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## Premier Turns Sod at Shaft Location for New Potash Mine

Sussex, New Brunswick – New Brunswick Premier Shawn Graham and PCS Potash President Garth Moore today joined in turning the sod to officially mark the start of construction on the Picadilly Mine Project.

The new 2-million-tonne potash mine and expanded milling operation in New Brunswick will be constructed over a four-year period at an estimated cost of CAN \$1.66 billion, which includes approximately \$100 million for additional upgraded granular production capability. The construction phase is expected to generate the equivalent of 2,500 person years of employment. When completed, 150 new full-time positions will be created, increasing the New Brunswick workforce to a total of 490.

The preliminary environmental approval for the project was received in early January, and clearing and leveling of the site for the new mine is in progress, Moore told an audience of community leaders and PotashCorp employees attending today's sod turning ceremony. He said construction of foundations for two shafts will begin soon.

"Expansion of our New Brunswick operations is strategically and logistically important to PotashCorp," Moore said. "We're increasing our annual production capacity at a location with access to a port that provides the shortest shipping times to key Latin American markets like Brazil, where substantial long-term growth in demand for upgraded potash is expected."

The new mine and expanded milling operation is one of several PotashCorp projects announced in 2007 which will raise the company's projected operational capacity to 15.7 million tonnes per year by the end of 2012.

"As the Minister of Finance outlined in his 2008-2009 budget yesterday, this development will be one of three key factors driving the New Brunswick economy in the coming year bringing more jobs and more opportunities to our province. It also sends a strong message that New Brunswick is on the road to self-sufficiency, we are the place to be," said Premier Graham. "We are very pleased that PotashCorp has shown such confidence in our province and I thank Garth Moore and his team for being here today to launch this significant initiative."

Using conventional underground methods, the new mine will draw on the company's large, high-quality Picadilly deposit, which contains potash ore grades similar to those found in Saskatchewan deposits. This relatively flat deposit contains two potash seams, each varying in thickness to a maximum of 60 feet, and will allow for a stable, long-term, low-cost source of potash. Once fully developed, the new mine will replace the existing underground operation, while the current milling facility will be expanded by 1.2 million tonnes, including 750,000 tonnes of new compaction capacity.

PotashCorp is the world's largest fertilizer enterprise by capacity, producing potash, nitrogen and phosphate products – the three primary plant nutrients. It is the world's largest potash producer, with 22 percent of global capacity, the third largest phosphate producer and ranks second in nitrogen production.

*This release contains forward-looking statements. These statements are based on certain factors and assumptions as set forth in this release, including foreign exchange rates, expected growth, results of operations, performance, business prospects and opportunities, and effective income tax rates. While the company considers these factors and assumptions to be reasonable, based on information currently available, they may prove to be incorrect. A number of factors could cause actual results to differ materially from those in the forward-looking statements, including, but not limited to: fluctuations in supply and demand in fertilizer, sulfur, transportation and petrochemical markets; changes in competitive pressures, including pricing pressures; the results of negotiations with China and India; timing and amount of capital expenditures; risks associated with natural gas and other hedging activities; changes in capital markets and corresponding effects on the company's investments; changes in currency and exchange rates; unexpected geological or environmental conditions; government policy changes; and earnings, exchange rates and the decisions of taxing authorities, all of which could affect our effective tax rates. Additional risks and uncertainties can be found in our Form 10-K for the fiscal year ended December 31, 2007 under the captions "Forward-Looking Statements" and "Item 1A-Risk Factors" and in our filings with the U.S. Securities and Exchange Commission and Canadian provincial securities commissions. Forward-looking statements are given only as at the date of this release and the company disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.*

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