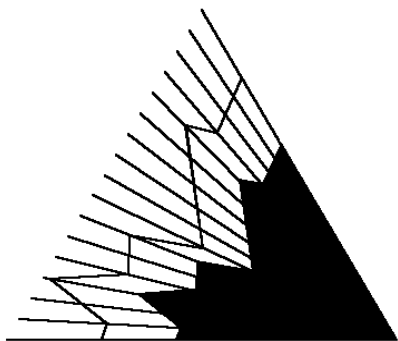




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**Fertilizer Outlook and Technology
Conference**

Tampa, Florida
November 6-8, 2007



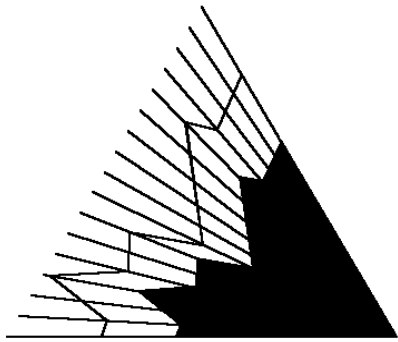
Outline of Presentation

1. Who is Prism?
2. Global Overview
 - a) Supply
 - b) Demand
 - c) Balance
3. Canadian Industry Overview
4. 2007
5. The Future
 - a) Short Term Outlook
 - b) Longer Term Outlook
 - c) Key Issues



PRISM History

- Incorporated in 1962 as Cansulex Limited
- Renamed in 1991 as PRISM with much broader shareholder base
- A producer-owned, sulphur offshore marketing organization
- Over 100 million tonnes sold since 1962



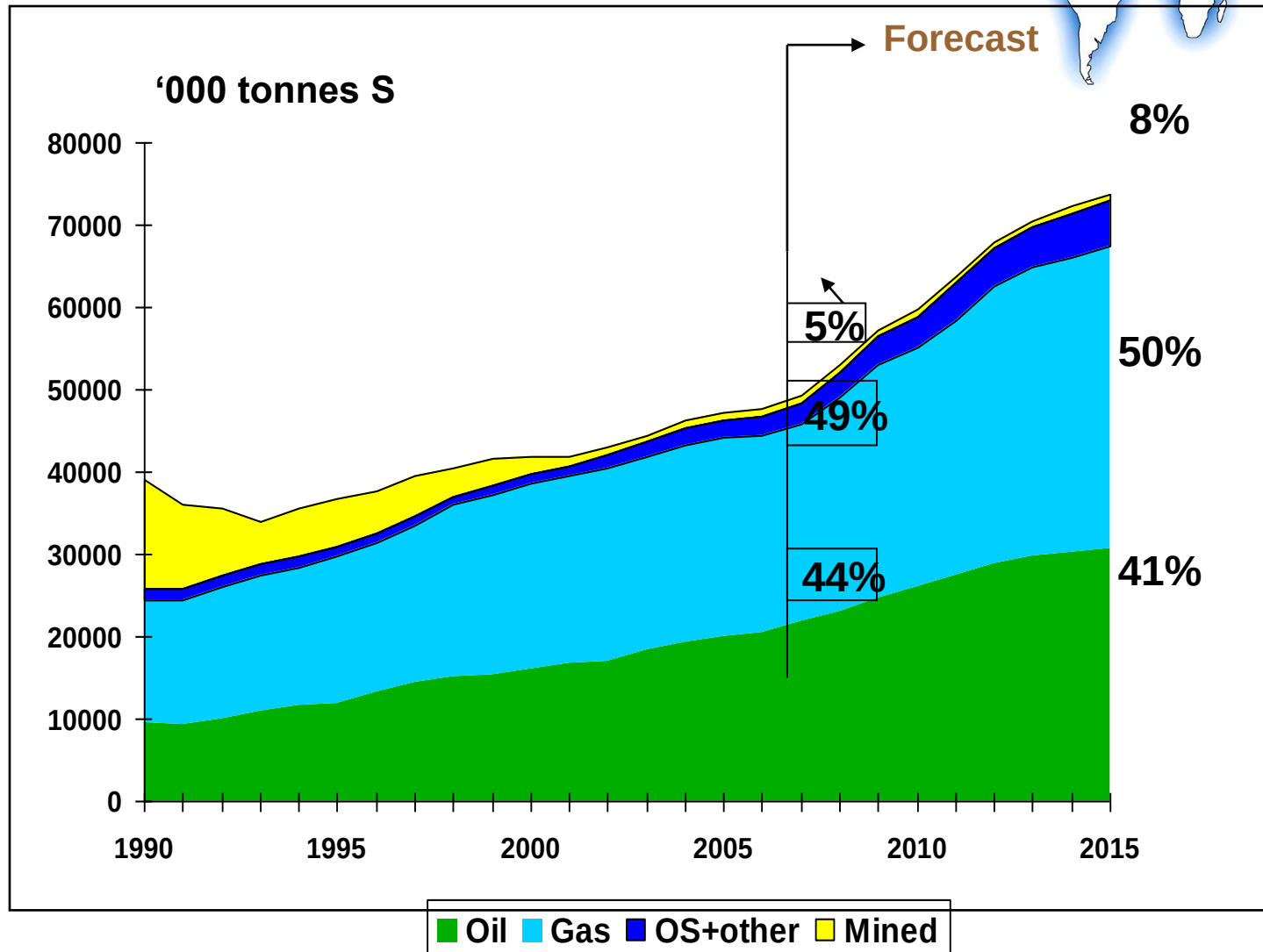
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SUPPLY



