

**For Immediate Release**

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## **PotashCorp Adding Another 2.7 Million Tonnes of Capacity with Projects at Allan, Cory and Rocanville**

Saskatoon, Saskatchewan – Potash Corporation of Saskatchewan Inc. (PotashCorp) today announced plans to add 2.7 million tonnes of potash capacity at three of its Saskatchewan facilities. This capacity will be achieved through a new debottlenecking project at Allan and increases in the scope of projects announced in 2007 for Cory and Rocanville. Work on all three projects will be initiated immediately. These projects carry a combined cost of US \$1.6 billion and will raise PotashCorp's operational capacity to 18 million tonnes by the end of 2012. The cost is approximately 60 percent less than that estimated for comparable greenfield capacity, and the projects will make the additional production available much more quickly than a new mine could be developed.

The Allan debottlenecking will add 1 million tonnes of annual production capability and raise its annual capacity to 3 million tonnes per year. Construction and ramp-up are scheduled for completion by the end of 2012. This project, which follows a 400,000-tonne expansion completed in 2007, has an estimated cost of US \$350 million. At Cory, the new project will add 1 million tonnes to a 1.2-million-tonne-per-year debottlenecking and expansion project initiated in 2007. The initial project is scheduled for completion in 2010, with construction and ramp-up of the new project completed by the end of 2012. The additional work has an estimated cost of US \$220 million and will raise the facility's annual capacity to 3 million tonnes.

At Rocanville, an additional 700,000 tonnes of capacity will be incorporated into the 2-million-tonne mine and mill project announced in 2007. With an additional investment of US \$1.0 billion, the project now is expected to add a total of 2.7 million tonnes at a cost of US \$2.8 billion and raise the facility's annual capacity to 5.7 million tonnes. Construction is scheduled for completion at the end of 2012 with ramp-up over the following two years.

These projects represent the continuation of a long-term potash capacity expansion program that includes completed work at Rocanville (2005), Allan and Esterhazy (2007) and Lanigan (2008), as well as in-progress construction projects scheduled for completion at Patience Lake (2008), Cory (2010), New Brunswick (2011) and Rocanville, Allan and Cory (2012). The financing for all projects is expected to be from free cash flow.

“It is clear that global potash demand is continuing to grow more quickly than increases in supply,” said PotashCorp President and Chief Executive Officer Bill Doyle. “With our unmatched potash assets, we can provide a solution that is faster and more cost-effective than greenfield production. Since 2003 we've been investing in projects to raise previously idled capacity and then expand capacity at each of our mines, and these projects further support our long-term growth strategy. Our objective is to bring our valuable resources on stream to better serve our customers and meet global demand while delivering increasingly strong results for our shareholders.”

***Please see our website, [www.potashcorp.com](http://www.potashcorp.com), for important additional information about these debottlenecking and expansion projects, including audio of a related question-and-answer session with President and CEO Bill Doyle.***

Potash Corporation of Saskatchewan Inc. is the world's largest fertilizer enterprise producing the three primary plant nutrients and a leading supplier to three distinct market categories: agriculture, with the largest capacity in the world in potash, second largest in nitrogen and third largest in phosphate; animal nutrition, with the world's largest capacity in phosphate feed ingredients; and industrial chemicals, as the largest global producer of industrial nitrogen products and the world's largest capacity for production of purified industrial phosphoric acid.

*This release contains forward-looking statements. These statements are based on certain factors and assumptions 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; 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, including water inflow; strikes and other forms of work stoppage or slowdowns; changes in and the effects of, government policy and regulations; 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 captions "Forward-Looking Statements" and "Item 1A – Risk Factors" and in our filings with the US 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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