

NEWS RELEASE

Vancouver Shipyards Short Listed for Large Canadian Shipbuilding Program

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North Vancouver, BC -- Vancouver Shipyards Co. Ltd. (VSY), part of the Washington Marine Group Shipyards Division, has cleared the first hurdle in the government selection process to be one of two shipyards to build the country's future Naval and Coast Guard fleet.

The Federal Government's National Shipbuilding Procurement Strategy (NSPS) program is worth approximately \$35 billion to the Canadian shipbuilding industry and represents a solid investment in building replacement ships for the Canadian Navy and Coast Guard. An award of this nature would be significant for the West Coast shipbuilding industry, creating predictable work for a period of over 30 years. It would also allow further investment in the people, processes and equipment needed to revitalize the shipbuilding industry in British Columbia (BC).

The short listed companies were selected through a Solicitation of Interest and Qualification process. The five short listed yards, which include VSY, are now invited to participate in a Request for Proposal process and are required to meet with the NSPS Secretariat this month. The Federal Government will establish a strategic relationship with two Canadian shipyards. One yard will be selected to build combat vessels starting with the Arctic Offshore Patrol Ships (AOPS) and followed by the Canadian Surface Combatants (CSC). The other selected yard will build non-combat vessels such as the Joint Support Ships (JSS) and Polar Icebreaker.

"Washington Marine Group's shipyards are committed to pursuing the construction of large vessels for the Government of Canada and strongly support the NSPS initiative," said **John Shaw**, Vice President – Program Management. "The West Coast has a strong and vibrant history of shipbuilding and delivering competitive products to the Federal and Provincial Governments, amongst other customers. We look forward to being included in the competitive process for the selection of the two successful shipyards, and are confident we have the capabilities to match the Government's requirements for this important program."

"If BC shipbuilding is to survive and prosper in the 21st century, it is vitally important that the West Coast win an equitable portion of the \$35 billion in Federal Naval and Canadian Coast Guard construction work," said John.

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