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World Elemental Sulphur Production



World Sulphur Trade (^{000 tonnes})



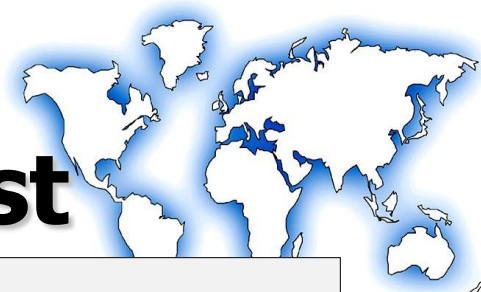
	2004	2005	2006	2004	2005	2006
Vancouver	6,298	6,087	5,833	6,298	6,087	5,833
Canada overland	2,011	1,962	2,096	-	-	-
California	828	831	813	828	831	813
U.S. Gulf	35	15	303	35	15	303
U.S. overland	112	156	157	-	-	-
Caribbean ³	1,387	1,526	1,396	1,387	1,526	1,396
France/Germany	1,322	1,264	1,322	982	861	994
Poland	557	594	479	508	557	443
other Europe ²	577	805	1,002	235	405	604
Russia	4,399	3,934	3,612	3,666	3,299	2,935
Kazakhstan/other FSU	1,011	1,270	1,758	487	617	1,000
Saudi Arabia	2,268	2,621	2,892	2,268	2,621	2,892
other Mid-East ¹	3,904	4,394	4,332	4,146	4,365	4,332
Japan/South Korea	1,408	1,520	1,607	1,408	1,518	1,607
others ⁴	405	552	706	395	489	569
TOTAL	26,522	27,529	28,305	22,643	23,191	23,721



