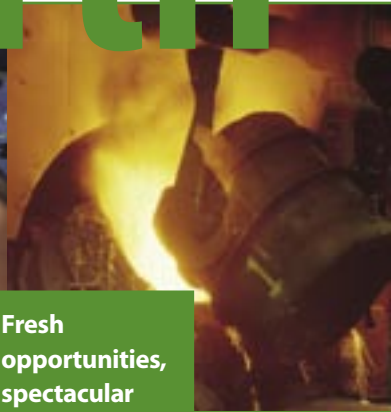


Ontario's North



Fresh
opportunities,
spectacular
lifestyle



ONTARIO
CANADA



Take a fresh look at Ontario's North

Ontario's North offers a unique chance to have it all: rich business opportunities and a balanced, rewarding lifestyle.

Clear blue skies over a cost-effective business environment.

Businesses wired into 24/7 global markets with the home-to-office commute measured in minutes, not hours.

Spectacular landscapes of forests and lakes within a day's drive of 100 million consumers.

And there's more:

- a workforce that is talented, skilled and available
- serviced, affordable industrial land close to excellent road, rail, marine and air transport networks
- high-quality, publicly supported health care and education
- big city amenities with small town convenience

It's time for a fresh look at what makes a great business investment.

It's time to check out Ontario's North.

TABLE OF CONTENTS

- 1 Take a fresh look at Ontario's North
- 2 From forests to fibre optics: a world of opportunity
- 6 Connected to customers across North America and around the world
- 8 Spectacular location in North America's industrial heartland
- 11 Infrastructure to support long-term growth
- 12 Northern workforce: educated, skilled and available
- 14 The right balance: competitive business costs and superior lifestyle

NOTE: Every effort has been made to ensure the accuracy of this publication at the time of writing; however, the programs referred to and the data cited are subject to change. All figures are in U.S. dollars unless otherwise noted



Photo courtesy Inco Ltd.

The Sudbury Neutrino Observatory, the world's first heavy-water neutrino detector, hosts an international team of scientists studying fundamental questions of basic physics and the origins of the universe.

“Locating an exporting business in the Sault makes sense for so many reasons. Canadian and U.S. Customs are both incredibly helpful and accommodating to our company at the Sault Ste. Marie border. Speed and ease of border crossings, U.S. Midwest market proximity, transportation infrastructure, and our skilled workforce make the Sault a prime location.”

**Steve Turmaine, General Manager
Filtrec, Sault Ste. Marie**

From forests to fibre optics: a world of opportunity

The Canadian Shield stretches across Ontario's North, a vast reservoir of minerals, forests and freshwater lakes. A state-of-the-art telecommunications and transportation network spans the region, opening up a world of fresh opportunities for investors and entrepreneurs to build internationally competitive businesses while enjoying a spectacular lifestyle.



“In 2000, we chose Kenora as the site of our new plant, the largest and most technologically advanced facility of its kind in the world. Construction was finished 56 days ahead of schedule, which included the installation of a 300-ton press — again, the largest of its kind in the world — that was custom built in Germany, shipped via ocean to Thunder Bay, then trucked to Kenora on the Trans Canada Highway. Locating in Kenora has been an unqualified success, thanks largely to the productive partnerships we've built with local communities and governments. We plan to be here for 100 years.”

**Peter Mardon, Plant Manager
Trus Joist Kenora, A Weyerhaeuser Business, Kenora**

New sectors building on a rich heritage

For more than a century, northern Ontario companies have been world leaders in processing and exporting minerals and forest products. The success of these sophisticated, fiercely competitive global industries in Ontario's North has created a solid commercial foundation for other sectors.

Biotechnology

Researchers across Ontario's North are collaborating with industry partners and colleagues around the world to unlock the commercial potential of biotech.

- Lakehead University's Paleo-DNA Laboratory is one of the top ancient DNA laboratories in the world.
- The Northeastern and Northwestern Ontario Regional Cancer Centres conduct ground-breaking stem cell, tumour biology and prostate cancer research.
- The Great Lakes Forestry Centre, the Ontario Forest Research Institute and the Lakehead University Faculty of Forestry excel in pest control, silviculture and forest management research.

