

THE SEASPAN SHIPYARDS REPORT

Welcome back to Parliament and, for many, I am pleased to introduce you to the Seaspan Shipyards Report, an electronically distributed newsletter.

Produced on a regular basis, this newsletter has been designed to showcase key project information and news as it relates to our proud role – and the momentum we are creating across the country – as the Government of Canada’s National Shipbuilding Procurement Strategy (NSPS) Non-Combat Capability provider.

Seaspan welcomes the Liberal government’s strong commitment to NSPS as outlined in the Prime Minister’s mandate letters to Ministers. There is a great story to be told here and we are proud to be a part of it through our role in building the next generation of science, polar and patrol vessels for the Canadian Coast Guard (CCG) and Joint Support Ships for the Royal Canadian Navy (RCN).

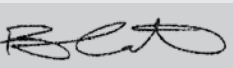
In this edition, we will focus on the latest news related to the construction of the first CCG vessel, the Offshore Fisheries Science Vessel (OFSV). Plus, we will provide an update on our work in Victoria regarding mid-life upgrades to the RCN’s Halifax Class frigates, and highlight how the NSPS is producing early returns within the Canadian economy from coast to coast.

We are extremely proud of what we have achieved at Seaspan in the four short years since winning the right to build for Canada under the NSPS, and we are very confident in producing our CCG and RCN work that lies ahead - both to the benefit of our customers and to an ever increasing number of Canadians and businesses that work in the marine industrial sector.

Through this newsletter, we want to share our story with you and invite you to share it with others. We want to answer questions you may have on what we are doing and how we are doing it. In that respect, we would be pleased to welcome you to visit our shipyards in both Vancouver and Victoria so you can see for yourselves what we are doing in Canada’s name – building ships for Canada by Canadians.

Either myself or our Vice President of Government Relations, **Tim Page**, would be pleased to meet with you and/or answer any questions or comments you may have about the content of this edition or any other Seaspan matter. Please contact us via email at bcarter@seaspan.com or tpage@seaspan.com.

Sincerely,



Brian Carter, President
Seaspan Shipyards



Canadian Coast Guard OFSV Construction Progressing as Planned

Seaspan is working side-by-side with Canadian Coast Guard officials to build the first of its new vessels – the Offshore Fisheries Science Vessel (OFSV) - from a 3D design model that is intended to reduce construction risk and increase opportunities for production efficiencies.

As of November, 15 of 37 OFSV blocks were under construction in our state of the art, purpose built facility in North Vancouver with delivery of the first vessel scheduled for Q1 of 2017.

The OFSV will provide Canada with the ability to find, catch, analyze and assess fish stocks in their ocean environment - an essential asset in meeting the Government’s commitment to the economic viability and long term health of the marine environment.



Seaspan Industry Days Attract More Than 250 Companies

As Seaspan's work for Canada continues to grow, so does our search for Canadian companies with the capabilities we need to build ships for the Canadian Coast Guard and the Royal Canadian Navy.

In September, we held Industry Days in both Halifax and in Vancouver and, in early November, we also met with suppliers at a business conference and tradeshow in London, Ontario.

Seaspan will continue its outreach efforts throughout 2016 and beyond to make sure we are aware of the best available materials available from Canadian suppliers across the country. Seaspan's current source of supply resides in 42 federal ridings, the majority of which consist of suppliers from B.C.'s Lower Mainland.

Victoria Shipyards Producing Great Results on HMCS Regina Upgrade

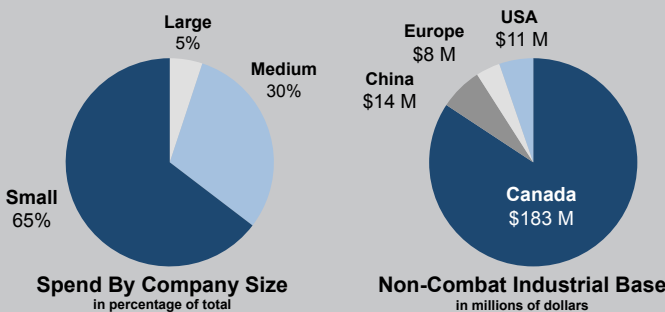
When Seaspan completes its work on HMCS Regina in summer 2016, it will be the last of five significant upgrades we have successfully finished on Canada's Halifax Class frigates from our workforce of 400 tradesmen and women at Victoria Shipyards (VSL).

The excellent business reputation and relationship VSL has developed over many years of doing business with the Royal Canadian Navy has enabled us to deliver to our customers' needs on-time and on-budget.

And this success has not gone unnoticed around the world. Starting in 2017, the New Zealand Navy will upgrade its frigate class vessels in Victoria and Seaspan will play an important role as a sub-contractor to Lockheed Martin Canada.

Building a Canadian Industrial Base

Work performed to date has resulted in contracts valued at **over \$321 million being awarded to some 140 Canadian suppliers**. 85 percent of taxpayer dollars spent have been to Canadian-based companies, with 95 percent going to small and medium enterprises. These numbers will only continue to climb as our NSPS build program develops. The Conference Board of Canada predicts that NSPS will contribute to a 4.8% increase in manufacturing activity in British Columbia once it hits full stride.



Total value of contracts awarded to date exceeds \$321 Million, to 140 Canadian Suppliers

Left to right: **Naomi Yamamoto**, MLA – North Vancouver-Lonsdale, **Richard Walton**, Mayor – District of North Vancouver, **Jonathan Whitworth**, Seaspan CEO, **Jonathan Wilkinson**, MP – North Vancouver, and **Chris Lewis**, Elected Councillor – Squamish Nation.



Seaspan Celebrates Start of Construction on New Corporate Head Office

On November 27, **Jonathan Wilkinson**, MP - North Vancouver, **Naomi Yamamoto**, MLA - North Vancouver-Lonsdale, **Richard Walton**, Mayor - District of North Vancouver and **Chris Lewis**, Elected Councillor - Squamish Nation, joined Seaspan CEO **Jonathan Whitworth** in a special groundbreaking ceremony to commemorate the official start of construction on Seaspan's new head office in North Vancouver.

"This ceremony represents significant progress in the execution of the National Shipbuilding Procurement Strategy (NSPS)," said **Jonathan Wilkinson**, MP - North Vancouver. "The Government of Canada remains fully supportive of this program and of Seaspan's important role in it. For North Vancouver, the shipbuilding projects being undertaken by Seaspan under the NSPS will have a significant economic impact – including the creation of a significant number of well-paying jobs."

The 7800 m² (84,000 sq ft) corporate headquarters is scheduled for completion in late 2017.

- Diamond Sea Glaze**
Shipside Weathertight Door, Portlights,
Marine Outfitting - Langley, BC
- Earls Marine Closures and Services**
Hatch, Windows - Surrey, BC
- DBCAN**
Fire Safety Equipment
- Lakeside, NS
- Burrard Iron Works**
Anchor Handling Equipment
- Vancouver, BC
- PSI**
Water Mist Fire Extinguishing
System - Vancouver, BC
- Ideal Welders**
Pipe Spools - Annacis Island, BC
- W&O Supply Canada**
Ballast Water Treatment System,
Centrifugal Pumps - Delta, BC
- Young & Cunningham Canada**
Domestic Fresh Water
- St. Catherine's ON
- GEA Mechanical Equipment Canada**
Fuel Oil Purifiers - Burlington, ON
- Harding Safety Canada**
Boat & Handling Equipment
- Langley, BC
- Hermont Marine**
Oily Water Separator
- St. Laurent, QC