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DAF INDAL LTD. AWARDED \$60 MILLION CONTRACT THROUGH
CANADIAN COMMERCIAL CORPORATION

Mississauga - The Honourable Gerald Regan, Minister of State (International Trade), today announced at a formal signing ceremony the award, by the U.S. Navy, of a further contract worth \$60 Million to Canadian Commercial Corporation for execution by DAF Indal Ltd., Mississauga, Ontario.

The contract calls for the delivery of 27 helicopter recovery, assist, secure and traverse (RAST) systems to be delivered by 1985, and follows the first production contract worth \$52 Million awarded to DAF Indal in September, 1982. It is expected that further procurement by the U.S. Navy will generate orders for a total of 116 RAST systems with logistics support, valued at approximately \$400 Million, over the next six or seven years.

If all 116 ship sets are procured, approximately 4,000 person years of employment would be generated for DAF Indal Ltd., its major sub-contractors in Canada and over 100 Canadian suppliers in the small business category.

The RAST system, which assists helicopters to land on ships, evolved from the Canadian Navy's BEARTRAP system. With experience gained from its involvement with BEARTRAP, DAF Indal developed three new prototypes which underwent extensive testing and sea trials and earned full technical qualification and acceptance by the U.S. Navy. The systems are to be procured by Canadian Commercial Corporation and sold to the U.S. Navy under the U.S./Canada Defense Production Sharing Agreement. This sale will considerably enhance prospects for further commercial and military export sales.

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Minister Regan paid tribute to the team effort of the various government departments who participated in bringing this project to the contract stage. The Departments of National Defence, External Affairs, Industry, Trade and Commerce/Regional Industrial Expansion, Supply and Services Canada, as well as the Canadian Commercial Corporation cooperated with DAF Indal and the U.S. Navy on this project.

Canadian Commercial Corporation, owned by the Government of Canada, contracts with foreign governments and international agencies on behalf of Canadian producers of goods and services. In 1981-82, the Corporation achieved sales of over \$550 Million, involving 435 Canadian suppliers and more than 50 foreign customers.

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