Overview of PotashCorp and Its Industry

Our Company

A Global Footprint

PotashCorp has built the world's largest fertilizer enterprise by capacity on world-class potash resources and high-quality phosphate and nitrogen assets.

Potash is the primary focus of our company and the driver of our growth. We are one of the world's largest producers by capacity\(^1\), with five large, low-cost mines in Saskatchewan and one in New Brunswick. Our interests in offshore potash-related businesses in Jordan, Israel, Chile and China add depth and diversity to our global position.

As the world's third largest phosphate company by capacity, we have large, low-cost rock reserves and the industry's most diversified product line.

By ammonia capacity, we are the third largest nitrogen producer. Our high-quality, well-positioned assets enable us to be a lower-cost supplier to the large US market.

\(^1\) Refers to nameplate capacity, which may exceed operational capability (estimated annual achievable production).
Overview of PotashCorp and Its Industry

Our Nutrients

Comparison of Our Nutrients

<table>
<thead>
<tr>
<th></th>
<th>Potash</th>
<th>Phosphate</th>
<th>Nitrogen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of major</td>
<td>12</td>
<td>~40</td>
<td>~59</td>
</tr>
<tr>
<td>Percentage of global</td>
<td>74%</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>production traded</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw material volatility</td>
<td>Low</td>
<td>Moderate-High</td>
<td>Low-High</td>
</tr>
<tr>
<td>Time for greenfield</td>
<td>Minimum 7 years¹</td>
<td>3-4 years</td>
<td>Minimum 3 years</td>
</tr>
<tr>
<td>(excluding ramp-up)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of greenfield</td>
<td>CDN $4.2 billion¹</td>
<td>US $1.6 billion¹</td>
<td>US $1.7 billion¹</td>
</tr>
<tr>
<td>(excluding infrastructure)¹</td>
<td>2 million tonnes KCl</td>
<td>1 million tonnes P₂O₅</td>
<td>1 million tonnes NH₃</td>
</tr>
<tr>
<td>Cost of greenfield</td>
<td>CDN $4.7-5.6 billion¹</td>
<td>US $2.1-2.3 billion¹</td>
<td>US $1.8-2.6 billion¹</td>
</tr>
<tr>
<td>(including infrastructure)¹</td>
<td>2 million tonnes KCl</td>
<td>1 million tonnes P₂O₅</td>
<td>1 million tonnes NH₃</td>
</tr>
</tbody>
</table>

¹ Estimated time and cost for a conventional greenfield mine in Saskatchewan
² Phosphate rock mine, sulfuric acid plant, phosphoric acid plant and DAP/MAP granulation plant
³ Ammonia/urea complex
⁴ Includes rail, utility systems, port facilities and, if applicable cost of deposit

All Three Nutrients Are Important, But Potash Is Our Primary Focus

PotashCorp operates in three primary nutrient segments: nitrogen (N), phosphate (P) and potash (K). Each segment is important for our company, and in crop production worldwide.

We produce a broad range of products used primarily to make fertilizers, but we also produce animal feeds and industrial products. As fertilizers, nitrogen, phosphate and potash play a vital role in producing healthy, high-yield crops around the world. As feed products, they help provide the essential dietary elements that livestock require, and as industrial products, they help produce everything from plastics to soft drinks.

Our potash and phosphate products are mined from natural deposits left behind by ancient seas, while our nitrogen products are synthesized from air.

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1 Estimated time and cost for a conventional greenfield mine in Saskatchewan
2 Phosphate rock mine, sulfuric acid plant, phosphoric acid plant and DAP/MAP granulation plant
3 Ammonia/urea complex
4 Includes rail, utility systems, port facilities and, if applicable cost of deposit

Source: Fertecon, CRU, AMEC, PotashCorp

Last updated: Jun 4, 2013
Our Business Is Meeting the World’s Need for Fertilizer

As populations grow, fertilizer plays an increasingly important role in enhancing crop yields to help meet the rising demand for food. For PotashCorp, fertilizer is the primary driver of growth.

Fertilizer represents the majority of the total gross margin we generate. As demand grows and our potash capacity increases, we expect that not only will our gross margin generated by fertilizer rise but its percentage of the total will also increase.

*Based on PotashCorp nameplate capacity

Source: Blue, Johnson & Associates; Fertecon; PotashCorp; Public Filings

Last updated: Jun 4, 2013
Potash Is Our Primary Focus

Although each nutrient plays a vital and specific role in food production around the world — and in PotashCorp’s success — we believe our potash assets provide the opportunity to generate the greatest gross margin with the least volatility over the long term. We prioritize enhancement of our unmatched potash position because we believe farmers’ rising demand for this essential nutrient gives it the greatest long-term growth prospects. Its industry structure is unique among nutrient businesses, and barriers to entry are significantly higher than for other nutrient industries. These advantages make our existing and new capacity increasingly valuable.
Our Strategy and Potential

PotashCorp - Our Strategy

PotashCorp President and Chief Executive Officer Bill Doyle and Chief Financial Officer Wayne Brownlee discuss PotashCorp's strategy on delivering superior shareholder value.
Overview of PotashCorp and Its Industry

Our Strategy and Potential

PotashCorp - Our Opportunity
PotashCorp President and Chief Executive Officer Bill Doyle and Chief Financial Officer Wayne Brownlee discuss PotashCorp’s potential to deliver superior shareholder value.
To better understand our company — and our opportunity — we believe it is important to begin with the basic drivers of fertilizer demand. Our story is one of global development: millions of people with rising incomes want to feed their families better diets with high-quality fruits and vegetables and protein from meat. With pressure on global crop supplies mounting, the need to sustainably increase production is clear. We believe that fertilizer will play a key role in achieving this, and that the agronomic and economic opportunities which exist today — and are expected in the years ahead — will encourage farmers to apply more fertilizer, especially potash.
Global Development Story

**Shift to Urban Areas in Developing Countries**

Global population is currently rising by about 75 million every year. Almost 800 million people — more than twice the number living in North America today — are expected to be added to the current population by 2020. More food must be produced to feed us all.

This growth is occurring at the same time the composition of the world population is changing. Most growth is occurring in developing countries, particularly in urban areas. Today, one of every two people lives in a metropolitan area; by 2050, that figure is expected to rise to more than two-thirds of the global population. This is an important shift, as urban consumers tend to eat more and better balanced diets. In China, those in an urban population consume nearly 75 percent more meat and almost 25 percent more fruits and vegetables.
Economic Growth Led by Large Developing Countries

Many countries with rapidly rising populations are also leaders in global economic growth. Although short-term fluctuations will occur, the economies of China, India and other developing countries are expected to continue to expand, enhancing global economic growth for decades.

As economies grow and individual incomes rise, history tells us that people in emerging nations will choose to improve their diets. Ongoing economic growth is expected to continue to increase the affordability of and desire for more and better food.

Source: IMF, United Nations, PotashCorp
Last updated: Jun 4, 2013
Food Consumption Increasing, Diets Better Balanced

Many people in developing countries are adopting better diets as their incomes improve. Brazil, China and Indonesia have experienced significant increases in the daily intake of fruits, vegetables and protein from meat, eggs and fish as people move away from starch-based diets.

The shift to better diets is just beginning in other parts of the developing world, including India, where fruits and vegetables are becoming a bigger component of the daily diet and protein consumption has slowly started to increase.

This dietary change — coupled with population growth — is expected to be a key driver of global food demand.
**Global Food Demand Shows No Sign of Abating**

While rising global demand for food is significant, it is not a new development. Demand for grain and oilseeds has been growing for many years. Oilseed demand has nearly tripled and grain demand is up 50 percent over the past two decades.

Even during periods of economic difficulty, the demand for grain and oilseeds has been resilient.

Source: USDA, PotashCorp

Last updated: Jun 4, 2013

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**World Grain and Oilseed Demand**

![Graph showing world grain and oilseed demand from 1970 to 2010 for developed and developing countries.](#)
**Global Development Story**

**Arable Land per Capita**

- **Rising Population Strains Available Farmland**

  Less arable land per person is available for agriculture as populations rise and urban areas expand. With a finite land base and an expanding population, this decades-long trend is expected to continue.

  The strain on arable land is most pronounced in developing countries, where less than 0.2 hectares per person is available for crop and animal production. These are the countries with the greatest need to raise food production, which highlights the importance of increasing long-term crop productivity.

Source: FAO, United Nations

Last updated: Jun 4, 2013
Water Availability an Increasing Concern

Water availability is a growing concern in many countries. Over the last four decades, renewable water resources per capita have declined by nearly 50 percent in the developing world, straining water supply even as demand for agriculture and industrial purposes has risen.

The competition for water in developing countries is unlikely to slow as populations rise and economies grow. We believe agriculture will have to use its share of water efficiently, and fertilizer — especially potash, which helps plants retain water — is expected to play an important role in enabling this efficient use.

Source: FAO AquaStat, UN, World Bank, PotashCorp
Last updated: Jun 4, 2013
Demand for Grain Has Outstripped Production

Crop production has struggled to keep pace with rising grain consumption for the last few decades. The pressure on global grain supply has been magnified in recent years due to adverse weather in many growing regions and a limited inventory cushion. This led to significant demand rationing through the 2012/13 crop year.

While weather will continue to play a significant role in determining the yield potential of each year’s crop, the current strain on global grain supply highlights the importance of proper soil fertility for improving yields, especially under difficult growing conditions.

Based on crop year data. For example, 12F refers to the 2012/13 crop year.
Light bars reflect years when consumption exceeds production.

Source: USDA
Last updated: Jun 4, 2013
Grain Inventories Expected to Remain Tight

Repeated grain production deficits have reduced global inventories over the last decade, leaving them well below their historical levels and with little margin for error to meet the challenge of rising demand. When grain stocks are low, a production deficit in one year is not easily overcome and multiple years of above-average yields are typically required to make a positive impact on supplies.

With land and water use already constrained, we believe a renewed commitment to high-yield farming, including proper fertilization, will be needed to replenish global grain inventories.

