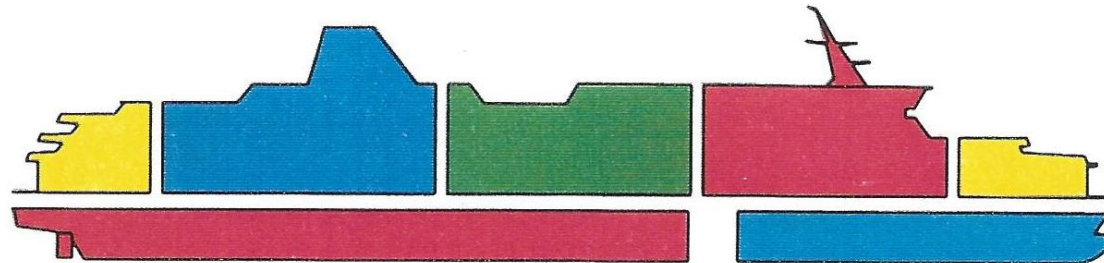


How to create conditions for competitive new vessel construction for BC Ferries in British Columbia

Martec Marine believes this can be achieved by drawing on past experience gained from building the Spirit Class together with lessons learned from the current new ferry construction program in Europe.

In 1991 Martec Marine was involved in the creation of “Integrated Ferry Constructors”, an EPCM Company responsible for the design and construction of the two BCF “SPIRIT CLASS” Ferries.



B.C.F.C. 470 CAR '8' CLASS FERRY PROJECT
ESTIMATE OF B.C. CONTENT-MAJOR CONTRACTS & SERVICES

BLK NO	DESCRIPTION/SUBCONTRACTOR	BUDGET VALUE	% B.C. CONTENT	B.C. CONTENT DOLLARS
A	INTEGRATED MODULE FABRICATIONS	\$24,500,000	100%	\$24,500,000
B	ALLIED SHIPBUILDERS	\$6,800,000	100%	\$6,800,000
C-G	PACIFIC RIM SHIPYARDS	\$24,733,000	100%	\$24,733,000
	FINAL ASSEMBLY & OUTFIT	\$7,275,116	100%	\$7,275,116
	STEEL PREPARATION/HANDLING/CUTTING	\$1,100,000	100%	\$1,100,000
	120 OVERHEAD SERVICE CONTRACTORS & SUPPLIERS	\$3,515,000	100%	\$3,515,000
	ENGINEERING & PROJECT MANAGEMENT	\$8,254,000	100%	\$8,254,000
	VICTORIA YARD UPGRADE	\$2,300,000	100%	\$2,300,000
	POST COMPLETION COSTS	\$892,000	100%	\$892,000
	MANAGEMENT RESERVE	\$7,275,000	100%	\$7,275,000
		6,644,116	100%	\$66,644,116



SUPERFERRY "2"

6,644,116	100%	\$66,644,116
2,575,415	44%	\$14,219,531
9,219,531	85%	\$100,000,000

WHY "INTEGRATED FERRY CONSTRUCTORS LTD."

THE PUBLIC BENEFITS AS IT

- Fulfills a publicly stated B.C. Government commitment
- Provides in excess of 1,200,000 direct subcontractor manhours plus supervision, support staff, and engineering project management
- Injects a much needed \$100,000,000 directly into the B.C. Economy with the resulting multiplication effect
- Spreads work widely throughout B.C. industry
- Contributes to the successful rationalizing/improved efficiency and capacity to enable B.C. industry to participate in large shipbuilding projects
- Will continue the development of shipbuilding talent in B.C. by transfer of technology from IFC to industry
- Fulfills public expectations following delivery of Superferry "1"
- Provides for union harmony and continuity of work for the shipbuilding industry to early 1994

