INDUSTRY FACTS

	POTASH	PHOSPHATE	NITROGEN
Base Product	Potassium chloride (KCl)	Phosphoric acid (P_2O_5)	Ammonia (NH_3)
Geographic Availability of Raw Materials	Very limited	Limited (phosphate rock)	Abundant (natural gas)
Cost of New Capacity*	CDN $2.8 billion for 2 million tonnes KCl**	US $1.5 billion for 1 million tonnes P_2O_5	US $1.4 billion for 1 million tonnes NH_3***
Greenfield Development Time	Minimum 7 years	3-4 years	3 years
Producing Countries	12 (based on KCl) # 1 - Canada # 2 - Russia # 3 - Belarus # 4 - Germany	~ 40 (based on P_2O_5) # 1 - China # 2 - US # 3 - Morocco # 4 - Russia	~ 60 (based on NH_3) # 1 - China # 2 - India # 3 - Russia # 4 - US
State- or Subsidy-Controlled Production	19%	46%	57%
Expected Long-Term World Fertilizer Consumption Growth Rate	3.0-4.0%	2.5-3.0%	2.0-2.5%
Major Importers	KCl # 1 - US # 2 - Brazil # 3 - India # 4 - China	DAP # 1 - India # 2 - Brazil # 3 - Japan # 4 - Pakistan	Ammonia # 1 - US # 2 - India # 3 - South Korea # 4 - Belgium
Percentage Traded Across Borders	80% (KCl)	39% (DAP)	12% (Ammonia)

* Estimated costs exclude infrastructure outside plant gates (rail, road networks, utility systems, port facilities, etc.) and, if applicable, cost of deposits/reserves
** Conventional greenfield mine in Saskatchewan
*** Ammonia/urea complex

POTASHCORP DEBOTTLENECKING & EXPANSION PROJECTS

LOCATION	INVESTMENT Billion $CDN	STANDARD CAPACITY* ADDED	EXPECTED CONSTRUCTION COMPLETION
Rocanville	$0.13	0.75 MMT	Complete (2005)
Allan	$0.21	0.40 MMT	Complete (2007)
Lanigan	$0.41	1.50 MMT	Complete (2008)
Patience Lake	$0.11	0.36 MMT	Complete (2009)
Cory I	$0.89	1.20 MMT	Q2 2010
New Brunswick	$1.66	1.20 MMT	Q4 2011
Rocanville	$2.80	2.70 MMT	Q4 2012
Cory II	$0.22	1.00 MMT	Q4 2012
Allan	$0.55	1.00 MMT	Q4 2012
Total	**$6.98**	**10.11 MMT**	

* Additions to production capability of standard grade product through both bringing back previously idled capacity and expansions to current operational capacity

PLANTING CALENDAR

Customers in different parts of the world require potash at various times of the year to correspond with their planting seasons. These calendars lay out typical patterns of potash purchases and the planting and harvesting for selected crops. Due to the range of planting/ harvesting times from the north to the south, the calendars represent a typical location and may not be representative of the entire country.

US	% K Used by Crop	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
POTASH PURCHASES % by Quarter*		26%			30%			22%			22%		
Corn	46%				Plant						Harvest		
Soybeans	15%					Plant					Harvest		
Winter Wheat [70%]	5%						Harvest			Plant			
Spring Wheat [30%]					Plant			Harvest					
Fruits & Vegetables	7%	Multiple potash applications throughout the year											

BRAZIL	% K Used by Crop	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
POTASH PURCHASES % by Quarter*		20%			25%			34%			21%		
Soybeans	34%			Harvest							Plant		
Sugar Cane	20%					Plant / Harvest							
Corn	19%		Harvest								Plant		
Fruits & Vegetables	5%	Multiple potash applications throughout the year											

CHINA	% K Used by Crop	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
POTASH PURCHASES % by Quarter*		28%			19%			25%			28%		
Rice													
- Single Crop [50%]					Plant / Harvest								
- Early Double-crop [25%]	28%			Plant / Harvest									
- Late Double-crop [25%]							Plant / Harvest						
Corn [North]	2%				Plant					Harvest			
Corn [South]			Plant					Harvest					
Winter Wheat [70%]	4%					Harvest				Plant			
Spring Wheat [30%]				Plant				Harvest					
Fruits & Vegetables	50%	Multiple potash applications throughout the year											