Based on crop year data. For example, 12F refers to the 2012/13 crop year.

Source: USDA
Last updated: Jun 4, 2013
**Selected Crop Commodity Prices**

With supply tight for many agricultural commodities, prices remain well above historical levels. Although prices have been volatile in recent years, we believe they are strong economic signals to farmers around the world to focus on improving production.

Since production increases must be sustained to remedy low grain inventories, elevated crop commodity prices are expected to remain for the coming years. Higher food costs generally encourage countries seeking self-sufficiency in agricultural production to adopt improved farming practices — including balanced fertility.

See current crop commodity prices
Half of Food Production Attributable to Fertilizer Use

Research indicates that about half of world food production is a direct result of fertilizer application. Irrigation, seed varieties and technology, cultivation practices, weed and pest control, and planting density contribute the rest.

However, fertilizers do far more than boost yields; they strengthen plants and speed growth and maturity. Potash, in particular, improves the physical quality and taste of many crops.
Opportunity to Increase Yields in Developing Countries

The Food and Agriculture Organization of the United Nations (FAO) projects that approximately 90 percent of the increase in global crop production by 2050 will come from improving yields and increasing cropping intensity. The greatest opportunities are expected to occur in developing countries where yields currently lag far behind those in the developed world.

While this process will not occur overnight, we expect the adoption of best management practices in these countries will lead to significant yield improvements over time. These practices include the use of balanced fertilizer applications, improved seed technology, greater mechanization and more efficient irrigation systems.

Source: World Bank, FAO, PotashCorp
Last updated: Jun 4, 2013
Opportunity to Improve Yields Through Balanced Fertility

The disparity between crop yields in developed nations and those in the developing world highlights the importance of best management practices. In most developed countries, the use of balanced fertilizer application and other best practices has contributed to significant yield growth.

Since all three nutrients provide unique benefits to plants and work in synergy with each other, no nutrient can replace another. Obtaining proper balance among nitrogen, phosphate, and potash is key to ensuring that a plant achieves its full potential. Many developing countries that currently under-apply potash could make significant improvements in yields for many of their crops by correcting this imbalance.

Source: Fertbon, PotashCorp
Last updated: Jun 4, 2013
Balanced Fertilization Can Provide a Significant Economic Return

As farmers seek to improve yields, fertilizer is poised to play a significant role. Based on long-term yield trials, farmers across all areas of the globe have the potential to capitalize on great yields from the proper use of fertilizer.

Today, the economic incentive for utilizing proper fertility is significant, whether that be for nutrient-intensive crops like oil palm in Malaysia or rice in China.

*Based on long-term yield trials

Source: IPNI, Bloomberg, Industry Publications, PotashCorp

Last updated: Jun 4, 2013
Fertilizer plays an essential role in the production of healthy and abundant crops. In our business, the crops shown above represent those which consume the majority of fertilizer use globally.

This interactive tool allows you to drill down into each major crop type and explore who are the major producing, consuming, importing and exporting regions around the world.

Source: USDA
Overview of PotashCorp and Its Industry

Major Crops - Corn

Annual Global Corn Production (By Crop Year)
Major Crops - Corn

Annual Global Corn Consumption (By Crop Year)
Major Crops - Corn

Annual Global Corn Imports (By Crop Year)
Major Crops - Corn

Annual Global Corn Exports (By Crop Year)
Major Crops - Wheat

Annual Global Wheat Production (By Crop Year)
Major Crops - Wheat

Annual Global Wheat Consumption (By Crop Year)

Fertilizer 101  Major Crops  Wheat  Consumption
Major Crops - Wheat

Annual Global Wheat Imports (By Crop Year)
Major Crops - Wheat

Annual Global Wheat Exports (By Crop Year)
Major Crops - Oil Palm

Annual Global Palm Oil Production (By Crop Year)
Major Crops - Oil Palm

Annual Global Palm Oil Consumption (By Crop Year)
Major Crops - Oil Palm

annual Global Palm Oil Imports


0M 5M 10M 15M 20M 25M 30M 35M 40M

India China EU-27 Pakistan Other
Major Crops - Oil Palm

Annual Global Palm Oil Exports (By Crop Year)
Major Crops - Soybeans

Annual Global Soybean Production (By Crop Year)

- Brazil
- United States
- Argentina
- China
- Other
Major Crops - Soybeans

Annual Global Soybean Consumption (By Crop Year)
Major Crops - Soybeans

Annual Global Soybean Imports (By Crop Year)

- China
- EU-27
- Mexico
- Japan
- Other
Major Crops - Soybeans

Annual Global Soybean Exports (By Crop Year)

- Brazil
- United States
- Argentina
- Paraguay
- Other
Major Crops - Rice

Annual Global Rice Production (Crop By Year)

- China
- India
- Indonesia
- Bangladesh
- Other

![Annual Global Rice Production Graph]

Tonnes

- 500M
- 400M
- 300M
- 200M
- 100M
- 0M

Year:
- 2000/01
- 2001/02
- 2002/03
- 2003/04
- 2004/05
- 2005/06
- 2006/07
- 2007/08
- 2008/09
- 2009/10
- 2010/11
- 2011/12
- 2012/13

Fertilizer 101 ➔ Major Crops ➔ Rice ➔ Production
Major Crops - Rice

Annual Global Rice Consumption (By Crop Year)

Fertilizer 101  Major Crops  Rice  Consumption
Major Crops - Rice

Annual Global Rice Imports (By Crop Year)

Imports

Nigeria  China  Iran  Philippines  Other

Tonnes

0M  5M  10M  15M  20M

Major Crops - Rice

Annual Global Rice Exports (By Crop Year)
Major Crops - Fruits

Annual Global Fruits & Vegetables Production (By Crop Year)
As demand for food rises, so does the need for crop nutrients. Like the role of each nutrient in crop production, the characteristics of the fertilizer industry, dynamics of its markets and outlook for its future are unique and must be understood in order to assess the future performance and value of our company. We believe PotashCorp’s greatest opportunity lies with our core nutrient, potash. Of all the primary nutrients, demand for potash is expected to grow the fastest because it has historically been under-applied relative to the others. What’s more, high-quality, economically viable deposits are rare and barriers to entering the business are significant.
**Most Potash Is Produced From Conventional Mines**

Commonly called potash, potassium chloride (KCl) is mined from ore deposits located deep underground or extracted from salt lakes or seas. Almost 80 percent of global potassium chloride capacity is found in conventional underground mines. Underground solution mines account for approximately 6 percent, and the remaining capacity is obtained by harvesting natural brines from potassium-rich water bodies, typically by using solar evaporation.
Potash - Overview

How Potash Is Used

**Potash Is Primarily Used as Fertilizer**

Potash is mainly used as a fertilizer. By helping plants develop strong root systems and retain water, it enhances yields and promotes greater resistance to disease and insects. Because it improves the taste and nutritional value of food, potash is often called the “quality nutrient.”

Potash fertilizer is sold primarily as solid granular and standard products. Granular product has a larger and more uniformly shaped particle than standard product and can be easily blended with solid nitrogen and phosphate fertilizers. Is typically used in more advanced agricultural markets such as the US and Brazil.
Potash - Overview

World Potash Reserves*

*Share of world's potash reserves; reserves as indicated by the US Geological Survey
Other countries total 1 percent

Source: US Geological Service
Last updated: Jun 4, 2013

Economically Mineable Deposits Are Geographically Concentrated

Potash is produced in only 12 countries because high-quality, economically mineable deposits are geographically concentrated. Canada, Russia and Belarus together account for just over two-thirds of global capacity and, according to the United States Geological Service, almost 90 percent of estimated reserves. Almost half of world reserves and 35 percent of global capacity are found in the Canadian province of Saskatchewan.
Imports Supply the Major Consuming Markets

Major consuming markets in Asia and Latin America have little or no indigenous potash production capability and rely primarily on imports to meet their needs. This is an important difference between potash and the other major crop nutrient businesses. Trade typically accounts for approximately 75 percent of demand for potash, which ensures a globally diversified marketplace.

The most significant exporters are the large producing regions of Canada and the former Soviet Union, which have small domestic requirements.
PotashCorp is the Largest Producer by Capacity

PotashCorp is the industry's largest producer, with approximately 20 percent of global capacity. Our position is enhanced by investments in other potash producers around the world: ICL, APC, SQM and Sinofert (which has an ownership stake in Qinghai Salt Lake Potash).

Saskatchewan potash feeds the export market primarily through Canpotex Limited, the offshore marketing agent for the three producers in the province. Including exports from PotashCorp’s New Brunswick mine, Canadian producers account for approximately 36 percent of global trade. Exports from producers in Russia and Belarus are handled by Belarusian Potash Company (BPC).
**Estimated Greenfield Potash Capital Costs***

<table>
<thead>
<tr>
<th>Component</th>
<th>Cost (Billion CDN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mine and Mill</td>
<td>$4.2</td>
</tr>
<tr>
<td>Development of Infrastructure**</td>
<td>$0.0-$1.0</td>
</tr>
<tr>
<td>Infrastructure and Potential Deposit Purchase</td>
<td>$6.5-$1.1</td>
</tr>
<tr>
<td>Surface Facilities</td>
<td>$3.0</td>
</tr>
<tr>
<td>Mine Development</td>
<td>$1.2</td>
</tr>
</tbody>
</table>

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**Significant Investment Required for Greenfield Projects**

Substantial risk accompanies entry into the potash business because of the significant cost of building new supply. We estimate that CDN $4.2 billion would be needed to develop a conventional 2-million-tonne greenfield mine and mill in Saskatchewan. Surface facilities, which make up the largest portion of the required investment, would be similar for any mining method.

Costs of infrastructure outside the plant gate (including rail capabilities, utility system and port facilities) and the potential purchase of a deposit could push the total cost of developing a greenfield mine and mill above CDN $6 billion.

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* Based on 2 mmt per year conventional mine in Saskatchewan; costs could vary depending on conventional vs. solution mine, depth of ore body, geographic location and other factors. Includes escalation, contingency and owner costs.
** Dependent on geographic location, access and distance to port. Includes railcars, utility systems, port facilities, etc.
*** Based on publicly reported cost of recent purchases.

