

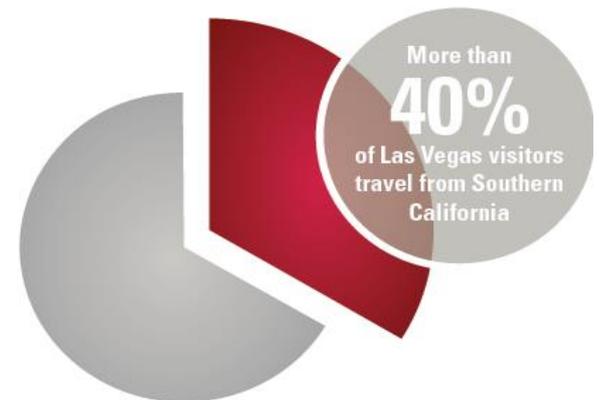


Presentation to the Nevada Department of Transportation
Board of Directors

April 11, 2016

Carson City, NV

- On average, 39 million people visited Las Vegas annually between 2005 and 2015.
 - Over 40% of this Las Vegas visitation travelled from Southern California.
 - 90% of the Southern California visitors drove to Las Vegas on the I-15.
- XpressWest has been selected by the Nevada High Speed Rail Authority to serve this need by high speed rail.
- XpressWest, in partnership with the High Desert Corridor Joint Powers Authority, California High Speed Rail Authority, and San Bernardino Association of Governments, is conducting an investment grade ridership study to connect directly to Los Angeles Union Station.





The High Desert Corridor

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- The High Desert Corridor Joint Powers Authority in partnership with LAMETRO and Caltrans will soon release an EIS/EIR for a multi-purpose corridor connecting Palmdale and Victorville.
- XpressWest has been supporting the EIS/EIR since the rail portion was added to the corridor in 2010.
- Working relationships between XpressWest and the High Desert Corridor Joint Powers Authority, Los Angeles Metropolitan Transportation Authority, California High Speed Rail Authority, and Metrolink.
- Connecting to Palmdale opens a rail connection between Las Vegas and Los Angeles.

- Phase I: Build the initial system between Las Vegas and Victorville - close to the critical mass of SoCal to address the immediate need.
- Phase II: Extend the system to Palmdale to interface with existing commuter rail service
- Phase III: Provide one-seat high speed rail service between Los Angeles / Burbank and Las Vegas.



- 185 miles between Southern California and Las Vegas
- Primarily within or adjacent to the I-15
- Exclusive new double track
- No at-grade crossings
- Passenger only service
- End-to-end travel time under 80 minutes
- Non-stop service every 20 minutes during peak times
- Average ROUNDTRIP fare of under \$100
- Fully electric, standard gauge, multiple unit trains that would enable interoperability with CHSR



A Fully Federally Entitled Project

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- July – November 2011: XW is environmentally approved through Records of Decision issued by the Federal Railroad Administration, Bureau of Land Management, CA and NV Federal Highway Administration Divisions
- October 2011: Surface Transportation Board issued Certificate of Public Convenience and Necessity to construct and operate
- December, 2011: XpressWest executed a lease agreement with BLM for the alignment and facilities located on federal land
- September, 2012: US Army Corps of Engineers issues Nationwide 404 permit authorization completing the Federal Permitting Package



Phase 1: XW Readiness to Engage in Construction

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Project Element	Status
Federal environmental permits	✓
Certificate of public convenience and necessity – the Federal authorization for construction and operation	✓
Federal authority to obtain necessary right-of-way	✓
Investment grade ridership and revenue studies that support a viable plan of finance with or without consideration of a US Federal Loan (RRIF)	✓
Selection of a Joint Venture Partner with the requisite experience, financing capacity, and commitment to the success of the XpressWest project	✓
FRA issues Buy America waiver to Buy America requirements (Amtrak)	✓



Phase II: Extension to Palmdale

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- High Desert Corridor Project Purpose and Need includes high speed rail connectivity between the XpressWest station in Victorville and the existing Metrolink station in Palmdale
- Final EIS/EIR is scheduled to be released in the coming months and will define the project design
- Work is underway with Metrolink to determine capacity and operational requirements for enhanced rail service between Los Angeles and Palmdale



Phase III: High Speed Service to Los Angeles and Anaheim

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- The California High Speed rail Authority is completing the EIS/EIR for dedicated high speed rail service between Palmdale and Anaheim.
- Environmental work for the Burbank and Los Angeles Union Station segments is scheduled for completion in 2017.
- The investment grade ridership and revenue study evaluating service between Anaheim, LA, Burbank, Palmdale, Victorville and Las Vegas will be complete in 2016.



- Create jobs and stimulate the economy
 - 88,000 direct and indirect jobs during construction
 - 2,109 long-term permanent jobs 7.8 Billion in economic output
- Environmentally Sound
 - Fully electric multiple unit trains are zero emissions vehicles
 - The project is estimated to reduce major pollutants in the Corridor by 40% over the life of the project
 - Ridership forecasts estimate that the project will divert approximately 25% of the annual private autos from I-15
 - Mode shift from cars to trains is estimated to save approximately 440,000 barrels of oil or the equivalent of 8.5 million gallons of gas annually
- Connecting regional economic centers with a safe and efficient transportation alternative.
- Diversification of the Southern Nevada economy



All Phase Approach to Project Implementation

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- No federal, state or local public funding has been used to develop the XpressWest project.
- XpressWest has invested over \$60 million for start-up, environmental permitting, engineering, right-of-way acquisition, and other development costs.
- XpressWest continues to work with CRI to understand implementation approaches to the project. This is subject to multiple levels of governmental approval.
- Based upon the current status of the project, our financial advisor has mobilized to confirm all potential sources of funding (foreign and domestic) to provide XpressWest with a complete view of its financing and implementation options.



Noteworthy Project Implementation Milestones

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- HDC JPA Investment Grade Ridership and Revenue Study:
 - Summer 2016
- High Desert Corridor EIS:
 - Fall 2016
- California High Speed Rail EIS Palmdale to Burbank and LA:
 - Fall 2017
- Project Financing and Implementation Approvals:
 - early 2017

