



North America's Railroad

NEWS RELEASE

CN investing \$210 million to expand and strengthen Saskatchewan's rail infrastructure in 2018

Program includes multiple track projects to boost rail capacity and improve network resiliency across the Prairies

SASKATOON, June 19, 2018 — CN (TSX: CNR) (NYSE: CNI) said today it plans to invest approximately \$210 million in Saskatchewan in 2018 to expand and strengthen the company's rail network across the province.

"We are investing for the long haul with these projects to boost capacity and network resiliency," said Doug Ryhorchuk, vice-president of CN's Western Region. "Our investments in new double track across the Prairies combined with new equipment and more people will help us deliver superior service to our grain, energy and other customers across the province and North America. Additionally, our substantial investments to renew our existing railway infrastructure underscores our commitment to operating safely."

The Saskatchewan investments are part of CN's record \$3.4 billion capital program for 2018. They include more than 20 miles of new double track in three locations along CN's busy transcontinental corridor across the province. Other capital program investments will focus on the replacement, upgrade and maintenance of key track infrastructure to improve overall safety and efficiency.

Planned expansion projects include:

- Construction of 10 miles of double track just east of Melville
- Construction of about seven miles of double track west of the Saskatchewan-Manitoba border
- Construction of about 11 miles of double track near the Alberta-Saskatchewan border
- Installation of new track capacity at CN's Melville Yard

Maintenance program highlights include:

- Replacement of approximately 40 miles of rail
- Installation of more than 180,000 new railroad ties
- Rebuilds of approximately 20 road crossing surfaces
- Maintenance work on bridges, including continuation of a multi-year project on the rail bridge over the South Saskatchewan River east of Warman, plus culverts, signal systems and other track infrastructure

CN's Saskatchewan rail network connects agricultural customers across the Prairies to worldwide markets and has major terminals in Saskatoon, Regina and Melville.

“This investment by CN into Saskatchewan is very welcome and will play a critical role in keeping Saskatchewan products moving,” said Steve McLellan, chief executive officer of the Saskatchewan Chamber of Commerce. “The new and enhanced rail lines, new cars, more people, and locomotives all mean our products will get to market faster to better serve our global clients. The importance of trade to our economy is clear and these investments show CN’s commitment to this province.”

“Moving grain from the Prairies to our customers in export markets is absolutely critical to western farmers,” said Jim Wickett, chair of the Western Canadian Wheat Growers Association and grain farmer at Rosetown, Saskatchewan. “We’re pleased CN is making these essential infrastructure investments and improving their capacity, which will help ensure we can move our crops efficiently for not just the next harvest, but also for the larger future harvests in the years ahead.”

CN investing for the long haul

Across its network, CN continues to invest in trade-enabling infrastructure and equipment. Earlier this year, CN announced plans to acquire 350 new box cars to serve forest products and metals customers and to purchase 350 new lumber cars to meet growing demand to move wood products. In May, CN announced that it plans to acquire 1,000 Canadian built, new generation, high-cube grain hopper cars over the next two years to rejuvenate the aging equipment needed to serve increasing annual crop yields. This month, CN is taking delivery of the first of 60 new GE locomotives due in service in 2018. The balance of a multi-year, 200-unit order will be brought online in 2019 and 2020.

After adding hundreds of conductors to the field so far this year, CN continues to hire with a particular focus on crews in Melville and other terminals in Western Canada. Approximately 1,250 new qualified conductors will be in the field network-wide before next winter, compared to heading into the previous winter.

CN is also pleased to announce the establishment of a new, two-year Management Trainee Program designed to provide a solid operational background for the railway’s next generation of leaders. Over the course of the program, trainees will learn how CN operates and gain exposure to the Company’s business agenda of operational and service excellence for its customers across North America. Successful graduates will be placed in full-time, permanent management positions aligned with individual educational background and experience. The first 50 trainees, from both Canada and the United States, will start in July 2018.

Saskatchewan in numbers:

- Capital investments: Approximately \$650 million in the last five years
- Employees: approximately 1,000
- Railroad route miles operated: 1,948
- Community partnerships: \$246,000 in 2017
- Local spending: \$92 million in 2017
- Cash taxes paid: \$39 million in 2017

CN is a true backbone of the economy whose team of approximately 25,000 railroaders transports more than C\$250 billion worth of goods annually for a wide range of business

sectors, ranging from resource products to manufactured products to consumer goods, across a rail network of approximately 20,000 route-miles spanning Canada and mid-America. CN – Canadian National Railway Company, along with its operating railway subsidiaries – serves the cities and ports of Vancouver, Prince Rupert, B.C., Montreal, Halifax, New Orleans, and Mobile, Ala., and the metropolitan areas of Toronto, Edmonton, Winnipeg, Calgary, Chicago, Memphis, Detroit, Duluth, Minn./Superior, Wis., and Jackson, Miss., with connections to all points in North America. For more information about CN, visit the Company's website at www.cn.ca.

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