Source: AMEC, PotashCorp

Last updated: Jun 4, 2013
Overview of PotashCorp and Its Industry

**Potash - Overview**

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**Greenfield Development Timeline**

*Cost of ammonia/urea complex

**Includes phosphate rock mine, sulfuric acid plant, phosphoric acid plant and DAP/MAP granulation plant

***Estimated time and cost for a conventional greenfield mine in Saskatchewan. Includes rail, utility systems, port facilities and, if applicable, cost of deposits.

Source: Fertecon, CRU, PotashCorp

Last updated: Jun 4, 2013

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**Lengthy Time Required to Build New Potash Supply**

Extensive time is required to develop new potash supply. We believe it would take at least seven years from the start of development to reach full operational capability for a new project, assuming no major permitting or construction difficulties occur.

Brownfield expansions typically take less time than building a new mine, because existing infrastructure can be leveraged. Once construction is complete, mine and mill ramp-up time is required that can exceed two years for greenfield and some major brownfield projects. This fact is often underestimated in evaluations of potential timing associated with potash projects.
Large Developing Markets Driving Growth in Consumption

World consumption of potash fertilizer has grown significantly in the last decade, driven primarily by developing markets in Asia and Latin America.

While demand has never risen in a straight line, the long-term upward trend is clear. Although temporary pauses can occur in certain markets, the underlying fundamentals of food demand that encourage increased potash application are expected to continue the growth trends in key markets.
Following the collapse of the Soviet Union and its domestic potash consumption, global potash operating rates remained low and investment in new capacity did not occur for much of the 1990s and early 2000s. As global demand grew, excess capacity was absorbed and operating rates climbed. By 2003, we believe a fundamental change occurred: the industry shifted from one defined by excess capacity to one characterized by higher operating rates. As a result, prices moved higher as they approached levels that began to encourage much-needed investment in new capacity.
Excluding PotashCorp, Limited New Operational Capability Expected in Medium-Term

With the long time horizon required to develop new potash capability, we have a good view of the global supply picture for the next several years. Between 2013 and 2017, we expect approximately 11 million tonnes of brownfield operational capability will be added at existing facilities, assuming all current projects are completed as announced — the largest percentage of this at PotashCorp mines.

While some observers believe that new supply could outpace global need in the coming years, they often overlook the challenge of operating mines at full operational capability and the time needed to bring new capacity fully on stream.

*Estimated annual achievable production level from existing operations; announced probable and possible projects; assuming typical ramp-up periods for new capacity. Probable for possible projects based on PotashCorp’s view of project probabilities.

Source: Fertecon, CRU, Public Filings, PotashCorp

Last updated: Jun 4, 2013
Overview of PotashCorp and Its Industry

Potash - Supply & Demand Outlook

World Potash Supply and Demand

New Supply Required to Meet Growing Demand

We believe supportive agriculture fundamentals and the need to catch up on years of under-applying potash in developing countries will drive strong growth in consumption in the medium term. As a result, demand is expected to continue to reflect the long-term growth trend.

With the long lead time required for developing new supply, we believe industry operating rates will remain at relatively high levels in order to meet rising world demand in the years ahead.

*Based on percentage of operational capability (estimated annual achievable production level). Shipment range based on ~3% annualized demand growth rate (2002-2017). Operating rate forecast based on mid-point of shipment range divided by operational capability (including announced projects; assuming typical ramp-up period for new capacity).

Source: Fertecon, CRU, IFA, PotashCorp

Last updated: Jun 4, 2013
Diverse Crops and Consuming Regions for Potash

Potash is used on many agricultural commodities. Wheat, rice, corn, oilseed and sugar crops consume over half of the potash used worldwide. Fruits and vegetables are important users of potash fertilizers and consumption in this sector is growing. The remainder goes to other consumer and industrial crops such as oil palm, rubber, cotton, coffee and cocoa.

This diversity means that global potash demand is not tied to the market fundamentals for any single crop or growing region.

The top four consuming countries — China, North America, Brazil and India — account for almost 60 percent of consumption. We believe that potash-deficient soils in the three major offshore markets provide the opportunity for significant long-term growth in consumption.
Expect Consumption to Return to Historical Trend

During the last 10 years, global potash consumption rose at an average annual rate of approximately 3 percent, surpassing growth for the other primary crop nutrients. Most of this increase was in offshore markets, where potash has historically been under-applied compared to scientifically recommended levels.

Potash shipments have fallen below the long-term trend line since the global economic downturn as distributors and farmers acted with more caution and aversion to holding inventories, in addition to the more recent decline in India’s demand due to changes in potash subsidies. We believe this downturn is temporary and that the long-term need for fertilizer to increase yields to meet food demand should restore demand to levels in line with historical growth rates.
How Phosphate Fertilizers and Other Products Are Produced

Phosphate rock is mined from underground ore deposits and dissolved in a mixture of phosphoric and sulfuric acids to produce additional phosphoric acid, a feedstock for other products.

This phosphoric acid can be combined with ammonia and granulated to produce the solid fertilizers DAP and MAP, evaporated to produce merchant-grade phosphoric acid (MGA), or further evaporated to produce superphosphoric acid (SPA), which is then converted into liquid fertilizer.

It may also be combined with limestone or phosphate rock to produce animal feed products, or purified by solvent extraction to make industrial-grade phosphoric acids.

Source: PotashCorp
Last updated: Jun 4, 2013
Concentration of Rock Reserves

We believe access to lower-cost phosphate rock is the key to success in the phosphate business. This resource is geographically concentrated, and high-quality, mineable reserves are increasingly difficult to acquire. Most phosphate rock reserves and production are located in China, the US and Morocco, which together account for about two-thirds of world production.

Approximately 30 percent of global phosphate producers are non-integrated and rely on imports or domestic purchases for their rock supply. The growth in demand for phosphate fertilizer, feed and industrial products — and the resulting need for investment in new rock capacity — has driven prices for the feedstock well above the historical average. This gives producers with their own rock supply a significant cost advantage.
Morocco is Top Phosphate Rock Exporter, India Top Importer

The largest concentration of phosphate rock exporters is in the Middle East and North Africa, which together represent around 80 percent of world trade in this commodity. Morocco accounts for roughly one-third of world trade, making it the largest rock exporter.

India is the second largest global consumer of phosphates. With very limited indigenous rock supplies, it must import phosphate rock and phosphoric acid to produce DAP domestically. As a result, it is the top importer of these raw materials, accounting for approximately one quarter of world rock imports and almost half of phosphoric acid trade.

Source: CRU, Fertecon

Last updated: Jun 4, 2013
Phosphate - Overview

**World Phosphate Acid Uses and Top Producers**

**Fertilizer Accounts for Most Global Phosphoric Acid Use**

Fertilizer represents around 90 percent of the global use of phosphoric acid. Solid fertilizers DAP and MAP — the most common phosphate products used by farmers — can be applied directly to soils or blended with nitrogen and potash fertilizer prior to application. Liquid phosphate, which is used primarily as a starter fertilizer in North America, is in increasing demand from farmers who apply customized fertilizer blends in reduced tillage operations.

Industrial phosphate products are used mainly in soft drinks, food additives, metal treatment, detergents and cleaners, and feed phosphate products in beef, poultry and pork production.

Since fertilizer is the largest use of phosphoric acid by a wide margin, its market fundamentals have significant influence on the direction of the entire phosphoric acid market.

Source: Fertecon, CRU, PotashCorp

Last updated: Jun 4, 2013
Production Costs Rising Primarily on Higher Merchant Rock Prices

The primary use of phosphoric acid is in production of solid phosphate fertilizers, which provide an important indicator of global market trends in the industry. Market prices for phosphate rock, sulfur and ammonia — the primary inputs in solid phosphate fertilizer production — have increased significantly from historical levels. Rock prices have more than tripled since 2006, resulting in higher production costs for the approximately 30 percent of global producers who rely on purchased rock. Higher prices for ammonia and sulfur have further elevated production costs.

Source: Fertecon, CRU, PotashCorp
Last updated: Jun 4, 2013
China’s Export Policies Influence Global Phosphate Supply and Prices

China has significant phosphate production capabilities but strong internal demand consumes most of its production. To help ensure domestic nutrient requirements are met, the government has instituted tax policies that limit the ability of domestic producers to export during periods of strong domestic demand.

Following record phosphate exports in 2011, the government further refined its tax policy and we expect this will result in lower Chinese exports in future years.
Shift From Exporting Phosphate Raw Materials to Finished Products Expected

Morocco is currently the world's largest exporter of phosphate rock and has access to significant supplies. However, state owned Office Chérifien des Phosphates (OCP) has announced plans to increase its downstream production to provide more operational flexibility.

OCP is bringing additional granulation capacity on stream, which will enable increased conversion of raw materials into DAP and MAP. This means Moroccan exports of phosphate raw materials rock and acid will likely decline, while its exports of DAP and MAP are projected to more than double in the next five years. This change could pressure global non-integrated producers who depend on Morocco's high-quality rock supply.
Global Phosphoric Acid Capacity Additions

Majority of Capacity Being Developed in Saudi Arabia and Morocco

Most of the export-oriented phosphate capacity expected to be added through 2017 will likely be in Saudi Arabia and Morocco. Ma’aden in Saudi Arabia started commercial production of DAP in mid-2011 and is now expected to be fully ramped up to its stated capacity of approximately 3 million tonnes of DAP during 2013. Ramping up new capacity is a challenging task, which has resulted in the Ma’aden expansion taking longer than most initially anticipated.

Most of the capacity additions in Morocco are forecasted to be completed between 2013 and 2015. As new export supply comes online, some high-cost phosphate capacity — typically that of producers without access to lower-cost rock — may be displaced.
**Expect Relatively Balanced Supply/Demand in the Medium Term**

We expect relatively tight phosphate markets in the near term, as evidenced by the strong projected operating rate for phosphoric acid.