Sour Gas Projects

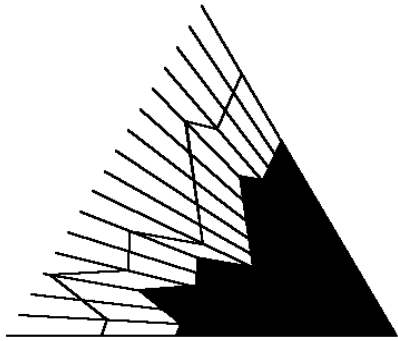


Country	Location	('000 t.p.a.)	Status
FSU			
- Tengizchevroil	Tengiz	by 800	Ready – awaiting pipeline capacity. 2012.
- Gasprom/OKIOC	Orenburg	by 400	
- Agip KCO	Eskene West	2,300	
			Experimental Program aiming for end-2010 with 140,000 t.p.a. sulphur. Peak of 2.75 million t.p.a. before 2019.
IRAN – S Pars 9&10	Assaluyeh	140	Under construction, due end-2007.
S Pars 11-30	Assaluyeh	1,540	Under negotiations
NIGC	Khangiran	150	2007
QATAR – Qatargas 2	Ras Laffan	220-400	2008-2009
- Qatargas 3	Ras Laffan	220-400	2009-2010
- Qatargas 4	Ras Laffan	110-200	2010-2012
- Rasgas 3	Ras Laffan	by 400	2008-2012
- Dolphin	Ras Laffan	360	2007-2009 Now operational
- Pearl	Ras Laffan	240	2010-2011
SAUDI ARABIA -	Berri	by 450	On stream
	Hawiyah	by 250	Imminent
	Khursaniyah	550	End-2007
UAE – ADNOC	Habshan	by 580	OGD 3 and Asab gas 2008
- ADNOC	Shah	3,000	2012
	Bab	6,000	after 2012
- Sajgas	Sharjah	120	Imminent
CHINA – Sinopec	Puguang	3,000	2009-2011
- Petrochina	Luojiashai	400	2008 (delayed)
	Tieshanpo	400	2008 (may be delayed)
	Dukouhe	1,000	2009 (may be delayed)



Oil Sands Forecast

FORECAST ELEMENTAL SULPHUR PRODUCTION Amalgamated Ft. McMurray and Edmonton Areas ('000 tonnes)								
		2007	2008	2009	2010	2011	2012	2020
Suncor		435	550	600	600	750	900	985
Syncrude		800	850	850	850	900	1,000	1,300
CNRL		0	0	100	250	350	400	600
Nexen/Opti		0	50	120	195	195	245	390
Scotford		380	390	390	575	620	620	1,150
BA Energy		0	25	50	100	118	118	220
NW Upgrader		0	0	0	30	80	105	210
Fort Hills		0	0	0	0	150	300	600
Synenco		0	0	0	0	100	190	330
Petro-Canada Strathcona		30	70	100	100	100	100	100
Refineries		12	15	15	18	18	20	20
TOTAL		1,657	1,950	2,225	2,718	3,381	3,998	5,905

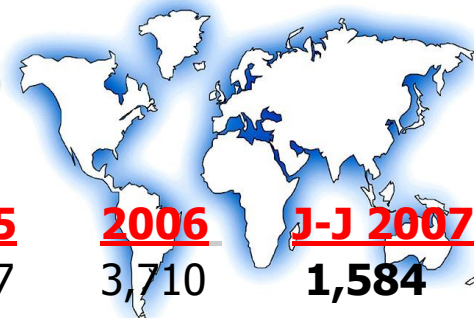


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DEMAND



China Sulphur Imports (`000 tonnes)