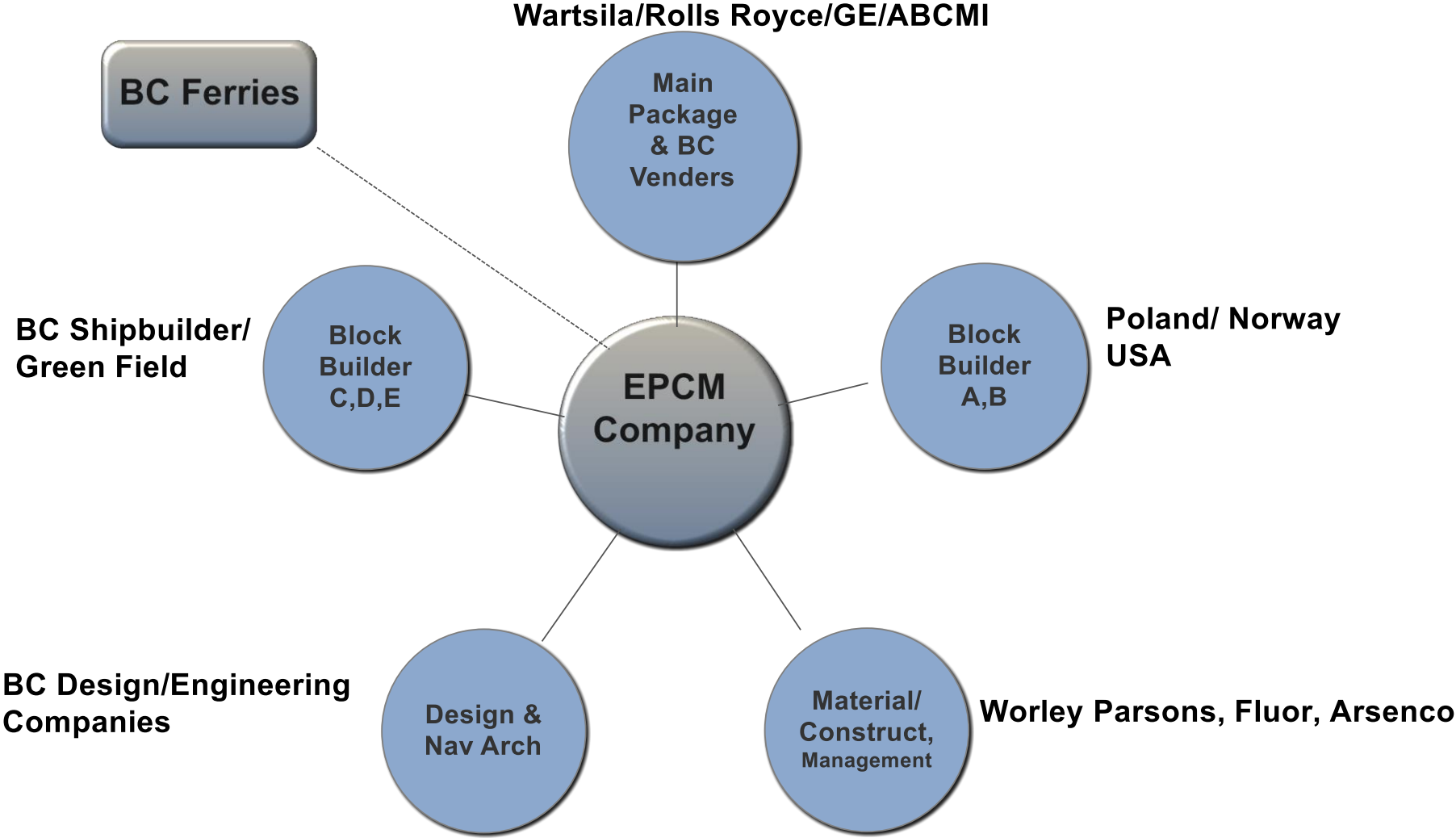


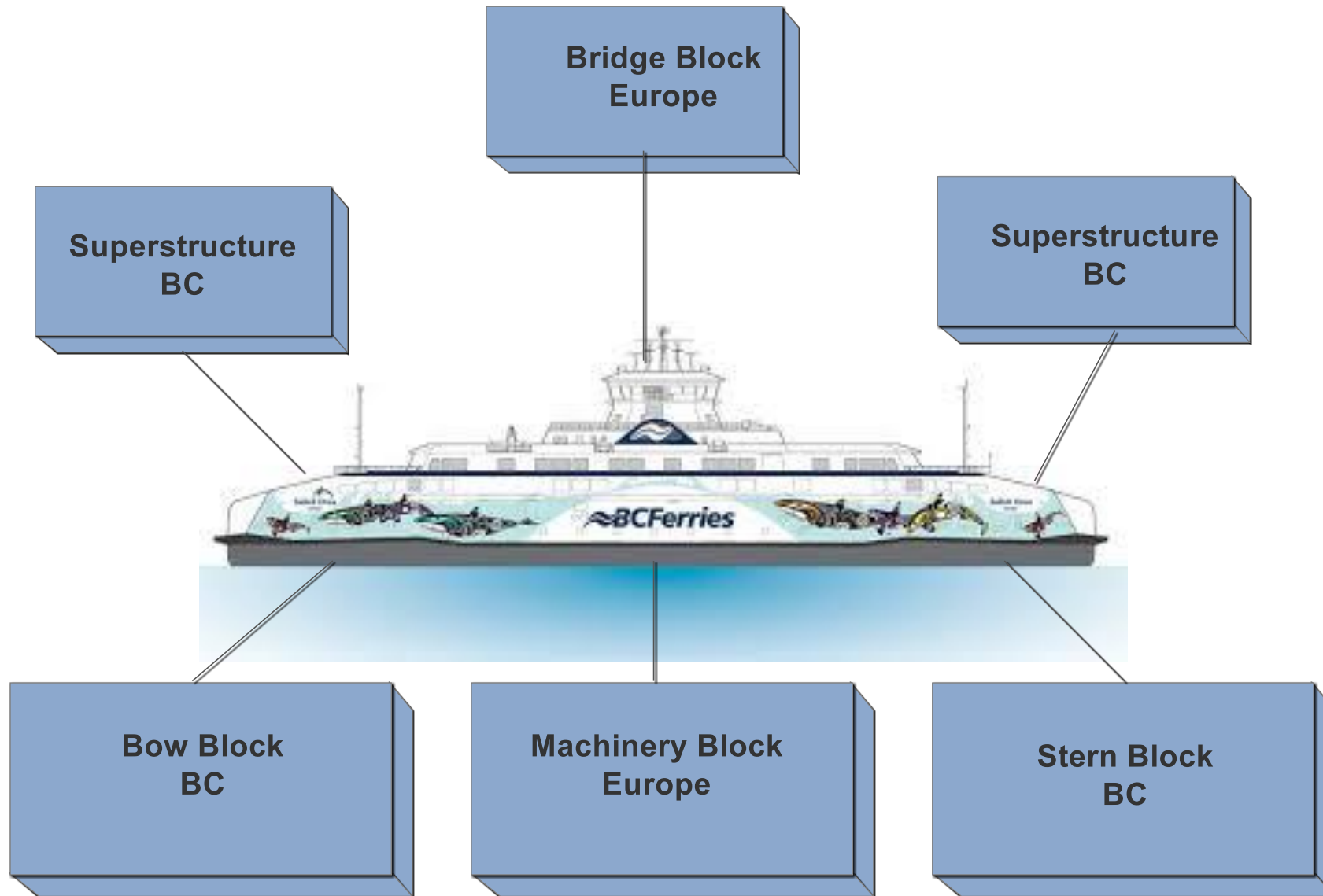
The conditions necessary to make a major contribution to the construction of future BC ferries:

Challenges

- Capacity for steel construction and final outfit
Mix of offshore & local blocks/modules
- Management of a large ferry design and construction
Create EPCM Company to manage the project
- Competition from Europe
Do as they do, sub out steelwork
- Labour resources and skill sets
Attract labour as part of the team, share resources, cross train
- RISK
Shared between Government, Main Package Vendor, EPCM Company & Block/Module Suppliers

Ferry Construction EPCM Company Organization Concept





Yes we can do it

- We have the knowledge
- We have the desire
- We have the courage to take calculated risk
- We have the ingenuity