New export-oriented capacity is expected when projects in Saudi Arabia and Morocco are ramped up between now and 2016. The prospects for continued strong growth in phosphate demand could minimize the impact of this new capacity.

*Estimated annual achievable production level from existing operations and projected new capacity.

Source: CRU, Fertecon, PotashCorp

Last updated: Jun 4, 2013
Phosphate - Market Overview

Industrial and Food Phosphate Uses and Regions

Detergents and cleaners account for the largest share of industrial and food phosphate use. However, this share is declining due to increased environmental regulation of phosphate use in these products and rising demand for other uses of phosphate — mainly in food and beverages — as per capita incomes rise around the world.

Home to about 60 percent of the world’s population, Asia is the largest consumer of industrial and food phosphate. Demand from its food and beverage industry is the fastest growing segment of the market as rising populations and per capita incomes drive demand for processed foods.

Source: CRU
Last updated: Jun 4, 2013
Strong Demand for Grains and Oilseeds Supports Phosphate Fertilizers

Grains account for 44 percent of world phosphate use, and fruits and vegetables for 18 percent. Nearly 60 percent of all phosphates are consumed in Asia, with China alone accounting for approximately 30 percent. The cultivation of phosphate-intensive crops like fruits and vegetables in Asian countries makes it the top-consuming region.

Source: CRU, Fertecon, IFA
Last updated: Jun 4, 2013
Asia Accounts for Nearly Two-Thirds of World Consumption

Driven largely by robust growth in countries like China, India and Brazil, global demand for solid phosphates has grown at a relatively steady pace and is expected to remain strong in the years ahead.

Asia accounts for more than 60 percent of world DAP and MAP consumption, with China alone using 37 percent of the total. Although India’s consumption growth has been strong over the past decade, changes to its subsidy scheme caused reduced consumption in both 2011 and 2012. We anticipate a return to more historical levels in future years.
Overview of PotashCorp and Its Industry

Nitrogen - Overview

Nitrogen - A Simplified Flow Diagram

Ammonia Used in Many Forms

Synthesized from hydrogen sources (primarily natural gas or coal), steam and air, ammonia is a concentrated source of nitrogen and the basic feedstock for all upgraded nitrogen products. It is also used to make industrial products and direct-application fertilizers.

The most commonly used nitrogen fertilizer product is urea, which is also the feedstock for industrial products such as plastics, resins and adhesives. Liquid forms of urea and ammonium nitrate are combined into UAN solution, which is used in agriculture. Ammonium nitrate is made by combining ammonia with nitric acid and has both industrial and agricultural uses (PotashCorp does not sell agriculture-grade ammonium nitrate).

Source: PotashCorp
Last updated: Jun 4, 2013
Ammonia Uses and Top World Producers

**Fertilizer Represents Majority of End-Use in Highly Fragmented Industry**

More than three-quarters of world ammonia is used in production of upgraded fertilizers, with more than half going to produce urea. Approximately 18 percent of ammonia is used for non-fertilizer production. In the US, because fertilizer application methods are more advanced, more than 40 percent of ammonia production is used either for direct application or to produce nitrogen solutions - a form or liquid fertilizer.

Nitrogen is a highly fragmented and regionalized business because natural gas is widely available and costly to transport. The 10 largest nitrogen producers account for approximately 19 percent of global ammonia capacity. Among the top producers, PotashCorp is the third largest by ammonia capacity.

Source: Fertecon, Public Filings, PotashCorp
Last updated: Jun 4, 2013
Natural gas is the most important feedstock in ammonia production and, depending on price, makes up 70-85 percent of the US cash cost of producing ammonia. We believe this makes long-term access to lower-cost gas essential to sustainable success in the nitrogen business.

The price of natural gas is a key metric in the nitrogen business: a $1-per-MMBtu increase adds around $33 to the cost of manufacturing one short ton of ammonia.
High-Cost Production Required During Strong Demand

The floor for the nitrogen market is established by high-cost producers that are primarily located in Ukraine and Western Europe. Gas prices on a spot basis and those linked to oil prices are well above most other nitrogen producing regions of the world. In China, large coal and natural gas based urea producers have faced higher production costs in recent years.

US producers have benefited from lower-cost gas and a large domestic nitrogen market. While Trinidad’s position on the cost curve has changed due to the linkage between natural gas and ammonia and the rise in price for this end-product, it remains a very competitive supplier given its proximity to the large US market.
Overview of PotashCorp and Its Industry

Nitrogen - Overview

World Ammonia Sales Profile

Ammonia Consumed Mainly Where It Is Produced

Ammonia is costly and difficult to transport because its physical properties require high-pressure containers. As a result, most ammonia is consumed close to where it is produced. China is the largest market and consumes almost one-third of the world's ammonia supply. Although it is the largest global producer, it uses virtually all the ammonia it produces and is not a significant factor in world trade.

Most new ammonia capacity is expected to come online in China for internal consumption and in the Middle East and North Africa primarily for export of nitrogen-based products.

Source: Fertecon, PotashCorp
Last updated: Jun 4, 2013
Supply Rising Due to Development of Shale Gas Deposits

The resurgence of US natural gas production is largely the result of shale gas production, which uses horizontal drilling and hydrofracturing technology to extract gas trapped in shale formations. Supply from shale gas deposits has increased more than 12-fold over the past 10 years.

The US Energy Information Administration projects that shale gas production will rise by almost 4 percent annually over the next two decades, more than offsetting potential declines in conventional natural gas production. We expect this new source of supply could encourage increased industrial use of natural gas as consumers look for economical and relatively low-carbon energy sources.

Note: EIA forecasts that the US will be a net exporter in 2020.
*Associated/Dissolved, Alaskan, Coalbed Methane, Tight gas, Imports

Source: EIA, PotashCorp
Last updated: Jun 4, 2013
Nitrogen Presents Good Opportunity to Upgrade Natural Gas

Historically, the spread between ammonia values in dollars per mmBtu and natural gas prices was narrow.

In recent years, the strength in nitrogen demand, combined with softer natural gas prices, has widened the gap and improved nitrogen production margins. This development has helped US producers stay competitive against imports, paving the way for potential opportunities to debottleneck and expand capacity at existing facilities.
Expect Limited New Trade Ammonia Capacity in the Near Term

In the near term, we expect relatively tight trade ammonia fundamentals with limited new capacity. The majority of proposed additions are expected to be utilized to produce downstream products such as urea and UAN. While this is anticipated to result in limited new ammonia capacity available for global trade, the addition of downstream nitrogen product capacity has the potential to offset ammonia demand as end users switch their nitrogen product preferences.

The majority of new ammonia projects expected to come on stream in the near term are located in Africa and the Middle East. While we could see significant new capacity in North America beginning in mid-2015, given the large capital costs the number of projects that will be completed remains speculative at this time.

Note: China uses virtually all the ammonia it produces for downstream products and is not a significant factor in global trade.

Source: Fertecon, PotashCorp
Last updated: Jun 4, 2013
Nitrogen - Supply & Demand Outlook

Expected Balance Ammonia Supply/Demand in the Near Term

World ammonia consumption for agricultural and industrial uses grew consistently in the decade preceding the most recent economic downturn. We believe that growth trend will continue, and the few capacity additions planned will support a relatively balanced market in the short term.

While several ammonia plants are projected to come online over the medium term, the number of projects proposed after 2015 is speculative, since lead time for ammonia plant construction is short. Some potential operations could be delayed or cancelled.

China accounts for the largest share of projected new capacity. But with rising domestic energy costs and the potential for closures of inefficient capacity, it is unlikely to significantly increase its nitrogen exports.

*Estimated annual achievable production level from existing operations and projected new capacity.

Source: Fertecon, PotashCorp
Last updated: Jun 4, 2013
Strong Agricultural Fundamentals Drive Consumption Growth

Global ammonia demand is forecast to grow at an average annual rate of approximately 3 percent over the next five years, well above the historical growth rate of closer to 2 percent. Strong agricultural fundamentals are expected to drive this growth as fertilizer uses account for approximately 80 percent of global ammonia demand.

Consumption for industrial purposes is expected to continue its recovery following the sharp decline during the economic downturn.
Most Import Growth Exported in Asian Markets

As the largest ammonia importer, the US typically accounts for around 35-40 percent of world trade. Europe, a higher-cost producer, accounts for about one-quarter.

The former Soviet Union, Middle East and North Africa are the primary ammonia-exporting regions due to their lower-cost natural gas and limited domestic consumption. Trinidad, the largest exporting country, benefits from favorable shipping costs to the US and supplies the majority of its product to this market.
The Middle East and Africa Are Expected to Supply Import Growth

The US and India together account for approximately one-third of global urea trade, while countries in Asia Latin America and Europe are expected to provide most of the future growth in import demand.

China has periodically been the world’s largest urea exporter, although its annual volumes fluctuate with changes in government export policies. Currently, urea exports face a significant tariff except during a four-month window starting in July, during which the tariff is calculated by a formula tied to the export price of urea. New capacity being built in China could be used to phase out some older and less efficient urea plants.
US Nitrogen Supply Sources

Trinidad Is the Major Offshore Supplier to the US Market

The improved cost position for US nitrogen producers has stabilized domestic production. New brownfield and greenfield nitrogen plants in the US are being explored, which could increase domestic ammonia supply in the medium term. We believe debottlenecking projects at existing facilities are the most likely sources of incremental supply in the near-term.