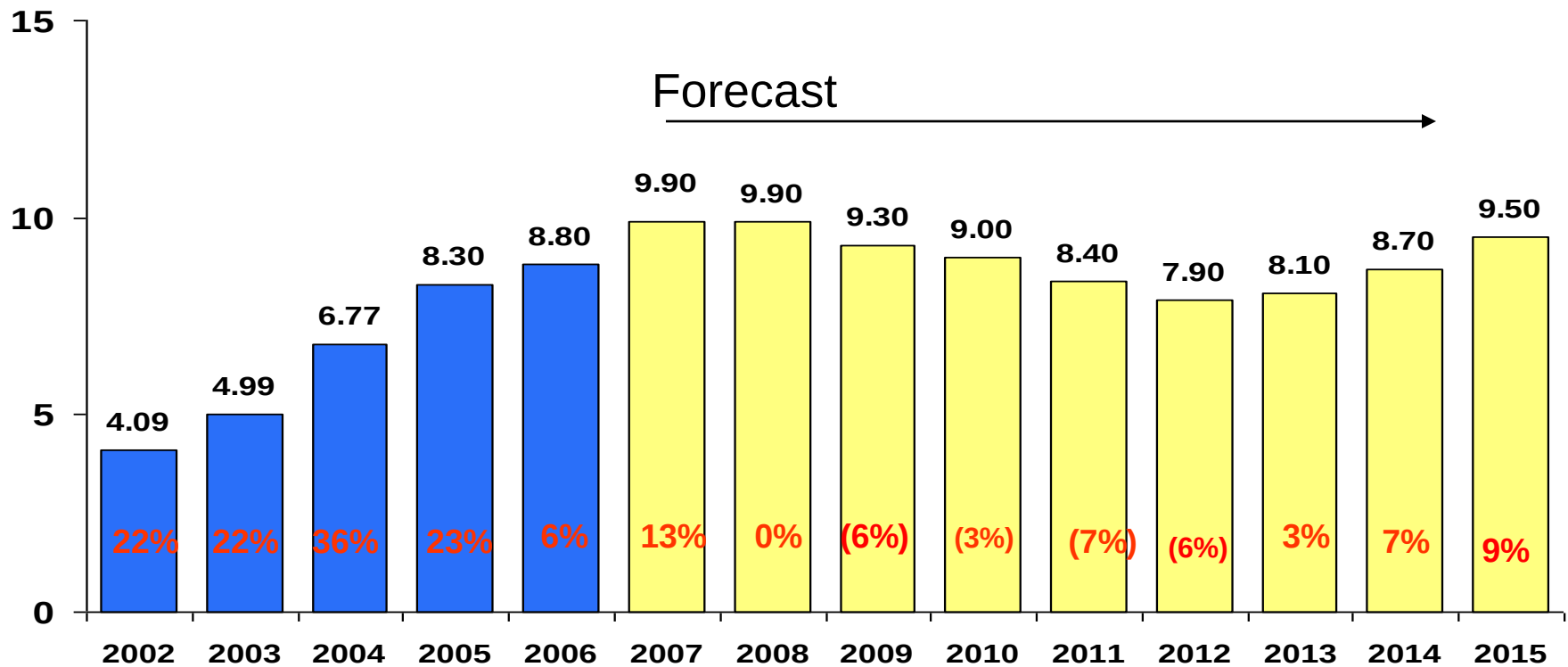
<u>SOLID</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>1-J 2007</u>
Canada	1,830	2,127	2,128	3,553	4,137	3,710	1,584
Iran	35	236	382	326	284	179	388
Kuwait	51	112	161	152	192	233	70
Abu Dhabi (UAE)	391	360	492	499	593	997	517
Saudi Arabia	-	90	287	210	707	1,012	489
USA	-	203	267	364	512	547	446
Taiwan	-	89	112	227	293	255	181
Kazakhstan	-	-	120	278	200	419	226
Others*	40	30	110	115	248	211	146
Sub-total	<u>2,447</u>	<u>3,250</u>	<u>4,059</u>	<u>5,724</u>	<u>7,165</u>	<u>7,563</u>	<u>4,047</u>

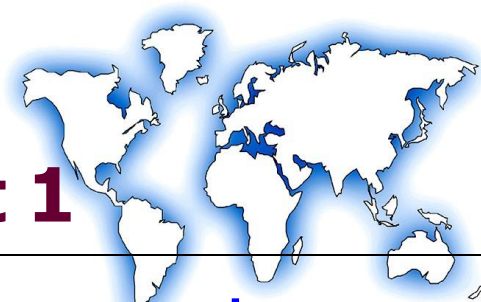
* Qatar, Singapore, Russia, Uzbekistan, Malaysia

LIQUID

Japan	739	707	757	799	892	911	469
South Korea	181	139	177	243	249	339	155
Sub-total	<u>920</u>	<u>846</u>	<u>934</u>	<u>1,042</u>	<u>1,141</u>	<u>1,250</u>	<u>624</u>
TOTAL	3,367	4,093	4,993	6,766	8,307	8,813	4,671
Increase	24%	22%	22%	36%	23%	6%	19%

