a technology partner and a strategic investment destination in the minds of hundreds of German business people."

In a signing ceremony today in Munich, the third and final stop of the mission after Moscow and Berlin, the Prime Minister and Team Canada witnessed the signing of 27 new business deals valued at \$176.74 million. These deals include seven contracts valued at \$144.24 million, 18 memoranda of understanding and letters of intent valued at \$30.2 million, and two planned investments valued at \$2.3 million. The agreements cover telecommunications, information and medical technology, food, housing, education, aviation, film, television and art.

Highlights of the Team Canada 2002 mission include:

- concluding 133 new business deals in Moscow, Berlin and Munich worth \$583.621 million, including 41 contracts worth \$312.229 million, 88 memoranda of understanding and letters of intent worth \$239.392 million, and four planned investments worth \$32 million. The agreements range from education and joint research to the supply of housing and entertainment co-productions.
- promoting the more than 290 Canadian enterprises that participated in the Team Canada 2002 mission to Russia and Germany. This includes more than 150 small and medium-sized companies, whose marketing and business development efforts benefit the most from the visibility generated by Team Canada missions.
- tremendous interest in two investment and three science and technology seminars in the areas of photonics, biotechnology and technology transfer held in Berlin and Munich. The seminars attracted more than 900 senior executives from leading conglomerates and *Mittelstand* companies — multi-million dollar, small and mid-size firms — the predominant source of German investment in Canada, which typically involve capital as well as technology transfer in export-oriented industries.

"The German business community's response to Team Canada 2002 is a clear sign of confidence and recognition that Canada offers a cost-effective and strategic place to do business, given our preferential access to the North American market, emphasis on education, innovation and skills and the strength of the Canadian economy," said the Prime Minister.

The Team Canada 2002 mission is the seventh such trade mission led by the Prime Minister, the provincial premiers and territorial leaders to important markets for Canadian business. Team Canada visited Beijing, Shanghai and Hong Kong in 2001, Japan in 1999, Mexico, Brazil, Argentina and Chile in 1998, South Korea, the Philippines and Thailand in 1997, India, Pakistan, Indonesia and Malaysia in 1996 and China and Hong Kong in 1994.

CANADA-GERMANY BUSINESS AGREEMENTS Backgrounder

Agriprogress Inc, Morden, Manitoba

Agriprogress signed a letter of intent with Norddeutsche Pflanzenzucht Hans-Georg Lembke KG of Holtsee to establish a plant in Morden for the breeding, production and marketing of new varieties of canola seed. The investment by Lembke is valued at \$1.5 million, all of which is Canadian content.

Algonquin and Lakeshore Catholic District School Board, Napanee, Ontario

Algonquin and Lakeshore Catholic District School Board signed a memorandum of agreement with Carl Duisberg Centrum GmbH of Cologne, establishing a partnership to provide opportunities for German students to earn an Ontario Secondary School Diploma in Canada. The agreement is valued at \$250,000, all of which is Canadian content.

Avmax Group Inc., Calgary, Alberta

Avmax Group signed a letter of intent with Rheinland Air Services of Moenchengladbach to jointly establish a line of regional aircraft and, a heavy maintenance centre and provide parts distribution services and aircraft management services throughout Europe.

Avmax Group signed a memorandum of understanding with Lufthansa Consulting GmbH of Cologne to co-operate in developing aviation opportunities in North America and Europe. The opportunities include flight operations, maintenance, training, aircraft management, airport development and aviation management consulting services.

DECODE Entertainment Inc., Toronto, Ontario

DECODE Entertainment signed a contract with SuperRTL of Cologne to license 39 more episodes of Angela Anaconda, a children's animated series. The value of the deal is \$2 million, all of which is Canadian content.

Entrust Technologies Inc., Ottawa, Ontario

Entrust Technologies signed a contract with Siemens AG - ICN ISA to purchase Entrust licenses for the world-wide sales of key elements of its enhanced security technology, which provides identification, entitlements, privacy verification and security management.

German Business Centre North America Inc., Vancouver, British Columbia

German Business Centre signed a contract with Kliniken des Landkreises Lörrach GmbH of Rheinfelden to provide market and logistics research in assisting this German orthopedic and sports medicine hospital in entering the North American market to provide specialized medical services, such as knee and hip surgery. The contract is valued at \$30,000, all of which is Canadian content.

Government of Yukon, Whitehorse, Yukon

The Government of Yukon signed a memorandum of understanding with Fulda Reifen GmbH of Fulda to promote the Yukon as a travel destination.

Inuit Art of Canada (L'Art Inuit du Canada), Val David, Quebec

Inuit Art of Canada signed a letter of intent with Fa. Fritz Gareis Canadische Spezialitäten of Barbing to negotiate a contract to work as partners to promote and distribute Inuit art and cultural products in Germany. The project is valued at an estimated \$500,000 over three years, all of which is Canadian content.