Increased domestic production could reduce the amount of nitrogen needed from higher-cost offshore producers, primarily the former Soviet Union. Trinidad accounts for approximately 70 percent of US offshore ammonia supply and is expected to remain the largest exporter to this market. For urea, because it is easy to transport it is typically the most widely traded nitrogen product globally. The US market depends on imports to meet about half of its domestic needs with the majority from producers in the Middle East and Canada.
Major Markets

Regions
- North America
- Latin America
- China
- India
- Other Asia

This interactive tool allows you to drill down into each major market to understand the affordability of fertilizer, as well as explore key consuming crops, major suppliers and historical demand by nutrients.
Major Markets - North America - Fertilizer

US Corn - Fertilizer Cost As A Percent of Revenue

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<td>'13F</td>
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</table>
Major Markets - North America - Potash

North American Potash Use By Crop

- Corn: 44%
- Soybeans: 14%
- Wheat: 5%
- Cotton: 3%
- Fruits & Vegetables: 6%
- All Other Crops: 28%
- Fruits & Vegetables: 6%
Major Markets - North America - Potash

Potash Supply Profile - North America

- Canada 79%
- US 13%
- FSU 5%
- Other 3%
Major Markets - North America - Potash

Annual Potash Demand - North America

Million Tonnes KCl

Offshore Imports
Domestic Shipments

'02 '03 '04 '05 '06 '07 '08 '09 '10 '11 '12 '13F
Major Markets - North America - Phosphate

North American Phosphate Use By Crop

- Corn: 40%
- Soybeans: 10%
- Wheat: 17%
- Cotton: 2%
- Fruits & Vegetables: 5%
- Other: 26%
Major Markets - North America - Phosphate

Phosphate Export Profile - North America

- India: 22%
- Brazil: 15%
- Canada: 11%
- Australia: 9%
- Argentina: 8%
- Japan: 6%
- Mexico: 6%
- Other: 23%
Major Markets - North America - Phosphate

Annual Phosphate Demand - North America

![Graph showing annual phosphate demand from 2002 to 2012. The graph compares DAP/MAP production and consumption.](image-url)

- DAP/MAP Production
- DAP/MAP Consumption

Million Tonnes

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<th>DAP/MAP Consumption</th>
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Major Markets - North America - Nitrogen

North American Nitrogen Use By Crop

- Corn: 42%
- Wheat: 16%
- Rice: 2%
- Cotton: 2%
- Fruits & Vegetables: 4%
- Other: 34%
Major Markets - Latin America - Fertilizer

Brazil Soybeans - Fertilizer Cost As A Percent of Revenue

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<th>Year (F)</th>
<th>Percentage</th>
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</table>

Percentage
Major Markets - Latin America - Potash

Latin America Potash Use By Crop

- Corn: 18%
- Soybeans: 31%
- Sugar Crops: 20%
- Fruits & Vegetables: 9%
- Cotton: 3%
- All Other Crops: 19%
Major Markets - Latin America - Potash

Potash Supply Profile - Latin America

- FSU 34%
- Canada 32%
- Chile 9%
- Brazil 6%
- Germany 11%
- Israel 5%
- Other 3%
- Canada 32%
- FSU 34%
- Chile 9%
- Brazil 6%
- Germany 11%
- Israel 5%
- Other 3%
Major Markets - Latin America - Potash

Annual Potash Demand - Latin America

<table>
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<th>Imports</th>
<th>Domestic Shipments</th>
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</table>

Nutrients ➔ Major Markets ➔ Latin America ➔ Potash ➔ Annual Demand
Major Markets - Latin America - Phosphate

Latin America Phosphate Use By Crop

- Soybeans 38%
- Corn 20%
- Sugar Crops 7%
- Wheat 6%
- Fruits & Vegetables 7%
- Other 22%
- Wheat 6%
- Fruits & Vegetables 7%
- Soybeans 38%
- Corn 20%
- Sugar Crops 7%
- Other 22%
Major Markets - Latin America - Phosphate

Phosphate Import Profile - Latin America

- US: 38%
- Russia: 25%
- Morocco: 20%
- China: 7%
- South America: 2%
- Other: 8%
- South America: 2%
- China: 7%
- Russia: 25%
- Other: 8%
Major Markets - Latin America - Phosphate

Annual Phosphate Demand - Latin America

<table>
<thead>
<tr>
<th>Year</th>
<th>DAP/MAP Production</th>
<th>DAP/MAP Imports</th>
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</tbody>
</table>
Major Markets - Latin America - Nitrogen

Nitrogen Use By Crop - Latin America
Major Markets - China - Fertilizer

China Rice - Fertilizer Cost As A Percent of Revenue

![Graph showing fertilizer cost as a percent of revenue over years]

- '05
- '06
- '07
- '08
- '09
- '10
- '11
- '12
- '13F

Percentage

Nutrients ➔ Major Markets ➔ China ➔ Fertilizer ➔ Returns
Major Markets - China - Potash

China Potash Use By Crop

- Fruits & Vegetables: 50%
- Rice: 28%
- Wheat: 4%
- Sugar Crops: 5%
- All Other Crops: 13%
Major Markets - China - Potash

Potash Supply Profile - China

- China 40%
- FSU 35%
- Canada 10%
- Israel 8%
- Germany 2%
- Jordan 4%
- Other 1%

PotashCorp Overview of PotashCorp and Its Industry
Overview of PotashCorp and Its Industry

Major Markets - China - Potash

Annual Potash Demand - China
Major Markets - China - Phosphate

China Phosphate Use By Crop

- Fruits & Vegetables 34%
- Rice 15%
- Wheat 16%
- Corn 7%
- Cotton 4%
- Other 24%
- Other 24%
Major Markets - China - Phosphate

Phosphate Export Profile - China

- India 60%
- Vietnam 11%
- Oceania 4%
- Latin America 5%
- Thailand 3%
- Other 17%
Major Markets - China - Phosphate

Annual Phosphate Demand - China

- DAP/MAP Production
- DAP/MAP Consumption
Major Markets - China - Nitrogen

China Nitrogen Use By Crop

- Fruits & Vegetables: 31%
- Rice: 18%
- Wheat: 14%
- Corn: 16%
- Cotton: 4%
- Other: 17%
Major Markets - India - Fertilizer

**India Wheat - Fertilizer Cost As A Percent of Revenue**

![Bar chart showing fertilizer cost as a percent of revenue for India wheat from 2005 to 2013. The chart displays a trend where the percentage varies each year.](chart_url)
Major Markets - India - Potash

India Potash Use By Crop

- Rice 34%
- Fruits & Vegetables 22%
- Sugar Crops 10%
- Wheat 8%
- All Other Crops 26%
Major Markets - India - Potash

Potash Supply Profile - India

- FSU: 47%
- Israel: 23%
- Jordan: 11%
- Other: 1%
- Canada: 18%
- Other: 1%
Major Markets - India - Potash

Annual Potash Demand - India

Nutrients ➔ Major Markets ➔ India ➔ Potash ➔ Annual Demand
Major Markets - India - Phosphate

India Phosphate Use By Crop

- Rice 25%
- Wheat 20%
- Sugar Crops 5%
- Fruits & Vegetables 11%
- Cotton 8%
- Other 31%
Major Markets - India - Phosphate

Phosphate Supply Profile - India

- China 37%
- US 28%
- Middle East 8%
- Morocco 9%
- Russia 9%
- Other 9%
- Morocco 9%
Major Markets - India - Phosphate

Annual Phosphate Demand - India

<table>
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<tr>
<th>Year</th>
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</tbody>
</table>

DAP/MAP Production & DAP/MAP Imports
Major Markets - India - Nitrogen

India Nitrogen Use By Crop

- Rice: 30%
- Wheat: 21%
- Sugar Crops: 5%
- Fruits & Vegetables: 7%
- Cotton: 6%
- Other: 31%
Malaysia Palm Oil - Fertilizer Cost As A Percent of Revenue
Major Markets - Other Asia - Potash

Other Asian Potash Use By Crop

- Oil Palm: 45%
- Rice: 21%
- Corn: 5%
- Sugar Crops: 6%
- Fruits & Vegetables: 11%
- All Other Crops: 12%
- Other Crops: 12%
Major Markets - Other Asia - Potash

Potash Supply Profile - Other Asia
Major Markets - Other Asia - Potash

Annual Potash Demand - Other Asia

Imports

Million Tonnes KCl

Year: '02, '03, '04, '05, '06, '07, '08, '09, '10, '11, '12, '13F
Major Markets - Other Asia - Phosphate

Other Asian Phosphate Use By Crop

- Oil Palm 11%
- Rice 36%
- Fruits & Vegetables 10%
- Wheat 8%
- Corn 7%
- Other 28%
- Other 28%
Phosphate Supply Profile - Other Asia

China 46%  
US 16%  
Morocco 12%  
Australia 9%  
Russia 5%  
Other 12%
Major Markets - Other Asia - Phosphate

**Annual Phosphate Demand - Other Asia**

**DAP/MAP Supply Profile**

<table>
<thead>
<tr>
<th>Year</th>
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</tbody>
</table>
Major Markets - Other Asia - Nitrogen

Other Asian Nitrogen Use By Crop

- Rice 40%
- Oil Palm 8%
- Fruits & Vegetables 8%
- Wheat 11%
- Corn 8%
- Other 25%
Advantages

With the anticipated rise in fertilizer demand in the years ahead, we see exciting potential for PotashCorp. We have unique advantages in each of our nutrients which we believe give us an unmatched opportunity to create sustained, long-term value. At the heart of our potential is potash, and we are confident that the value of our company increases as world demand for this nutrient rises. As the world's largest potash producer by capacity with the majority of brownfield expansions under construction, we believe our unique leverage in our namesake nutrient provides a significant opportunity to increase earnings in the years ahead. We complement our potash position with world-class phosphate and nitrogen businesses and have strategic advantages in both nutrients.
World Potash Producer Profile

Largest Potash Producer by Capacity

Geographically-concentrated reserves and significant barriers to entry make the potash industry unique among fertilizers. With approximately 20 percent of global capacity, PotashCorp is the largest of the 12 major producers by capacity. We have more mines than any other company, which, we believe, puts us in the best position to grow. We expect our share of global capacity to increase to approximately 22 percent by 2017.

Our investments in ICL, APC, SQM and Sinofert enhance our ability to benefit from the projected growth in potash demand.

*PotashCorp investments: ICL (14%), APC (28%), SQM (32%) and Sinofert (22%).

Note: PotashCorp based on operational capability (estimated annual achievable production) while competitor capacity is stated nameplate, which may exceed operational capability.

