

Fact Sheet

Buffalo Rail & Infrastructure Corp to develop industrial logistics hub in Taylor, BC.

Buffalo Rail & Infrastructure Corp (“Buffalo”) has purchased the former Canfor Pulp Products' pulp mill assets in Taylor, BC. The property will be repurposed over time into a multiuse rail-served industrial distribution hub, connected to CN Rail, with a vision to serve the region's energy, agricultural and forestry industries. With more than 300 acres of heavy industrial lands this asset provides the foundation for a facility that will provide the scale and efficiency required to meet the evolving needs of supply chains in Western Canada.

A world scale distribution & logistics hub

Developing the site involves a multi-phased, multi-year strategy that will see a capital investment of \$50+ million, kicking-off with an estimated 100 construction jobs and 30 full time permanent jobs in the first phase alone. Operations for Phase 1 are anticipated for Q2 of 2025.

Phase 1: Addressing industry bottlenecks with a frac sand unloading terminal.

The need:

The current supply chain for frac sand into Northeast BC is suboptimal and chaotic. Phase 1 will provide modernized solutions to meet growing demand for frac sand in the region.

- Frac sand demand in Northeast BC is currently 3-4M MT/y and is anticipated to increase by 1M-2M MT over the next five years while existing infrastructure in Northeast BC is severely lacking.
- Current regional solutions are high cost, low efficiency and the nearest efficient facility is beyond capacity, straining supply chains.
- Nearest optimized rail infrastructure is in Grand Prairie so sand costs in Northeast BC include a 4-hour roundtrip truck trip.
- Volume commitment (to rail/transload) from mines and pressure pumpers is shorter term due to their own volume uncertainty. Volume inconsistency creates supply chain bottlenecks as they start and stop.

Phase 1 highlights

\$50m

Est. capital investment

100

Est. construction jobs

30

Est. full-time permanent jobs

The solution:

The Taylor site is a great brownfield solution to the bottleneck as it is already permitted for heavy industrial use.

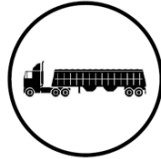
Offering scale and efficiency for the railroad and reliability for customers, the distribution hub facility blueprint is designed for 2+ MMT/year and customers can expect to offload and store an entire train within 24 hours.



60,000+ MT
Storage



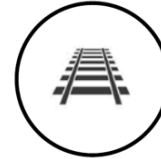
1,200 MT/h
rail offload



5K-8K MT of
Loadout per day



Minimize Trucking
Distance



150+ Dedicated
car spots

Phase 1 provides the foundation for this upcoming world scale distribution hub. However, future phases will serve the greater needs of industrial participants in Western Canada. With 80 MW of power available to the site, opportunities exist for large power users. The property includes a 60,000-square foot rail dock warehouse that can facilitate rail deliveries and storage opportunities for industrial products, tubulars/pipe, chemicals and fluids on an immediate basis. With more than 300 acres available and tankage on site, the project is well positioned for liquids shipments, specialty blending as well as dry bulk handling.

Buffalo charges into the logistics storm

The buffalo, renowned for its strength, stands out as the sole animal that charges into the oncoming storm, confronting it directly. In doing so, it minimizes the duration of its exposure to the elements and expedites the process of overcoming adversity.

The perfect storm of a post-pandemic world has challenged supply chains in unprecedented ways. Traditional trade routes are being altered by global trends, such as nearshoring, geopolitical tensions, climate change and evolving labour regulations. These global trends combined with local regulatory and economic constraints, along with Precision Scheduled Railroading have increased pressure for larger, more efficient loading and unloading terminal infrastructure.

Buffalo was created to address these challenges by marrying efficiency for the Class 1 Railroads with ease of use and economic value so our customers can “weather the storm.”

North America possesses a rare continental formula to facilitate continued growth in nearshoring. The confluence of Mexico's labour demographics, Canada's resources and the United States' industrial demand, uniquely positions North America and Buffalo Rail to prosper through forthcoming storm of continental industrial distribution growth.

As part of the “new partner ecosystem” railroads look to parties like Buffalo to develop industrial parks and transload terminals to provide rail shippers “first and last mile” service. This new age of infrastructure must be adaptable to both railroads and customers to help solve the growth problem for rail logistics supply chains.

Buffalo's facilities and infrastructure will be strategically focused on the specific needs of a region to provide improved and cost-effective service to shippers. This diversified approach will negate over reliance on one commodity or sector focusing instead on rail as the common thread that connects them all.