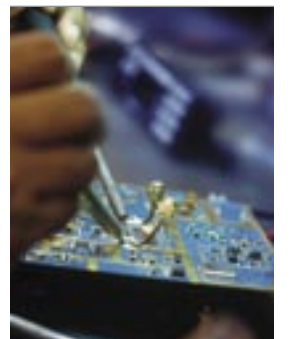
Information and communications technologies

Advanced telecommunications can make geographic challenges virtually disappear. Our state-of-the-art network forms a reliable platform for R&D, contact centres, software developers, web designers and a host of other industries.

Outsourcing is growing rapidly across Ontario's North. The contact centre industry alone has created 8,000 new jobs during the last three years in North Bay, Sudbury, Sault Ste. Marie, Thunder Bay and Timmins. Cross Country Automotive Services, for example, provides General Motors' 24/7 roadside assistance (OnStar) service for drivers across North America from its facility in Sault Ste. Marie.

Researchers at Lakehead University's Paleo-DNA Laboratory made headlines worldwide by successfully identifying the “Unknown Child” lost in the Titanic disaster using DNA.

In 2004 Algoma Steel achieved the second highest annualized operating income per ton amongst their North American peer group. Algoma Steel's cornerstone asset is the Direct Strip Production Complex — a thin slab caster coupled with direct hot rolling — the newest in North America.



“Tremendous community support has been central to our success in cancer research. People here can identify with a local company trying to solve major health issues like skin, breast and prostate cancers. As a result, we have enrolled over 1,000 patients during a three-year period — something that would be much more difficult in a larger centre. Through the Internet and conference calls, we are able to work with scientists anywhere in the world, communicating with them as if they were just across the hall. An added plus is that the lifestyle in the North is just fantastic; there’s a lot of energy here, and a lot going on at any given time. It’s Ontario’s best-kept secret.”

**Dr. Robert Thayer, President and CEO
Genesis Genomics, Thunder Bay**



Manufacturing and machinery

From steel tubes and subway cars to computer hard drives, chemicals and plasticized fabrics, manufacturing is growing across Ontario’s North.

Located in Sault Ste. Marie, AlgomaTubes is the only seamless pipe mill in Canada with an annual production capacity of 250,000 tons, mainly for the domestic energy industry.

Bombardier Transportation builds commuter rail and subway cars for Canadian, U.S., Mexican and Turkish transit agencies in Thunder Bay.

Other examples? Fabrene Inc. produces plastic-coated continuous fabric for customers worldwide at its plant in North Bay. Filtrec North America manufactures all of its industrial filters for Canada, U.S. and Mexico in Sault Ste. Marie. ERCO Worldwide’s new chemical plant in Thunder Bay produces 5,000 metric tons of sodium chlorite per year.

Aviation services

Air transport, an essential service in the North, has spawned a network of 68 airports and a wealth of aviation-related activities.

Thunder Bay International, Ontario’s third busiest airport, is the home of Boschung AG’s North American demonstration and distribution centre for their line of high-airport heavy equipment. The Canadian distribution centre for the Swiss-engineered Pilatus PC12 commuter plane is also in Thunder Bay.

Over at North Bay’s airport, Voyageur Airlines has grown to almost 250 employees, providing customers around the world with a wide range of aircraft charter, maintenance, repair and overhaul services.

A steady stream of well-trained young workers is helping the industry grow. The Centres of Excellence in Aviation located in North Bay and Thunder Bay, and the aviation programs at Sault College in Sault Ste. Marie are widely recognized for their technician and pilot training programs.



Mining equipment and services

The Northern Ontario Mining Triangle, bordered by North Bay, Sudbury, and Timmins, is a growing global cluster for the mining equipment and services industry.

As a world leader in automated mining equipment, satellite imaging, mining research and rehabilitation, we have more than 300 companies that supply mining services and advanced equipment to hundreds of exploration and development projects in dozens of countries.