China Sulphur Imports (million tonnes)





CHINA – Balance Chart 1

China Sulphuric Acid Production & Consumption

(Million tonnes sulphuric acid)

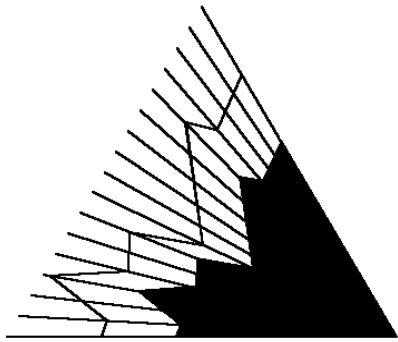
Forecast →

Production	2004	2005	2006	2007	2008	2009	2010	2015
Pyrite	13.2	13.2	13.0	13.3	13.3	13.0	13.0	7.5
Smelters	9.4	9.8	11.0	12.9	13.6	14.3	15.0	18.3
Elemental S	17.3	21.7	24.6	27.7	29.2	30.7	32.0	41.8
TOTAL - Production	39.9	44.7	48.6	53.9	56.1	58.0	60.0	67.6
Imports	1.9	1.9	2.2	2.3	2.2	2.4	2.3	2.2
Consumption	41.8	46.6	50.8	56.2	58.3	60.4	62.3	69.8
Fertilizer	29.2	33.0	36.3	38.8	39.0	39.0	39.0	39.0
Industrial	12.6	13.6	14.5	17.4	19.3	21.4	23.3	30.8



Nickel-Leach Project Status

Company	Location	'000 t.p.a. Ni	'000 t.p.a. S consumption	Status, due- date
BHP Billiton	Ravensthorpe, Australia	50	500	Q1-2008
CVRD-Inco	Goro, New Caledonia	60	600	Q4-2008
CVRD-Inco	Vermelho, Brazil	46	470	?
Moa Nickel	Moa, Cuba	16	135	2009
Coral Bay	Rio Tuba, Philippines	10	90	Q2-2009
European Nickel	Caldag, Turkey	20	350	2008
CMC	Ramu River, PNG	33	360	China financed
Dynatec/Sherritt	Ambotovy, Madagascar	60	600	Financed 2010
Eramet	Halmahera, Indonesia	50	500	After 2010
TOTAL		345	3,600	



