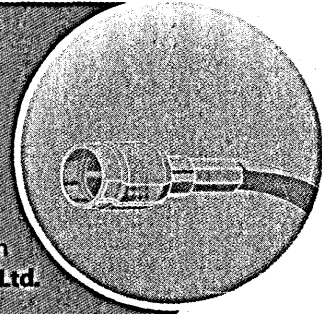


## NEW INFORMATION TECHNOLOGIES

Through an exclusive distributor in Brazil, Vancouver-based **ACL Services Ltd.** is selling its leading audit software to 180 clients, including banks and government agencies. ACL has been providing market-leading technology and services for data inquiry, analysis and reporting since 1987 and has representatives in over 30 countries. Brazil is the company's number one market in Latin America.

Among the many other Canadian IT companies taking advantage of opportunities in Brazil are **Cognos Inc., Corel Corporation, Moore Corporation Ltd., ZTI** and **Oasis Technology Ltd.**



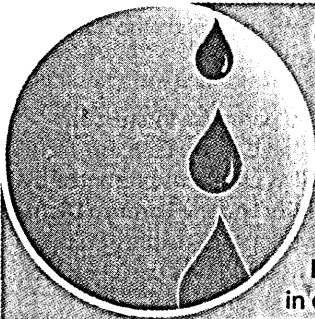
## OIL AND GAS

**Koch Petroleum Canada**, whose activities include heavy oil and gas exploration and production; and crude oil supply, trading and transportation, has acquired 99.99% of the voting capital of Brazilian oil company ATP Petroleo. ATP Petroleo operates in the north-eastern state of Rio Grande do Norte, where it produces 500 barrels of oil per day.

During the past few years, Canadian companies, attracted by favourable business opportunities, have also made large investments in Argentina's oil and gas sector. In November 2000, **Agrium**, in equal partnership with the leading local oil and gas company YPF, began operations of its US\$630-million "Profertil" plan in Bahia Blanca to produce 1.1 billion tons of urea fertilizer per year.

In December 2000, **Canadian Hunter Exploration Ltd.** purchased, for \$75 million, a 15.7% working interest in Sipepetrol Argentina S.A., in the Chihuidos Exploration Permit and the Sierra Chata Exploitation Concession, both in the Neuquen Basin.

Other Canadian companies, including **Alberta Energy Company, Rio Alto** and **Crestar Energy**, are also substantially expanding their activities and increasing their investments in Argentina's oil-field operations.



## TELECOMMUNICATIONS

Canadian telecommunications companies are also finding ample opportunity in Brazil. Among them are **Bell Canada International Inc., Canbras Communications Corporation, Teleglobe Inc., Telesat Canada, Telesystem International Wireless (TIW) Inc.** and **Spectra Telecom Inc.**

In **Uruguay, CGI**, a leading Canadian consulting company, has, since 1994, been working on an institutional strengthening project with ANTEL, the Uruguayan national telecommunications utility. CGI and ANTEL are currently negotiating the terms of a \$US10-million extension to the project. CGI has plans to significantly increase its presence in Uruguay. Last year, CGI assigned regional responsibilities to its office in Montevideo, including the management of their corporate account and project delivery for Allianz (the second most important insurance group worldwide) to their Montevideo Office for all Latin America. CGI is optimistic that several projects, among those it is pursuing in Argentina, Uruguay, Chile and Brazil, will be signed in the months ahead.

**Nortel Networks** initiated its activities in Brazil in 1990, signing a strategic alliance with a local company, Promon. Since 1998, when Nortel bought its strategic partner's manufacturing facilities in Campinas to comply with Brazilian regulations, the Canadian company has been delivering locally manufactured cellular base stations. Through Nortel's various activities, Brazil has become its major growth market.

**Til-Tek Antennas Inc.**, active in Brazil since 1997, has opened its own offices in São Paulo, using the manufacturing capabilities of its former local representative company. The company is actively selling to B-band operators that are currently installing in Brazil. The market is expected to grow substantially, with Til-Tek holding a competitive edge.