INCO Limited uses a robot, adapted from Canadarm technology, to prepare mine workings in areas of unstable rock. Noranda Limited has developed a virtual reality mining helmet worn by operators on the surface to direct heavy equipment deep in their mines.

And markets — both international and domestic — are growing. In 2003, an estimated \$127 million was spent on mine complex development in Ontario and a further \$136 million on exploration and deposit appraisals, up from \$89 million in the previous year.

Value-added wood products

New construction techniques and a strong housing market across North America have created a big demand for advanced building materials from Ontario’s North. Our value-added wood manufacturing industries — pre-fabricated modular housing, building components such as doors, hardwood flooring, engineered-wood I-joists and wall panels — have grown significantly in the last three years. Trus Joist, a Weyerhaeuser subsidiary, recently opened a \$250-million state-of-the-art engineered-wood plant in Kenora.

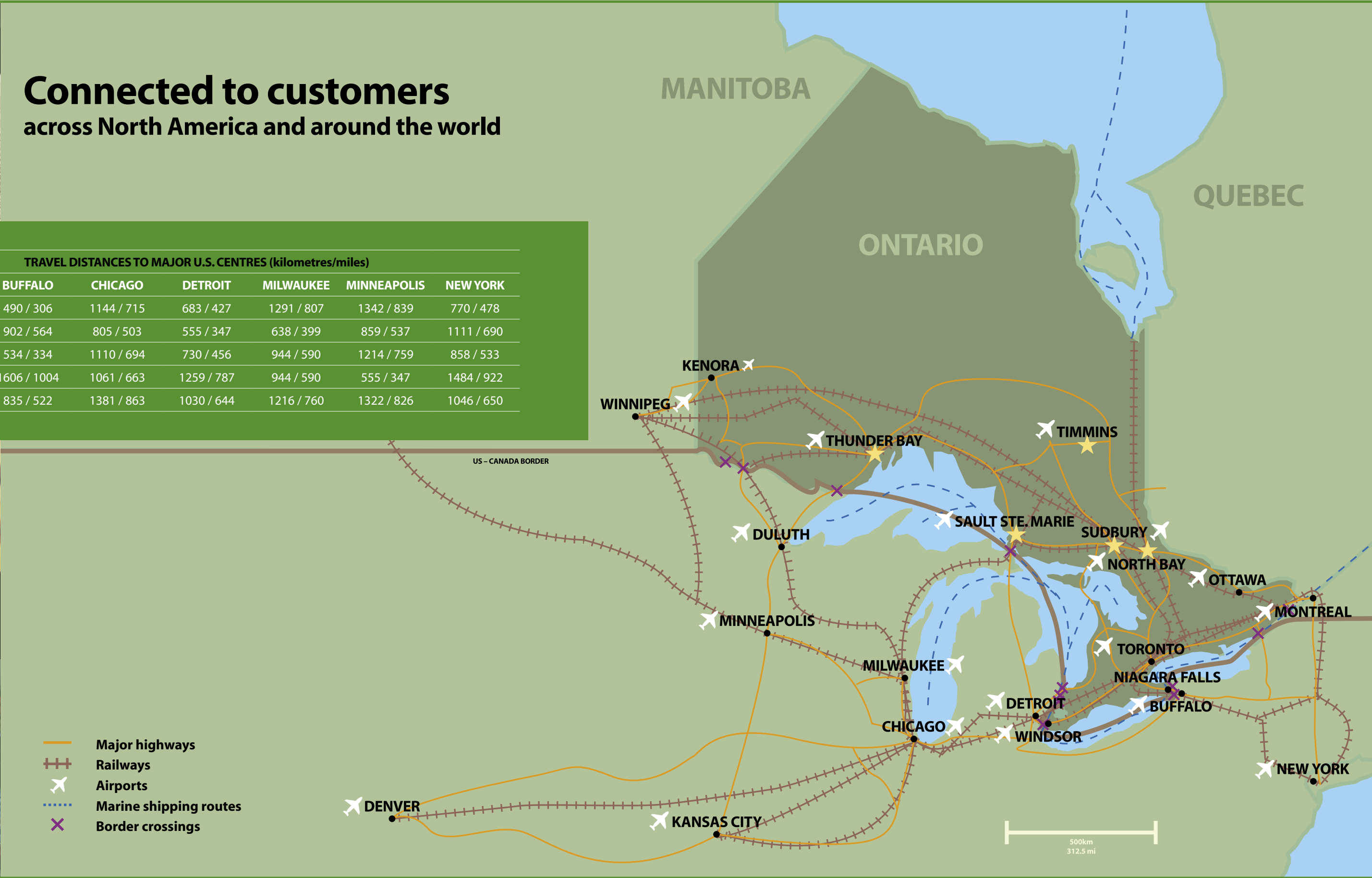




Connected to customers

across North America and around the world

TRAVEL DISTANCES TO MAJOR U.S. CENTRES (kilometres/miles)						
	BUFFALO	CHICAGO	DETROIT	MILWAUKEE	MINNEAPOLIS	NEW YORK
NORTH BAY	490 / 306	1144 / 715	683 / 427	1291 / 807	1342 / 839	770 / 478