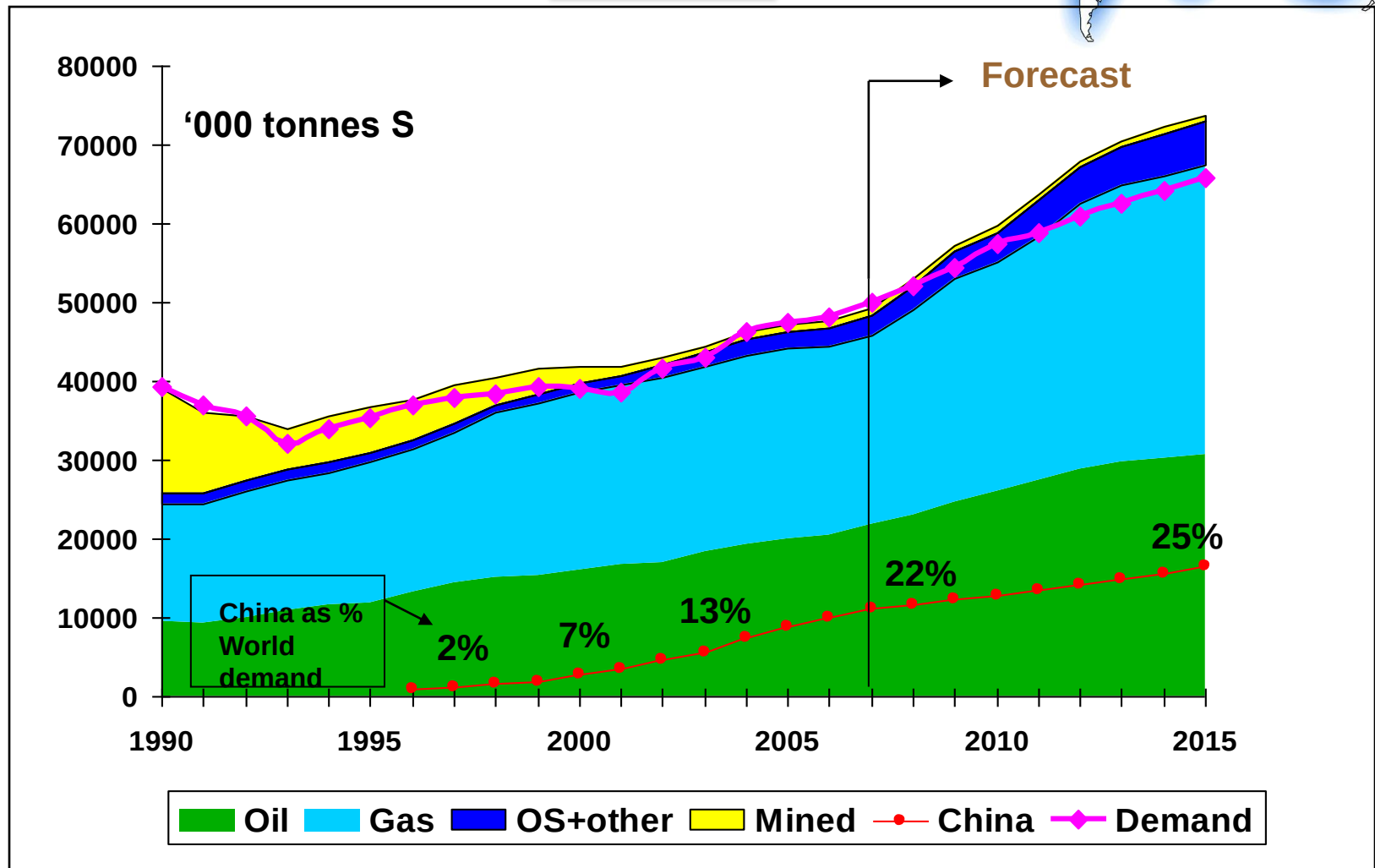
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**SUPPLY/DEMAND
BALANCE**



