



*******PANAMA CANAL UPDATE*******

October 11th , 2006

Re: Lock Maintenance

Tentative schedule for locks maintenance for balance 2006 as follows:

Nov 7-17 (10 days) Lane w/restrictions-Miraflores (10d) / Centerwall culvert outage-Gatun (8d).

Dec 13-15 (2.5 days) Lane outage (Pedro Miguel (30 hrs)/Gatun (60 hrs).

Dec 20-22 (2.5 days) Lane w/restrictions (P. Miguel (36 hrs) / Lane outage (Gatun (60 hrs).

2007 (tentative)

Jun 13-22 (10 days) Lane w/restrictions-Miraflores (10d) / Lane outage-Pedro Miguel (3d).

Jul 11-20 (9 days) Lane w/restrictions-Miraflores (9d) / Lane outage-Pedro Miguel (2d).

Aug 8-10 (2.5 days) Lane outage-Gatun (60 hrs).

Aug 14-23 (9 days) Lane w/restrictions (9d) / Lane outage-Pedro Miguel (2d).

Sep 5-15 (10 days) Lane outage-Pedro Miguel (6d) / Lane w/restrictions-Gatun (10d).

Sep 26-28 (2.5 days) Lane outage-Gatun (60 hrs).

RE: Canal Expansion

The Government of Panama will hold a referendum Oct 22 in accordance with the Constitution.

Assuming a positive vote will prevail, this megaproject involves the construction of a third set of locks on the Pacific and Atlantic sides of the Isthmus. The preliminary excavations were made just prior to WW2 and are adjacent to the present locks. Existing locks are 110 ft wide by 1000 ft length. The new lock chambers will be 180 ft wide and 1400 ft length in order to accommodate postpanamax vessels up to 160 ft beam and 1265 ft loa with a draft of 50 ft (15.3 meters) TFW. Operational target date 2014, which coincidentally marks 100 years of commercial operation for the waterway. We understand daily (24 hrs) capacity, when the new locks are functioning, is projected to be 8 to 12 postpanamax and 30 all other categories.

RE: New Bulk Terminal Cristobal (Atlantic Side)

A new terminal for bulk cargoes is expected to be online by early 2007. This 5.6 million dollar project is located in the area of pier 16 Cristobal. The terminal will be able to accept panamax vessels. The new berths should have drafts of 41/45 ft TSW.

ANY INFORMATION NEED IT DON'T HESITATE TO CONTACT US.

Thanks

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