SAULT STE. MARIE	902 / 564	805 / 503	555 / 347	638 / 399	859 / 537	1111 / 690
SUDBURY	534 / 334	1110 / 694	730 / 456	944 / 590	1214 / 759	858 / 533
THUNDER BAY	1606 / 1004	1061 / 663	1259 / 787	944 / 590	555 / 347	1484 / 922
TIMMINS	835 / 522	1381 / 863	1030 / 644	1216 / 760	1322 / 826	1046 / 650



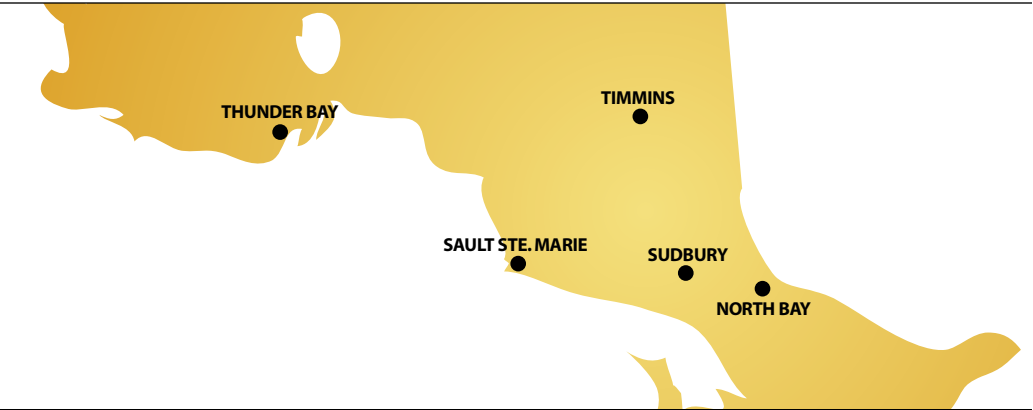
Spectacular location in North America’s industrial heartland

Small communities — big opportunities

From Kenora in the west to Cochrane and New Liskeard in the east, Ontario’s North is home to dynamic small towns offering big opportunities for investors. Contact centre operators, software developers and specialty manufacturers have all found success and a more relaxed, rewarding lifestyle in Ontario’s welcoming, northern communities.



Photo courtesy Algoma Central Railway/CN



The Ontario Regional Innovation Network (ORION) is a powerful, high-speed optical communications network that connects Ontario’s research institutions to one another, and to the world. ORION transmits massive amounts of data almost instantaneously, enabling grid computing, tele-robotics and other advanced applications.

When you’re in Ontario’s North, looking out over miles and miles of forests and clear, clean lakes, it’s hard to believe you’re within a day’s drive of 100 million consumers.

