





August 17, 2020

PAN ARCTIC INUIT LOGISTICS CORPORATION AND ATCO FRONTEC PURSUE NORTH WARNING SYSTEM CONTRACT

INUVIK and CALGARY - ATCO Ltd. (TSX: ACO.X, ACO.Y)

As joint owners of Nasittuq Corporation (Nasittuq), Pan Arctic Inuit Logistics Corporation (PAIL) and ATCO Frontec today announced they are pursuing the next Government of Canada contract to operate and maintain the North Warning System (NWS)—a chain of radar sites spanning Canada's northern coastline that provides aerospace surveillance of North America's airspace. The long-standing partners have also signed a new Memorandum of Understanding (MOU), under which a successful NWS bid enables PAIL to hold a scalable, majority ownership interest in Nasittuq, which ATCO Frontec and PAIL have jointly owned on a 50/50 basis since 2001.

"In ATCO, we have found a highly-competent partner that understands the North and acknowledges the central role of Inuit within it," said Patrick Gruben, President, PAIL. "While Inuit have enjoyed a long-standing association with ATCO, I don't view this MOU as just an extension of an existing partnership—instead, it reflects an evolution in how we will work together going forward."

Between 2001 and 2014, Nasittuq successfully operated and maintained 47 different NWS sites in the Canadian Arctic, in addition to three facilities in Ontario. During that period, Nasittuq contributed significantly to Inuit economic development by delivering multiple benefits including earnings, employment, sub-contracting opportunities and Inuit professional development. Nasittuq is currently active providing site support and management services for the Ellesmere Island Commercial Support Contract in Alert, Nunavut.

"ATCO Frontec has a proud and decades-long history in the North, with investments and partnerships across all three northern territories," said Jim Landon, President, ATCO Frontec. "Our longstanding partnership with PAIL, which is founded upon deep trust, respect and collaboration, is a shining example of how we can deliver world-class technical services, while creating sustainable socio-economic opportunities for Inuit and northern communities."

The building and sustaining of Indigenous relationships are hallmarks of ATCO's business, with more than 50 joint-ventures, memorandums of understanding and other partnerships in place with Indigenous communities – some that have lasted decades.

The NWS is a chain of radar sites and support facilities that forms part of Canada's North American Aerospace Defense Command (NORAD) agreement with the United States. The NWS was established in 1985 to detect and allow for an early response to potential threats entering North American air space. In Canada, the North Warning System consists of 47 radar sites located along the Arctic Ocean: of these, 11 are long-range radar sites, and 36 are short-range radar sites. The Canadian facilities are remotely monitored and controlled from North Bay, Ont. on a 24/7 basis.





News Release

About Pan Arctic Inuit Logistics Corporation

Established in 1994, Pan Arctic Inuit Logistics Corporation is wholly owned by the shareholder corporations that represent the Inuit of Canada's arctic regions: Inuvialuit Development Corporation; Nunasi Corporation; Makivik Corporation; Nunatsiavut Group of Companies; Qikiqtaaluk Corporation; Sakku Investments Corporation, and Kitikmeot Corporation. PAIL Corporation's first initiative was to pursue the award of the North Warning System operations and maintenance contract through a Joint Venture with ATCO Structures & Logistics. This partnership later became the Nasittuq Corporation, a 50/50 joint venture between the two parties. Nasittuq is on track to become majority-owned by PAIL Corporation in 2020-2021.

About ATCO

With approximately 6,500 employees and assets of \$22 billion, ATCO is a diversified global corporation with investments in the essential services of Structures & Logistics (workforce and residential housing, innovative modular facilities, construction, site support services, workforce lodging services, facility operations and maintenance, defence operations services, and disaster and emergency management services); Utilities (electricity and natural gas transmission and distribution and international electricity operations); Energy Infrastructure (electricity generation, energy storage and industrial water solutions); Retail Energy (electricity and natural gas retail sales); Transportation (ports and transportation logistics); and Commercial Real Estate. More information can be found at www.ATCO.com.

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