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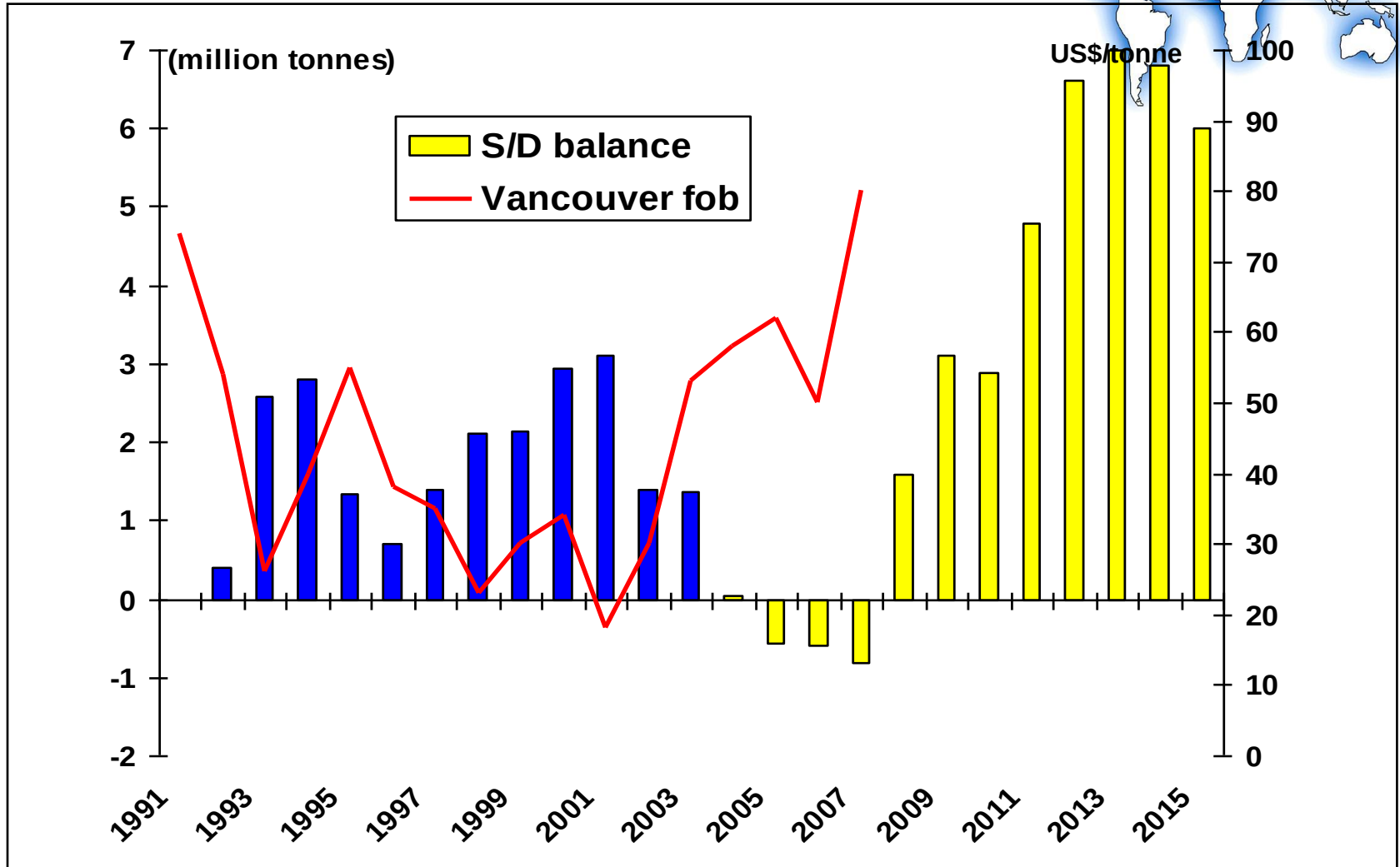
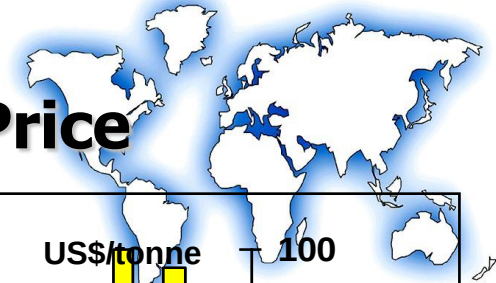
World Elemental Sulphur Production and Demand

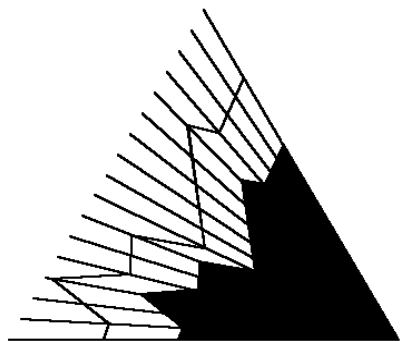




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World Sulphur Balance & Price