We are the northern crossroads of the North America free trade area — a vast and growing market with a population of 420 million and a GDP of \$12.3 trillion. Southern Ontario, Quebec, Manitoba and the entire U.S. Midwest are on our doorstep.

Whether you’re shipping products or maintaining a supply chain with just-in-time deliveries, our networks offer reliable, efficient transportation options.

With two Trans-Canada highways, two ports, excellent air service, four railways and four border crossings to the United States, people and products flow easily across the continent or around the world.

Thanks to the joint Canadian – U.S. Fast and Secure Trade (FAST) program and relatively low traffic volumes at northern border crossings shipments can be processed quickly and efficiently.

Northern cities — proven profit centres

Larger than France and Germany combined, Ontario’s North has a wealth of communities, each offering a unique combination of competitive advantages.

THUNDER BAY

Population: 109,016

Major private-sector employers:

- Bowater Canadian Forest Products
- The Buchanan Group
- Bombardier Transportation

Post-secondary institutions:

- Lakehead University
- Confederation College

Thunder Bay snapshot:

One of the Great Lakes’ largest and busiest deepwater ports, Thunder Bay is a centre for forestry, mining, transportation, tourism, and health biotechnology.

For more information:

www.thunderbay.ca

SAULT STE. MARIE

Population: 74,566

Major private-sector employers:

- Algoma Steel Inc.
- NuComm International
- The Sutherland Group Ltd.
- St. Mary’s Paper
- AlgomaTubes Inc.

Post-secondary institutions:

- Sault College
- Algoma University College

Sault Ste. Marie snapshot:

A major port city at the Canada–U.S. border, Sault Ste. Marie is a steel and paper manufacturing centre with a rapidly growing contact centre industry.

For more information:

www.sault-canada.com



Photo courtesy Ontario Tourism

TIMMINS

Population: 43,686

Major private-sector employers:

- Teletech
- Falconbridge Ltd.
- Porcupine Joint Venture
- The Redpath Group
- Tembec Industries

Post-secondary institutions:

- Northern College of Applied Arts and Technology
- Collège Boréal
- Université de Hearst à Timmins

Timmins snapshot:

Timmins is an international mining community, centre for cold weather testing and the regional hub for health, telecommunications and metal fabrication.

For more information:

www.timmins.ca

SUDBURY

Population: 155,219

Major private-sector employers:

- INCO Ltd.
- Falconbridge Ltd.
- TeleTech Inc.
- Extendicare

Post-secondary institutions:

- Laurentian University
- Cambrian College
- Collège Boréal

Sudbury snapshot:

Sudbury, the largest city in Ontario’s North, is an international centre for mining equipment, services, R&D and education.

For more information:

www.sudbury.ca

NORTH BAY

Population: 52,771

Major private-sector employers:

- Teletech Canada
- Telespectrum Inc.
- Fabrene Inc.
- Pro North Transportation

Post-secondary institutions:

- Nipissing University
- Canadore College
- Collège Boréal

North Bay snapshot:

North Bay is the closest urban centre to the major southern Ontario markets. The city is a transportation and communications hub, and a hotspot for aviation, manufacturing and engineering services.

For more information:

www.northbayedc.com

“We moved our Canadian headquarters from Montreal to Sudbury in 1999 and it’s been a big win for us and our customers. From here, we can provide extensive, bilingual customer service seven days a week, 24-hours a day; operate a distribution centre that handles daily inbound air freight orders from our parent companies and outbound to our customer sites across Canada; and provide the training and aftermarket support to meet our customers’ expectations. Our staff is customer-oriented with a tremendous team spirit. I feel very honoured to have a team that is motivated, happy and always puts the customer First in Mind — First in Choice. On a more personal note, Sudbury is a great city for my weekend outdoor activities: photography, rowing, swimming and cycling. As an executive with a major international company, I’ve had the opportunity to travel widely. For me, Northern Ontario offers a great balance for business and many outdoor leisure activities.”

