



MEMORANDUM OF UNDERSTANDING (MOU)

***Halifax Gateway Council (HGC)**

AND

***Churchill Gateway Development Corporation (CGDC)**

***Also known as "the Parties"**

Whereas: The CGDC actively pursues business opportunities and provides a forum for the development of innovative business ideas, the researching of potential opportunities and the coordination and funding of various business cases to support new infrastructure development;

Whereas: The HGC is a public/private entity with a vision to establish Halifax as North America's preferred eastern Gateway for the economic and social benefit of Atlantic Canada;

Whereas: The Parties have entered into this Memorandum of Understanding to provide a framework for their coordinated and mutual efforts to pursue and realize business opportunities mutually beneficial to both regions;

Whereas: The Parties agree to work towards increasing the transfer of grain between the Ports of Halifax and Churchill, having successfully demonstrated an initial transfer of grain in 2007.

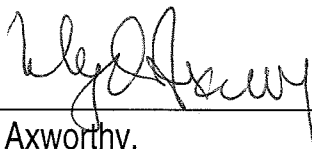
The Parties express their common understandings as follows:

- 1.1 The HGC and the CGDC agree to work together for a period of one year, commencing on the date of this MOU, to establish a recurrent transfer of grain between the Ports of Halifax and Churchill. Upon determining the success of the partnership, the MOU may be extended by agreement on the part of both Parties.
- 1.2 The HGC and the CGDC will concurrently work with third party short sea shippers to ensure the seamless transfer of grain between the two Ports.

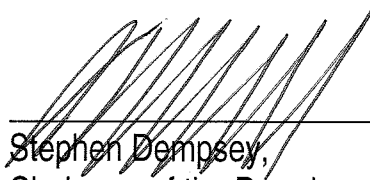


- 1.3 The CGDC will work with the HGC to explore any and all opportunities for Nova Scotia companies to establish business relationships with interests in the Nunavut region of northern Canada.
- 1.4 The Ports of Halifax and Churchill have agreed to explore the potential of supplying network containers between the two Ports with the possibility of furtherance of those containers to Europe and beyond.
- 1.5 This MOU is not intended to create a legally binding agreement between the Parties, nor is it intended to create any legally enforceable rights or obligations, but it reflects, as a matter of policy, the common understanding of the Parties.

The undersigned acknowledge this agreement and pledge support for executing the tasks as outlined for the mutual benefit and economic prosperity of the two communities:



Lloyd Axworthy,
Chairman of the Board
Churchill Gateway Development
Corporation



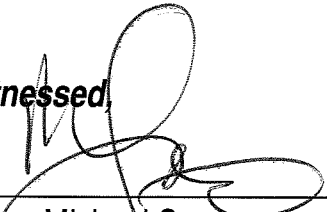
Stephen Dempsey,
Chairman of the Board
Halifax Gateway Council

Dated,

2/13/09

Dated,

01/26/09

Witnessed,


Mayor Michael Spence
Town of Churchill



Mayor Peter Kelly
Halifax Regional Municipality