INDIA	% K Used by Crop	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
POTASH PURCHASES % by Quarter*		24%			15%			25%			36%		
Kharif Rice [90%]	34%	Harvest				Plant					Harvest…		
Rabi Rice [10%]		…Plant / Harvest										Plant…	
Winter Wheat	8%			Harvest							Plant		
Fruits & Vegetables	22%	Multiple potash applications throughout the year											

* Percentage purchased by quarter based on 2006-2008 purchases

CONVERSION FACTORS

To convert:	To:	Multiply by:
Tons, long	pounds	2240.0
Tons, long	metric tonnes	1.0160
Tons, long	short tons	1.2000
Tonnes, metric	pounds	2204.6
Tonnes, metric	long tons	0.9842
Tonnes, metric	short tons	1.1023
Tons, short	pounds	2000.0
Tons, short	long tons	0.8929
Tons, short	metric tonnes	0.9072

To convert:	To:	Multiply by:
K	K_2O	1.2046
K_2O	K	0.8302
KCl Product	K_2O	0.6100
K_2O	KCl Product	1.6393
P	P_2O_5	2.2915
P_2O_5	P	0.4364
BPL	P_2O_5	0.4577
P_2O_5	BPL	2.1852
N	NH_3	1.2159
NH_3	N	0.8225

PRODUCTION FACTORS

NITROGEN	
To produce 1 short ton of:	**Requires:**
Ammonia	32.5 MMBtu natural gas
Urea	24.0 MMBtu natural gas
Ammonium Nitrate	17.2 MMBtu natural gas
UAN Solution (32% N)	13.7 MMBtu natural gas
Urea Solution	0.58 tons ammonia 0.78 tons CO_2
Urea Prills (46% N)	1.01 tons urea solution
Nitric Acid (22% N)	0.29 tons ammonia
Ammonium Nitrate Solution	0.80 tons nitric acid 0.22 tons ammonia
Ammonium Nitrate Prills	1.01 tons ammonium nitrate solution
UAN Solutions (32% N)	0.45 tons ammonium nitrate solution 0.35 tons urea solution

PHOSPHATE	
To produce 1 short ton of:	**Requires:**
Sulfuric Acid (100% H_2SO_4)	0.33 tons sulfur
Phosphoric Acid (100% P_2O_5)	2.8 tons sulfuric acid 3.5-4.0 tons phosphate rock
Diammonium Phosphate (46% P_2O_5)	1.175 tons of wet phosphoric acid (40% P_2O_5) or 0.47 tons P_2O_5 0.23 tons ammonia or in raw material form: 1.65-1.90 tons phosphate rock 0.44 tons sulfur 0.23 tons ammonia
Monoammonium Phosphate (52% P_2O_5)	in raw material form: 1.71-1.96 tons phosphate rock 0.53 tons sulfur 0.145 tons ammonia

GLOSSARY

GENERAL

Mixed fertilizers contain more than one nutrient. Fertilizer graded as 5-20-20 contains 5% nitrogen (N), 20% phosphorus (P_2O_5) and 20% potash (K_2O) by weight. The nutrient breakdown is always stated in the same order, and is referred to in the industry as N-P-K.

Liquid fertilizers come in two types: solution, in which all the plant nutrients are dissolved in solution; and suspension, a saturated solution in which some plant nutrients are suspended (by gelling clay).

Metric tonnes equal 2,204.6 pounds or 1,000 kilograms. Most offshore sales are made in metric tonnes and US dollars. To convert to short tons, multiply by 1.1023.

North American and Export or Offshore Markets The North American market includes Canada and the United States, while the export or offshore market is the rest of the world.

Product tonne is a standard metric measure of the weights of all types of potash, phosphate and nitrogen products.

Short tons are the equivalent of 2,000 pounds. They are rarely used in Canada since metrication but are used in the United States. The corporation's US price lists are in US dollars per short ton. To convert to metric tonnes, multiply by 0.9072.

FSU is the former Soviet Union.