**Dirk Plate, President, Atlas Copco
Construction and Mining Canada,
Sudbury**



Infrastructure to support long-term growth

Efficient. Reliable. Our network of highways — both paved and digital — railways, ports and airports ensures smooth, easy access to customers and suppliers anywhere in North America or around the world.

Highways

Two Trans-Canada highways offer direct routes to western Canada, southern Ontario, the full-season port of Montreal and huge industrial and consumer markets in the United States. During 2004–2005 alone, the province invested \$200 million to maintain and expand highways in Ontario’s North.

Telecommunications/Internet

Expansions of our advanced telecommunications network have sparked the rapid growth of information-intense activities in many northern communities. Industrial and university-led research and development is made easier by our robust broadband networks. Contact centre and outsourcing operations have become major industries.

Air

The airplane was a vital tool in opening up Ontario’s North. We’ve built on that heritage to establish excellent air service through a network of 68 public airports. Thunder Bay International Airport serves half a million passengers every year. North Bay and Sudbury have recently completed multi-million dollar airport renovation and expansion projects to meet growing needs.

Rail

Four railways — Canadian National, CP Rail, Algoma Central Railway and Ontario Northland — link us with the rest of Canada and the United States.

Marine

Two major freshwater ports — Thunder Bay and Sault Ste. Marie — offer modern port facilities and marine shipping services to cities throughout the Great Lakes basin and, via the St. Lawrence Seaway, to the Atlantic Ocean.

Energy

Business growth depends on a safe, reliable, environmentally-sustainable supply of energy. More than 40% of Ontario’s power-generating plants are in the North, 60% of which are hydroelectric.

North Bay Jack Garland municipal airport has a 10,000 ft runway, one of the longest in North America, allowing aircraft of any size, from corporate jets to Boeing 747s, even the giant Antonov 124, to take off and land fully loaded.

Inter-lake vessels and ocean carrier traffic through the Sault Ste. Marie locks total about 5,000 craft a year carrying more than 72 million tons of cargo.





Northern workforce educated, skilled and available

“In just three years, we’ve grown to nearly 900 total employees, making us one of the largest employers in the City of Timmins. We’ve developed some great relationships with our community partners and have enjoyed tremendous support from various levels of government, as well as the business sector and the community at large. The caliber of the available workforce here is excellent, and we have frequently been recognized for providing outstanding customer service. The telecommunications equipment and service are beyond compare. We routinely handle in excess of 20,000 calls per day from customers all over the U.S., all of them connecting instantly and seamlessly. Our whole experience has been exceptional.”

**John Wickie, Site Director,
TeleTech, Timmins**

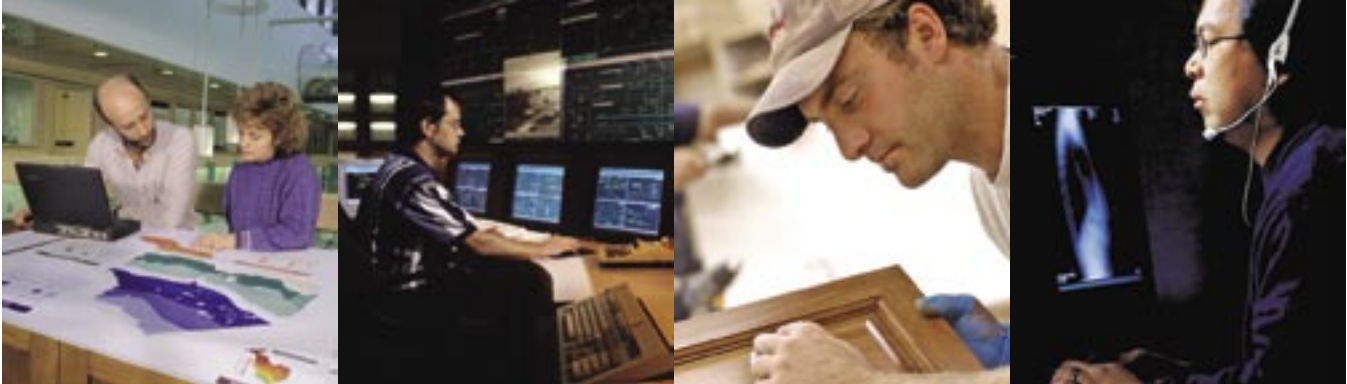
More than 40,000 students on college and university campuses across Ontario’s North are learning the business, engineering, science, technology and other skills that give our companies a competitive edge.