Source: Fertecon, CRU, IFA, PotashCorp

Last updated: Jun 6, 2013
**Overview of PotashCorp and Its Industry**

**Potash**

**PotashCorp Potash Operational Capability**

**Potential to Significantly Grow Sales Volumes**

Anticipating the need to keep pace with rising demand for potash, we began a CDN $8.2 billion expansion program in 2003 to raise annual operational capability at our existing mines to approximately 17.0 million tonnes by 2015 — almost double our 2005 level.

We expect that our increased operational capability will provide the opportunity to significantly increase our sales volumes as demand for potash rises.

*Estimate for 2012 does not include inventory related shutdowns and unplanned downtime.*

Source: PotashCorp

Last updated: Jun 5, 2013

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Advantages > Potash > PotashCorp Potash Operational Capability
Potash

Brownfield Potash Expansion Profile

Greatest Potential for Relative Growth in Volumes

With more existing capacity and brownfield expansion projects under construction than any other global producer, we believe that PotashCorp is uniquely positioned to capitalize on the anticipated growth in potash demand.

We expect PotashCorp will represent the majority of the new capability that comes on stream in the coming years, giving us the industry’s greatest potential growth in volumes and a significant advantage over our competitors.

*PotashCorp based on operational capability (estimated achievable production). Competitor capacity changes based on announced projects and estimated construction completion dates, which do not include ramp-up and may exceed operational capability.

Source: Fertecon, CRU, Public Filings, PotashCorp

Last updated: Jun 6, 2013
Our Brownfield Expansion Advantage

The advantages of our brownfield expansion program are most pronounced when measured against the development of a potential greenfield mine. Because we have expertise in developing potash assets and can leverage our existing infrastructure, we believe our new tonnes are being built at a fraction of the estimated time and cost of a greenfield mine — giving us a significant advantage compared to new producers. Furthermore, most of our expansions have been undertaken at a time when few others were building, meaning we have both a time and a cost advantage compared to new brownfield projects.

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* New Brunswick cost per tonne based on new 2MMT mine (net addition totals 1.2MMT).
** Based on 2MMT conventional greenfield mine constructed in Saskatchewan.

PotashCorp project costs exclude infrastructure outside plant gate. Assuming US$/CDN$ at par.

Source: AMEC, Company Reports, PotashCorp

Last updated: Jun 5, 2013
Overview of PotashCorp and Its Industry

Potash

Saskatchewan Brownfield and Greenfield Sensitivities

Our Brownfield Expansion Advantage

Investment in new capacity will help meet the expected growth in demand for potash. For years, prices remained well below investment economics, but increased demand incentivized the building of new brownfield capacity.

We believe our expansion projects will provide the opportunity for us to sell more tonnes and increase earnings.

Assumptions:
- Brownfield: 1-million-tonne project constructed in Saskatchewan, excluding cost of infrastructure; 5-year construction and ramp-up timeline; does not include profit tax savings from immediate CAPEX deduction.
- Greenfield: 2-million-tonne project constructed in Saskatchewan, plus cost of infrastructure; minimum 7-year development and ramp-up timeline; $US/CDN at par.

Source: PotashCorp
Last updated: Jun 5, 2013
PotashCorp Provincial Mining Tax Sensitivity

Lower Per-Tonne Operating Costs and Tax Sensitivity

As our sales volumes rise, we expect to achieve lower per-tonne operating costs.

As we produce more potash from our lower-cost mines and capitalize on efficiency improvements from our capital expansion program, we believe our per-tonne costs will improve in the years ahead. Additionally, limited fixed operating costs will be added as we increase our operational capability — meaning that per-tonne fixed costs should be lower as our volumes grow.

While we anticipate our total tax payments will rise in the years ahead, the percentage of our total gross margin they represent will be dependent on sales volume and per-tonne profitability.

Source: PotashCorp
Last updated: Jun 5, 2013
Overview of PotashCorp and Its Industry

Potash

PotashCorp Offshore Investments

Potash-Related Investments Provide Increased Financial Value

The value of our enterprise extends beyond our individual operations and growth opportunities. Our potash-related investments provide financial and strategic value that we believe is often overlooked.

We believe producers APC (Jordan), ICL (Israel), and SQM (Chile) — as well as our ownership in Sinofert, China’s largest fertilizer distributor — give us greater access to key potash growth markets and expand our global footprint.

As earnings in these companies grow, we expect to benefit through higher dividends and greater equity earnings.

*As at December 31

Source: Bloomberg

Last updated: Jun 5, 2013
**Overview of PotashCorp and Its Industry**

**Phosphate**

**PotashCorp Phosphate Rock Reserve Profile**

**Access to Long-Lived, High-Quality Phosphate Rock Reserves**

With mines at Aurora, NC and White Springs, FL, PotashCorp is the third largest phosphate company in the world by phosphoric acid capacity.

Our mines have access to long-lived, permitted reserves, which we believe is an increasingly valuable position, especially in North America.

We can mine at existing levels at Aurora, our largest phosphate operation, for more than 30 years based on current reserve estimates, and there is significant resource potential beyond that. At our White Springs operation, we have a life-of-mine permit.

*Proven and probable reserves permitted and to be permitted as of December 31, 2012.
Including deposits classified as resources the mine life at Aurora would be about 48 years.
Mine life is based on average annual production rate for the past three years.

Source: PotashCorp

Last updated: Jun 5, 2013

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Advantages  ➔ Phosphate  ➔ PotashCorp Phosphate Rock Reserve Profile
Overview of PotashCorp and Its Industry

Phosphate

Integrated vs. Non-Integrated Cost of DAP Production

Lower-Cost Position Results From Access to Rock Supply

We believe that access to lower-cost phosphate rock is the basis for success in the phosphate business. Our integrated operations at Aurora and White Springs produce almost all of our rock requirements. Our facility in Geismar, LA, purchases rock under contract from a global supplier.

Source: Fertecon, CRU, PotashCorp

Last updated: Jun 5, 2013
Phosphate

Most Diversified Product Mix

The high quality of our rock at Aurora allows us to optimize our phosphoric acid to provide the most profitable combination of downstream products and gives PotashCorp the industry's most diversified product line.

While fertilizer makes up a large portion of our total phosphate sales volumes, we sell a greater percentage of our products to the feed and industrial markets than our competitors do. Few global producers have the high-quality rock required to produce certain purified acid and feed products.

Source: Fertecon, Public Filings, PotashCorp
Last updated: Jun 5, 2013
Feed and Industrial Products Provide Historically More Stable Margins

Industrial and feed sales have historically been less seasonal and cyclical than fertilizer sales, increasing the quality of earnings for our phosphate business.

While certain periods can offer exceptional returns for companies primarily tied to solid fertilizer markets, the value of our diversified product offering becomes more pronounced in difficult market conditions. Over the long term, we believe relative stability in the phosphate business can deliver significant value to our shareholders.
Lower-Cost Ammonia Supplier to the US Market

Success in the nitrogen business depends on accessibility to lower-cost natural gas and proximity to markets. We believe our facilities in the US and Trinidad position us well to serve the large US market.

We have four modern, highly efficient ammonia plants in Trinidad. With a short sailing distance to the US, we are a lower-cost exporter to this market.

The competitiveness of our US assets has improved with the development of shale gas, which provides a significant cost advantage over nitrogen producers in the Ukraine and Western Europe.

Source: Fertecon, Blue, Johnson & Associates, PotashCorp

Last updated: Jun 5, 2013
**Nitrogen**

**PotashCorp Annual Ammonia Capacity**

**Increasing Capacity in 2012 and 2013**

Supported by competitive US natural gas prices, we have taken steps to grow our capacity. At Geismar, we resumed ammonia production in early 2013 with the restart of a previously idled plant, adding approximately 500,000 tonnes of ammonia capacity. We implemented a small ammonia expansion project at our Augusta facility which expands our capacity at that plant by approximately 70,000 tonnes. At Lima, we will be adding approximately 80,000 tonnes of ammonia capacity as well. This expansion is expected to be completed by 2015. We continue to explore options to further leverage our position through small expansions at our US facilities that offer short payback periods.

Source: PotashCorp

Last updated: Jun 5, 2013
Nitrogen

Well-Positioned to Supply Key US Market

Nitrogen is largely a regional business, and the US is PotashCorp’s primary market. We supply it through the combined production from our plants in Trinidad and the US, supplemented to a small degree by purchased imports. Our extensive distribution system delivers products to our customers.

Trinidad provides approximately two-thirds of our ammonia and is well situated to service the sizable US market. Our gas contracts in Trinidad are primarily indexed to ammonia prices, which supports profitability when those prices rise and protects margins when they fall. Our US plants are located in various important geographic regions that are more insulated from the highly competitive US Gulf, which we believe allows us to better serve local agricultural markets and industrial buyers for which quality and security of supply are key.
Target Historically More Stable Industrial Markets

Traditionally, industrial nitrogen markets have provided more stable demand and margins than fertilizer. We have focused our nitrogen business on these markets because of this stability, and sell most of our nitrogen to industrial customers, primarily from our US facilities.

Since we are able to deliver more than half of our US-produced ammonia sales by pipeline, we also benefit from lower transportation and distribution costs.

Source: PotashCorp
Last updated: Jun 5, 2013
Creating Shareholder Value

PotashCorp Capital Spending and Cash Flow

Cash Flow Expected to Remain Strong

As our potash capital program nears completion (most of our expansion capital spending will be complete by the end of 2013), we have the potential to generate significant cash flow in the coming years.

While we anticipate our tonnage from these expansions will be required in the years ahead, even in an environment of limited growth, the potential is significant as cash flow spending diminishes.

*Excluding capitalized interest and major repairs and maintenance.

