From: Correspondence Minister/Correspondance Ministre: OCS

[mailto:CorrespondenceMinister@ic.gc.ca]

Sent: May 6, 2008 2:37 PM **To:** adele-buckley@rogers.com **Subject:** Industry Canada

Importance: High

Dear Ms. Buckley:

Thank you for your e-mail regarding Alliant Techsystems' (ATK) proposed acquisition of the Information Systems and Geospatial Businesses of MacDonald, Dettwiler and Associates Ltd. (MDA). I regret the delay in replying to you.

As you may know, ATK filed an application under the Investment Canada Act (ICA) for the review of its above-mentioned acquisition proposal.

Under the ICA, foreign investment proposals that are subject to review must obtain my approval before the investor can implement the transaction. My approval is given only where, after a rigorous review process, I am satisfied that the investment is likely to be of net benefit to Canada. The factors considered as part of the net benefit test are listed in section 20 of the ICA.

As part of the review process, Industry Canada officials consult with other federal government departments, and the provinces, to obtain their views and concerns relating to an acquisition. In addition, the investor can provide me with enforceable commitments to demonstrate that the investment is of net benefit to Canada.

Subsection 23(1) of the ICA requires that I notify an investor where I am not satisfied, on the basis of the information I have, that an acquisition is likely to be of net benefit to Canada. I have been authorized by the investor to say that on April 8, 2008, I sent ATK a letter under subsection 23(1). My decision was reached after a careful and rigorous review process during which I consulted with the relevant provinces and federal departments.

After receiving a letter under subsection 23(1) of the ICA, an investor has 30 days to make additional representations and give undertakings concerning the transaction. At the end of this period, I will either confirm my initial decision or approve the acquisition based on additional representations and undertakings provided by the investor.

Once again, thank you for sharing your views on this matter.

Sincerely,

The Honourable Jim Prentice, P.C., Q.C., M.P.