They’re studying in advanced facilities with some of Canada’s most respected scientists, academics, technicians and trades people.

And they are eager to get to work. Many of them are bilingual (English–French), a definite asset for companies doing business around the world.

Ontario has one of the best-educated workforces in the world. Over 50% of the workforce in Thunder Bay, Sault Ste. Marie, Timmins, Sudbury and North Bay has completed their post-secondary education.

We have three universities and seven colleges of applied arts and technology in the North. Many of the programs take advantage of the natural laboratories of the Canadian Shield by offering programs in geology, forestry, engineering, aviation and the environment.



Developing new technologies with industry partners

Northern researchers are working closely with companies to develop and commercialize new technologies.

- Lakehead University’s new Advanced Technology and Academic Centre is a technology incubator, providing corporate partners such as Nortel, Sony and Bell Canada with a real-world environment to beta-test advanced products. Lakehead has one of the largest installations of Voice Over Internet Protocol (VOIP) telephony in North America.
- The Centre in Mining Materials Research (CIMMR), the Geomechanics Research Centre and the Mining Innovation, Rehabilitation and Applied Research Corporation (MIRARCO) at Laurentian University offer industry their expertise in leading technologies such as virtual reality and ground-penetrating radar.
- The Northern Ontario Centre for Advanced Technology (NORCAT) at Cambrian College, with recognized expertise in hard-rock mining, works with companies and entrepreneurs to train employees and develop innovative technology-based processes.

Investing in education and skilled trade training

Constantly changing technologies mean that students, employers and workers need ready access to state-of-the-art education and training opportunities.

That’s why Ontario and its partners are spending \$2 billion to create more than 135,000 new student spaces at colleges and universities throughout the province. A total of 74 new post-secondary capital projects, many in the rapidly growing fields of science and high technology, are now underway at campuses across Ontario. More than \$115 million is being invested in campuses in the North.

Recognizing the growing need for skilled workers to meet the demands of an expanding economy, we have expanded apprentice training programs. A 25% refundable tax credit on salaries and wages paid to new apprentices helps offset employers’ costs.

Colleges across the North also work closely with industry to provide corporate training programs, co-op and intern placements, and the classroom components of apprentice training programs.

The world’s first fuel cell powered locomotive for mining and tunneling applications was manufactured in North Bay by R.A. Warren Equipment with the support of the U.S. based International Fuel Cell Institute.

Cold weather is a valuable commodity in the Timmins area where several automotive manufacturers have established their permanent North American testing facilities. Other products that are being winter tested include snowblowing equipment, automotive fluids and mining machinery.



The right balance:

competitive business costs and superior lifestyle

You can build a globally competitive business in communities across Ontario's North while enjoying backyard opportunities to relax and re-charge your batteries.

Internationally competitive business costs

Canada is a globally cost competitive location for business — lower than the U.S., U.K., Australia, France, Germany or Japan — according to KPMG's comprehensive 2004 survey, The Competitive Alternatives – G7 Edition.

The costs can be even lower in major centres across Ontario's North. For example: R&D costs in Thunder Bay are 22% lower than the U.S. average; back office/call centre costs in Sault Ste. Marie are also 22% lower.

Key cost advantages:

- Ontario's combined (provincial and federal) general corporate income tax rate is 4 percentage points below the U.S. average.
- Manufacturers in Ontario pay about half as much as their U.S. counterparts for employee health care costs.
- Ontario workers — one of our greatest competitive advantages — keep their skills sharp through our high-quality, low-cost public education and training system.

We also make it easy for international firms to transfer key overseas personnel to Ontario. We can even help spouses of transferred employees apply for their own work permits.