Source: PotashCorp
Last updated: Jun 5, 2013
Creating Shareholder Value

Historical Cash Flow Deployment

<table>
<thead>
<tr>
<th>Opportunity Capital</th>
<th>Equity Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$8.1 Billion</strong> since 2003</td>
<td><strong>$2.0 Billion</strong> since 1998</td>
</tr>
<tr>
<td>5-Year Average CFR = 24%</td>
<td>Current Market Value* = $7.8 billion</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Share Repurchases</th>
<th>Dividend Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$6.3 Billion</strong> since 1999</td>
<td><strong>$1.5 Billion</strong> since 2002</td>
</tr>
<tr>
<td>Average Purchase Price = $26/share</td>
<td>Now 9x higher than January 2011 dividend</td>
</tr>
</tbody>
</table>

*As at May 24, 2013 (except where noted)

Source: PotashCorp, Bloomberg
Last updated: Jun 5, 2013

Focused on Using Free Cash Flow to Drive Long-Term Shareholder Value

With the potential for significant cash flow generation in the years ahead, we focus on deploying our free cash flow in ways that generate the greatest potential long-term shareholder value.

We continually evaluate internal growth opportunities, dividends, share repurchases and merger and acquisitions opportunities to ensure we are providing what we believe will generate the greatest long-term value for our shareholders.
When it comes to understanding our industry and our company, it is essential to understanding some of the basics. This section provides you with access to common conversion and production factors, capacity and expansion information for our facilities and other important industry data.
Potash

Conversion Factors

<table>
<thead>
<tr>
<th>To convert</th>
<th>To</th>
<th>Multiply by</th>
</tr>
</thead>
<tbody>
<tr>
<td>K</td>
<td>K₂O</td>
<td>1.2046</td>
</tr>
<tr>
<td>K₂O</td>
<td>K</td>
<td>0.8302</td>
</tr>
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<td>KCI Product</td>
<td>K₂O</td>
<td>0.6100</td>
</tr>
<tr>
<td>K₂O</td>
<td>KCI Product</td>
<td>1.6393</td>
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Potash Products

<table>
<thead>
<tr>
<th>Potash Products</th>
<th>K₂O Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potassium Chloride (MOP)</td>
<td>60-63.2%</td>
</tr>
<tr>
<td>Potassium Sulfate (SOP)</td>
<td>50-54%</td>
</tr>
<tr>
<td>Potassium Nitrate</td>
<td>46.60%</td>
</tr>
<tr>
<td>Potassium Magnesium Sulfate</td>
<td>21.90%</td>
</tr>
<tr>
<td>Potassium Sodium Nitrate</td>
<td>14%</td>
</tr>
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Canpotex Sales Profile by Region

<table>
<thead>
<tr>
<th>Percentage of Annual Sales Volumes</th>
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</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>China</td>
</tr>
<tr>
<td>2008</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2010</td>
</tr>
<tr>
<td>2011</td>
</tr>
<tr>
<td>2012</td>
</tr>
</tbody>
</table>

*All Asian countries except China and India

Source: Canpotex, PotashCorp
Overview of PotashCorp and Its Industry

Potash

PotashCorp Potash Gross Margin

PotashCorp Potash Sales Volume

Source: PotashCorp
Last updated: Jun 5, 2013

Resources Potash Gross Margin & Sales Volume
Overview of PotashCorp and Its Industry

Potash

PotashCorp Production Cost Profile - Potash

PotashCorp Operational Capability by Mine

Greatest opportunity to expand potash capability

Source: PotashCorp
Last updated: Jun 5, 2013

Resources → Potash → Production Cost Profile & Operational Capability
Phosphate

Conversion Factors

<table>
<thead>
<tr>
<th>To convert:</th>
<th>To:</th>
<th>Multiply by:</th>
</tr>
</thead>
<tbody>
<tr>
<td>P</td>
<td>P₂O₅</td>
<td>2.291</td>
</tr>
<tr>
<td>P₂O₅</td>
<td>P</td>
<td>0.4364</td>
</tr>
<tr>
<td>BPL</td>
<td>P₂O₅</td>
<td>0.4577</td>
</tr>
<tr>
<td>P₂O₅</td>
<td>BPL</td>
<td>2.1852</td>
</tr>
</tbody>
</table>

Phosphate Products

<table>
<thead>
<tr>
<th>Phosphate Products</th>
<th>P₂O₅ Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phosphate Rock (0.4577 x BPL)</td>
<td></td>
</tr>
<tr>
<td>66% BPL</td>
<td>30.20%</td>
</tr>
<tr>
<td>68% BPL</td>
<td>31.10%</td>
</tr>
<tr>
<td>72% BPL</td>
<td>33.00%</td>
</tr>
<tr>
<td>Wet Phosphoric Acid (filtered production acid)</td>
<td>28-48%</td>
</tr>
<tr>
<td>Phosphoric Acid (Merchant Grade Acid MGA)</td>
<td>54%</td>
</tr>
<tr>
<td>Superphosphoric Acid (SPA)</td>
<td>69-70%</td>
</tr>
<tr>
<td>Normal (Single) Superphosphate (SSP)</td>
<td>18-20%</td>
</tr>
<tr>
<td>Triple Superphosphate (TSP)</td>
<td>46%</td>
</tr>
<tr>
<td>Diammonium Phosphate (DAP)</td>
<td>46%</td>
</tr>
<tr>
<td>Monoammonium Phosphate (MAP)</td>
<td>48-53%</td>
</tr>
<tr>
<td>Monocalcium Phosphate (MCP)</td>
<td>48.1% P₂O₅,</td>
</tr>
<tr>
<td></td>
<td>21.0% phosphorus,</td>
</tr>
<tr>
<td></td>
<td>17.0% calcium</td>
</tr>
<tr>
<td>Dicalcium Phosphate (DCP)</td>
<td>42.4% P₂O₅,</td>
</tr>
<tr>
<td></td>
<td>18.5% phosphorus,</td>
</tr>
<tr>
<td></td>
<td>21.0% calcium</td>
</tr>
<tr>
<td>Tricalcium Phosphate (DFP)</td>
<td>41.2% P₂O₅,</td>
</tr>
<tr>
<td></td>
<td>18.0% phosphorus,</td>
</tr>
<tr>
<td></td>
<td>31.8% calcium</td>
</tr>
</tbody>
</table>

Production Factors

<table>
<thead>
<tr>
<th>To produce 1 short ton of:</th>
<th>Requires:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sulfuric Acid (100% H₂SO₄)</td>
<td>0.33 tons sulfur</td>
</tr>
<tr>
<td>Phosphoric Acid (100% P₂O₅)</td>
<td>2.8 tons sulfuric acid</td>
</tr>
<tr>
<td></td>
<td>3.5-4.0 tons phosphate rock</td>
</tr>
<tr>
<td>Diammonium Phosphate (46% P₂O₅)</td>
<td>in raw material form:</td>
</tr>
<tr>
<td></td>
<td>1.65-1.90 tons phosphate rock</td>
</tr>
<tr>
<td></td>
<td>0.44 tons sulfur</td>
</tr>
<tr>
<td></td>
<td>0.23 tons ammonia</td>
</tr>
<tr>
<td>Monoammonium Phosphate (52% P₂O₅)</td>
<td>in raw material form:</td>
</tr>
<tr>
<td></td>
<td>1.71-1.96 tons phosphate rock</td>
</tr>
<tr>
<td></td>
<td>0.53 tons sulfur</td>
</tr>
<tr>
<td></td>
<td>0.145 tons ammonia</td>
</tr>
</tbody>
</table>
Phosphate

PotashCorp Phosphate Gross Margin

Source: PotashCorp
Last updated: Jun 5, 2013

PotashCorp Phosphate Sales Volume

Source: PotashCorp
Last updated: Jun 5, 2013

Resources ➔ Phosphate ➔ Gross Margin & Sales Volume
Phosphate

PotashCorp Production Cost Profile - Phosphoric Acid

*Depreciation and amortization accounts for 11% of total costs and is included within the Mining and Chemical Plant cost categories.

Source: PotashCorp
Last updated: Jun 5, 2013

PotashCorp Operational Capability by Mine

* Phosphoric acid is the feedstock for all downstream phosphate products; a substantial portion of our phosphoric acid capacity is upgraded to other downstream products.

Source: PotashCorp
Last updated: Jun 5, 2013

Resources ➔ Phosphate ➔ Production Cost Profile & Operational Capability
## Conversion Factors

<table>
<thead>
<tr>
<th>To convert</th>
<th>To</th>
<th>Multiply by</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>NH₃</td>
<td>1.2159</td>
</tr>
<tr>
<td>NH₃</td>
<td>N</td>
<td>0.8225</td>
</tr>
</tbody>
</table>

## Nitrogen Products

<table>
<thead>
<tr>
<th>Nitrogen Products</th>
<th>N Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anhydrous Ammonia</td>
<td>82.20%</td>
</tr>
<tr>
<td>Aqua Ammonia</td>
<td>20.5-28%</td>
</tr>
<tr>
<td>Ammonium Nitrate</td>
<td>33-34.5%</td>
</tr>
<tr>
<td>Ammonium Sulfate</td>
<td>20.5-21%</td>
</tr>
<tr>
<td>Ammonium Thiosulphate</td>
<td>12%</td>
</tr>
<tr>
<td>Sodium Nitrate</td>
<td>16%</td>
</tr>
<tr>
<td>Urea</td>
<td>46%</td>
</tr>
<tr>
<td>Urea Ammonium Nitrate Solutions</td>
<td>28-32%</td>
</tr>
<tr>
<td>Calcium Ammonium Nitrate (CAN)</td>
<td>27%</td>
</tr>
</tbody>
</table>

## Production Factors

<table>
<thead>
<tr>
<th>To produce 1 short ton of:</th>
<th>Requires:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ammonia</td>
<td>32.5 MMBtu natural gas</td>
</tr>
<tr>
<td>Urea</td>
<td>24.0 MMBtu natural gas</td>
</tr>
<tr>
<td>Ammonium Nitrate</td>
<td>17.2 MMBtu natural gas</td>
</tr>
<tr>
<td>UAN Solution (32% N)</td>
<td>13.7 MMBtu natural gas</td>
</tr>
<tr>
<td>Urea Solution</td>
<td>0.58 tons ammonia 0.78 tons CO₂</td>
</tr>
<tr>
<td>Urea Prills (46% N)</td>
<td>1.01 tons urea solution</td>
</tr>
<tr>
<td>Nitric Acid (22% N)</td>
<td>0.29 tons ammonia</td>
</tr>
<tr>
<td>Ammonium Nitrate Solution</td>
<td>0.80 tons nitric acid 0.22 tons ammonia</td>
</tr>
<tr>
<td>UAN Solutions (32% N)</td>
<td>0.45 tons ammonium nitrate solution 0.35 tons urea solution</td>
</tr>
</tbody>
</table>
Overview of PotashCorp and Its Industry