Inuit Art of Canada signed a letter of intent with Geronimo of Munich, to negotiate a partnership to develop the market for Inuit art and cultural products within the Bavarian region. The project is valued at an estimated \$500,000 over three years, all of which is Canadian content.

JRP Educational Travel Inc., Oakville, Ontario

JRP Educational Travel signed a letter of intent with Reiseservice Junghans of Spenge to provide English Second Language training to executives and young adults and to recruit groups of children for summer programs in Canada. The agreement is valued at \$300,000, all of which is Canadian content.

Kivalliq Arctic Foods, Rankin Inlet, Nunavut

Kivalliq Arctic Foods signed a memorandum of understanding with Peter Paulsen Import-Export GmbH and Handels KG of Hamburg to develop markets in Germany for the sale of wild caribou meat products from Nunavut.

Mind's Eye Pictures, Regina, Saskatchewan

Mind's Eye Pictures signed a memorandum of understanding with H5B5 Media AG of Munich to produce 22 episodes of the TV series Ice Planet over the next year. The agreement is valued at \$35 million, of which \$17.5 million is Canadian content.

National Research Council, Charlottetown, Prince Edward Island

National Research Council, on behalf on APACK Canada, signed a joint venture agreement with APACK AG of Markt Erlbach providing APACK Canada with exclusive rights to the manufacturing, distribution and sales of all APACK AG products in Canada, including a new line of biodegradable packaging based on potato and other starches and plant-fibre. The purchase of the exclusive rights and equipment is valued at \$5 million. The agreement is expected to generate \$2.5 million in the first year, all of which is Canadian content.

Northern Digital Inc. (NDI), Waterloo, Ontario

Northern Digital signed a contract with BrainLAB of Munich to have NDI's three-dimensional measurement technology incorporated into BrainLAB's image guided surgery systems for minimally-invasive medical procedures.

NDI also signed a memorandum of understanding to supply measurement systems to BrainLAB. The agreement is valued at \$8 million over two years, all of which is Canadian content.

Nunavut Tourism, Iqaluit, Nunavut

Nunavut Tourism signed a memorandum of understanding with Tango Films of Munich to work together to explore the possibilities of preparing a travel documentary on Nunavut.

Ontario Ministry of Economic Development and Trade, Toronto, Ontario

The Ontario Ministry of Economic Development and Trade signed a letter of intent with PRIDAT, Mikro und Feinoptik GmbH of Biebertal to establish a company in Burlington, Ontario, that will manufacture and assemble micro-optic components for various high-tech applications such as medical equipment. The investment is valued at \$800,000, all of which is Canadian content.

Pioneer Log Homes of British Columbia Ltd., Williams Lake, British Columbia

Pioneer Log Homes signed a contract with Hotel Sonnenhof of Klein Aspach to build a 22-bedroom log hotel complex complete with a restaurant and meeting rooms. The project is valued at \$1.24 million, all of which is Canadian content.

Polyplan Technologies, Montreal, Quebec

Polyplan Technologies signed a memorandum of understanding with Siemens AG of Munich to strengthen their ongoing commitment to improving market share in joint areas of expertise,

including e-business and manufacturing know-how management for the Discrete Manufacturing Industries.

RégeNord, Kedgwick, New Brunswick

RégeNord signed a memorandum of understanding with AAPEQ GmbH of Neumarkt to work with RégeNord and use its technology to establish a server base for a communications network in Germany. The agreement is valued at \$750,000, all of which is Canadian content.

River East School Division, Winnipeg, Manitoba

The River East School Division signed a letter of intent with MAP Sprachreisen GmbH of Munich to establish a relationship to initiate international educational opportunities for high school students.

S&L Fabricating Inc., Cambridge, Ontario

S&L Fabricating has signed a memorandum of understanding with Babcock Borsig Power GmbH of Oberhausen to act as a subcontractor for the fabrication of selected utility boiler components for the Canadian market on a project basis. The agreement is worth \$1 million, all of which is Canadian content.

Skyjack Inc., Guelph, Ontario

Skyjack Inc. signed a letter of intent with Mateco of Stuttgart to supply Mateco with aerial work platforms for their rental fleet.

Teleglobe Canada, Montréal, Quebec

Teleglobe Canada signed an agreement with Teleglobe Germany, reflecting the completion of their expansion of Teleglobe's telecommunications infrastructure in Germany. This includes the opening of four additional new points of presence, which are technical locations where customers can access Teleglobe's worldwide telecommunications network. The new locations are Munich, Berlin, Hamburg and Dusseldorf, complementing the existing location in Frankfurt. The expansion of the network involves an investment of \$138.47 million.

UltraDoc Software Inc., Vernon, British Columbia

UltraDoc Software signed a letter of intent with Titan Commerce Continental Services GmbH of Gießen to represent UltraDoc in Germany and to make its electronic medical records security software available there.

UltraDoc Software signed a letter of intent to partner with R2R Research to Rise Informations und Kommunikationen AG to bundle UltraDoc software with R2R training software for physicians in Canada and Germany. The estimated value of this project in the first year is \$1.4 million, all of which is Canadian content.