Innovation and investment incentives help businesses grow

Northern Ontario has two unique and exclusive programs that provide financial support for innovative, job-creating business investments. Tens of millions of dollars have been earmarked for the region through the Ontario government's Northern Ontario Heritage Fund Corporation and the Canadian government's FedNor program.

That's not all. We also offer one of the most generous research and development (R&D) incentive programs in the world. The after-tax cost of \$100 in R&D spending in Ontario can be less than \$42.00.

Groundbreaking science sometimes needs help during the commercialization process. The province has allocated more than \$1.4 billion to support research partnerships involving Ontario universities, colleges, hospitals and research institutes.



Big city amenities with small town convenience

Ontario's North offers the best of both worlds: big business opportunities and healthy, satisfying lifestyles.

Canada consistently ranks as one of the world's best places to live, according to the UN Human Development Index. Every year, about 250,000 people from around the world immigrate to Canada. Roughly half of them choose Ontario.

International leaders from business, academia and the arts call Northern Ontario home. They come for the business opportunities. They stay for the quality of life.

Safe, welcoming communities

In Ontario's north, the work-to-home commute is measured in minutes, not hours. Living costs are affordable. Consumer prices are stable. Most people own their own homes. An executive-style, detached, four-bedroom, two-story brick home on a large lot costs about half what it would in more urban areas.

Our cities and towns host a rich mix of cultures: English, French, Aboriginal and many others. Ontario is one of the most diverse, multicultural societies in the world. No matter where in the world you are from, you will find a community in Ontario where you'll feel comfortable.

High-quality healthcare

Every Ontarian, irrespective of ability to pay, has medical and hospital insurance. Northern cities have excellent hospitals and healthcare centres. Telemedicine services link many smaller communities to major medical centres for consultation and diagnosis. The new Northern Ontario School of Medicine has brought even more health expertise to the North, plus the opportunity for students to study the latest techniques in state-of-the-art facilities.

Excellent education

Education is a major priority in Ontario. Canadian teens have scored some of the highest marks in mathematics, science and reading among OECD countries. At three universities and seven colleges of applied arts and technology across the North, students study with internationally-recognized experts in fields ranging from geology to biotech. Tuition costs for arts and science undergraduates at Ontario universities are 40% lower than those at the state universities in the Great Lakes region.

The world's first ever tele-robotic assisted surgery involving hospitals in North Bay and Hamilton, Ontario was made possible by an IP network with surgical grade reliability.

The new Northern Ontario School of Medicine has state-of-the-art facilities at Laurentian University in Sudbury and Lakehead University in Thunder Bay. The two campuses, 1000 km/627 miles apart, are connected by an ultra-fast fibre optic network that makes video-conferenced lectures and laboratory work routine.

“Aviation in the North can involve some pretty adverse conditions, but the attitude of Voyageur employees is to turn adversity into a challenge. That “northern” attitude has helped us build operations throughout Canada and the rest of the world. Once people come to the North, they find it’s a nice place to live with some great communities. They like it, and they stay.”

**Max Shapiro, President,
Voyageur Airways, North Bay**



And after work ...

For many families, the lake is their back yard. Be on your boat or on the golf course just five minutes after leaving your office or, in winter, go skiing before arriving home for supper.

The four-season recreational opportunities are superb. In winter, we ski, skate, curl, go to concerts and movies. Ontario’s north has the world’s largest network of groomed snowmobile and ski trails winding through magnificent forests.

Come warm weather, we golf, canoe, swim or go hiking. Our public golf courses can challenge both novice and seasoned golfers. Many are carved out of the rugged Northern Ontario landscape to take advantage of natural features and breathtaking views. The autumn brings spectacular colours as the leaves turn and when in season, you can enjoy some of the best fishing and hunting in the world.

Join us in Ontario’s North. You can live year-round on the shores of one of our thousands of lakes and still be plugged into global markets. It’s the perfect balance.



Photo courtesy Ontario Tourism



For more information about investing
in Ontario's North, please call us at:

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00-800-46-68-27-46 (U.K. and Europe)

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