Nitrogen

PotashCorp Nitrogen Gross Margin

PotashCorp Nitrogen Sales Volume

Source: PotashCorp
Last updated: Jun 5, 2013

Resources > Nitrogen > Gross Margin & Sales Volume
Overview of PotashCorp and Its Industry

Nitrogen

PotashCorp Production Cost Profile - Ammonia

2012 Production Cost Composition

- Natural Gas: 55%
- Labor & Maintenance: 15%
- Supplies & Other: 19%
- Depreciation & Amortization: 11%

37% Fixed vs 63% Variable

Source: PotashCorp
Last updated: Jun 5, 2013

PotashCorp Operational Capability by Site

- Trinidad
- Augusta
- Lima
- Geismar

Million Tonnes Ammonia – 2013 to 2015F

- 2013 Capacity
- Estimated Change in Operational Capability

Source: PotashCorp
Last updated: Jun 5, 2013

Resources > Nitrogen > Production Cost Profile & Operational Capability
### General Conversion Factors

<table>
<thead>
<tr>
<th>To convert:</th>
<th>To:</th>
<th>Multiply by:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tons (long)</td>
<td>pounds</td>
<td>2240.0</td>
</tr>
<tr>
<td>Tons (long)</td>
<td>metric tonnes</td>
<td>1.0160</td>
</tr>
<tr>
<td>Tons (long)</td>
<td>short tons</td>
<td>1.2000</td>
</tr>
<tr>
<td>Tonnes (metric)</td>
<td>pounds</td>
<td>2204.6</td>
</tr>
<tr>
<td>Tonnes (metric)</td>
<td>long tons</td>
<td>0.9842</td>
</tr>
<tr>
<td>Tonnes (metric)</td>
<td>short tons</td>
<td>1.1023</td>
</tr>
<tr>
<td>Tons (short)</td>
<td>pounds</td>
<td>2000.0</td>
</tr>
<tr>
<td>Tons (short)</td>
<td>long tons</td>
<td>0.8929</td>
</tr>
<tr>
<td>Tons (short)</td>
<td>metric tonnes</td>
<td>0.9072</td>
</tr>
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### Crop Weight Conversion Factors

<table>
<thead>
<tr>
<th>Crop Type</th>
<th>Conversion Factor</th>
<th>Multiply by:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corn (US)</td>
<td>56 lb/bu</td>
<td>39.368 bu/tonne</td>
</tr>
<tr>
<td>Soybean (US)</td>
<td>60 lb/bu</td>
<td>36.744 bu/tonne</td>
</tr>
<tr>
<td>Wheat</td>
<td>60 lb/bu</td>
<td>36.744 bu/tonne</td>
</tr>
<tr>
<td>Rice Paddy (US)</td>
<td>45 lb/bu</td>
<td>48.991 bu/tonne</td>
</tr>
</tbody>
</table>

---

### Fertilizer Conversion Factors

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<tr>
<th>To convert:</th>
<th>To:</th>
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<tr>
<td>Tons (long)</td>
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</tr>
<tr>
<td>Tonnes (metric)</td>
<td>pounds</td>
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</tr>
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<td>Tons (short)</td>
<td>long tons</td>
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<td>Tons (short)</td>
<td>metric tonnes</td>
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### PotashCorp Expansion Projects

<table>
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<tr>
<th>Facility</th>
<th>Standard Capacity</th>
<th>Investment (CDN$ Billions)</th>
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</thead>
<tbody>
<tr>
<td>Rocanville</td>
<td>0.75 MMT</td>
<td>$0.13</td>
</tr>
<tr>
<td>Allan</td>
<td>0.40 MMT</td>
<td>$0.21</td>
</tr>
<tr>
<td>Lanigan</td>
<td>1.50 MMT</td>
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</tr>
<tr>
<td>Patience Lake</td>
<td>0.36 MMT</td>
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<tr>
<td>Cory I</td>
<td>1.20 MMT</td>
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<td>Cory II</td>
<td>1.00 MMT</td>
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<td>Allan</td>
<td>1.00 MMT</td>
<td>$0.77</td>
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<tr>
<td>New Brunswick**</td>
<td>1.20 MMT</td>
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<tr>
<td>Rocanville</td>
<td>2.70 MMT</td>
<td>$2.80</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>10.11 MMT</strong></td>
<td><strong>$8.26</strong></td>
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* Includes, as applicable, both bringing back previously idled capacity and expansions to capacity and does not necessarily reflect current operational capability.

** Net capacity increase assuming closure of existing 0.8 MMT mine.
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.

<table>
<thead>
<tr>
<th>Country</th>
<th>% K Used by Crop</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
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<td><strong>US</strong></td>
<td>Potash Purchases</td>
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<tr>
<td></td>
<td>% by Quarter</td>
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<td>27%</td>
<td></td>
<td></td>
<td>20%</td>
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</tr>
<tr>
<td>Soybeans</td>
<td>15%</td>
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<td></td>
<td></td>
<td></td>
<td>Plant</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Harvest</td>
</tr>
<tr>
<td>Winter Wheat [70%]</td>
<td>5%</td>
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<td>Harvest</td>
<td></td>
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<td></td>
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<tr>
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<td>Harvest</td>
<td>Plant</td>
<td></td>
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</tr>
<tr>
<td>Fruits &amp; Vegetables</td>
<td>7%</td>
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<td>% by Quarter</td>
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<td>Soybeans</td>
<td>34%</td>
<td>17%</td>
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<td></td>
<td>36%</td>
<td></td>
<td>28%</td>
<td></td>
<td></td>
<td></td>
<td>19%</td>
</tr>
<tr>
<td>Sugar Cane</td>
<td>20%</td>
<td></td>
<td></td>
<td>Plant / Harvest</td>
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<td>Corn</td>
<td>19%</td>
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<td>Harvest</td>
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<td></td>
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<tr>
<td>Fruits &amp; Vegetables</td>
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<td>% by Quarter</td>
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<td>Early Double-crop [25%]</td>
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<td>Plant / Harvest</td>
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<tr>
<td>Late Double-crop [25%]</td>
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<tr>
<td>Corn (North)</td>
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<td>Corn (South)</td>
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<td></td>
<td></td>
<td>Harvest</td>
<td></td>
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</tr>
<tr>
<td>Winter Wheat [70%]</td>
<td>4%</td>
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<td>Harvest</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>Plant</td>
<td></td>
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<tr>
<td>Spring Wheat [30%]</td>
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<td></td>
<td>Harvest</td>
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</tr>
<tr>
<td>Fruits &amp; Vegetables</td>
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<tr>
<td>Kharif Rice [90%]</td>
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<td>Harvest</td>
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<td>Rabi Rice [10%]</td>
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<tr>
<td>Winter Wheat</td>
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<td>Harvest</td>
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<td></td>
<td>Plant</td>
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<tr>
<td>Fruits &amp; Vegetables</td>
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</table>

* Percentage purchased by quarter from Canpotex based on 2010-2012 purchases
## Crop Statistics for Selected Crops

<table>
<thead>
<tr>
<th>Crop Nutrient Uptake for Selected Crops (lb/acre)</th>
<th>Crop Nutrient Removal for Selected Crops (lb/acre)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specified Yield</td>
<td>N</td>
</tr>
<tr>
<td>Rice</td>
<td>7,000 lb/acre</td>
</tr>
<tr>
<td>Wheat</td>
<td>45 bu/acre</td>
</tr>
<tr>
<td>Corn</td>
<td>160 bu/acre</td>
</tr>
<tr>
<td>Grain Sorghum</td>
<td>8,000 lb/acre</td>
</tr>
<tr>
<td>Soybeans</td>
<td>50 bu/acre</td>
</tr>
<tr>
<td>Rapeseed</td>
<td>35 bu/acre</td>
</tr>
<tr>
<td>Sugar Cane</td>
<td>50 tons/acre</td>
</tr>
<tr>
<td>Cotton</td>
<td>1,500 lb/acre</td>
</tr>
<tr>
<td>Flue-Cured Tobacco</td>
<td>3,000 lb/acre</td>
</tr>
<tr>
<td>Sweet Potatoes</td>
<td>300 cwt/acre</td>
</tr>
<tr>
<td>Grapes</td>
<td>12 tons/acre</td>
</tr>
</tbody>
</table>

**Nutrient Uptake:** the total nutrients absorbed by the growing crop.
**Nutrient Removal:** the quantity of nutrients removed in the harvested portion of the crop.

**cwt** = hundred weight

*Source: IPNI*

### World Fertilizer Use by Crop

<table>
<thead>
<tr>
<th>Crop</th>
<th>N</th>
<th>P</th>
<th>K</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>17%</td>
<td>16%</td>
<td>6%</td>
</tr>
<tr>
<td>Rice</td>
<td>16%</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>Corn</td>
<td>17%</td>
<td>13%</td>
<td>14%</td>
</tr>
<tr>
<td>Other Coarse Grains</td>
<td>5%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Oilseeds</td>
<td>6%</td>
<td>13%</td>
<td>17%</td>
</tr>
<tr>
<td>Cotton</td>
<td>4%</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Sugar Crops</td>
<td>3%</td>
<td>4%</td>
<td>9%</td>
</tr>
<tr>
<td>Fruits &amp; Vegetables</td>
<td>16%</td>
<td>18%</td>
<td>22%</td>
</tr>
<tr>
<td>All Other Crops</td>
<td>16%</td>
<td>15%</td>
<td>14%</td>
</tr>
</tbody>
</table>