Grain includes wheat, rice and coarse grains, unless otherwise noted.

E is for Estimated.

F is for Forecasted.

POTASH

Potassium (K) is the seventh most common element in the earth's crust. Economically recoverable deposits are usually found combined with chlorine in the chemical compound potassium chloride, commonly referred to as potash.

Potash (KCl) Potash fertilizer is muriate of potash (KCl, potassium chloride). Potassium also combines with other materials in specialty fertilizers such as potassium sulfate (K_2SO_4), potassium magnesium sulfate ($K_2Mg_2(SO_4)_3$) or potassium nitrate (KNO_3).

K_2O is potassium oxide, a term used in the fertilizer industry to define potassium content. To convert KCl product tonnes to K_2O, multiply by 0.61.

K_2O tonnes are units of measurement of the nutrient value of potassium-containing fertilizers produced by different facilities. PotashCorp potash product is guaranteed to contain a minimum of 60% K_2O.

Canpotex Limited is an export company owned by all Saskatchewan potash producers. Sales through Canpotex are generally allocated pro rata to each producer on the basis of productive capacity. In 2008, PotashCorp provided 54% of Canpotex product.

Constructed capacity means equipment is in a state of readiness to produce. While constructed capacity is increased at mechanical completion of a project, a period of ramp-up is required to achieve full operating rates.

PHOSPHATE

Phosphorus (P) is widely distributed in nature in combination with other elements. Economically recoverable deposits most commonly contain phosphate rock (apatite), which is used in production of phosphate fertilizers and phosphate chemicals.

DAP, diammonium phosphate, is the major solid phosphate fertilizer. Its excellent handling properties and N-P-K composition 18-46-0 make it well suited to both large- and small-scale agriculture.

MAP, monoammonium phosphate, is a solid fertilizer with a typical N-P-K composition 13-52-0.

TSP, triple super phosphate, is a solid fertilizer produced from phosphate rock and phosphoric acid, which has N-P-K composition 0-46-0.

MGA, merchant grade phosphoric acid available in amber or green, has N-P-K composition 0-54-0. It is primarily used to produce DAP.

Superphosphoric acid (SPA), with N-P-K composition 0-70-0, is used to manufacture liquid fertilizers. PCS Phosphate's LoMag is superphosphoric acid with its magnesium content substantially reduced through filtration.

P_2O_5, phosphoric pentoxide, is a term used to express content of phosphorus. To convert P to P_2O_5, multiply by 2.2915.

P_2O_5 tonnes are the units of measurement of phosphorus-containing fertilizers, which vary from product to product. DAP is typically 46% P_2O_5.

Animal and poultry feed supplements (Dical, Monocal, DFP) are an important source of phosphate nutrients. They are solid products with differing calcium and phosphate contents. These products are sold on the basis of their phosphorus content.

NITROGEN

Nitrogen (N) is a gas which makes up 78 percent of the atmosphere. It is an essential nutrient for plant growth. Some plants, including legumes such as soybeans, can fix nitrogen from the air, but most take it from the soil. It must be applied to soil for each crop because its nutrient value is consumed during each growing season.

Ammonia (NH_3) is produced primarily from natural gas and air as the first step in the production of nitrogen fertilizers. It can also be applied directly to soils. Anhydrous ammonia (NH_3) is a gas with N-P-K composition 82-0-0, which is changed under pressure to a liquid, and stored and transported in this form.

Ammonium nitrate (NH_4NO_3), with N-P-K composition 34-0-0, is water-soluble and used as a solid in industrial applications and as a liquid in nitrogen solutions. Half its nitrogen is in ammonium form, half in nitrate form.

Nitric acid (HNO_3), produced by an ammonia oxidation process, is used in the production of ammonium nitrate and as an intermediate for industrial purposes.

Nitrogen solutions (UAN) are produced by blending ammonium nitrate and urea solutions. Used in manufacturing starter fertilizers and for direct application on soils, they vary in nitrogen content (28-32%) and are non-pressure solutions.

Urea ($CO(NH_2)_2$), N-P-K composition 46-0-0, is the most commonly produced and widely traded nitrogen product. It is used as fertilizer and for industrial purposes.