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CANADIAN INDUSTRY OVERVIEW

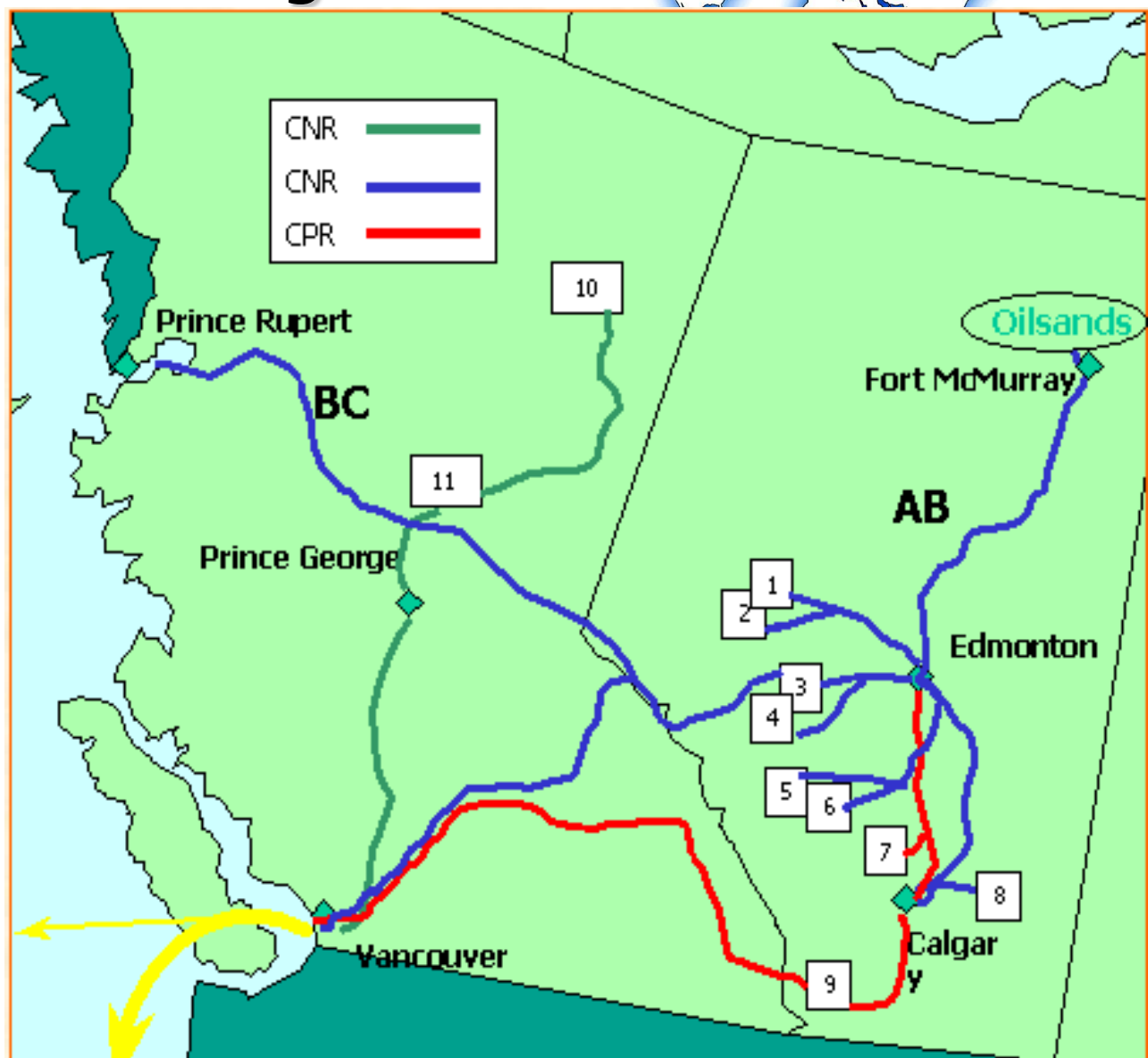
Alberta (AB)

- 1) Kaybob 1,2 (Fox Creek)
- 2) Kaybob 3 (Whitecourt)
- 3) Edson
- 4) Hanlon Robb
- 5) Strachan
- 6) Ram River
- 7) Shantz (Innisfail)
- 8) Balzac (East Calgary)
- 9) Waterton (Pincher Creek)

British Columbia (BC)

- 10) Fort Nelson
- 11) Hasler Flats (Pine River)

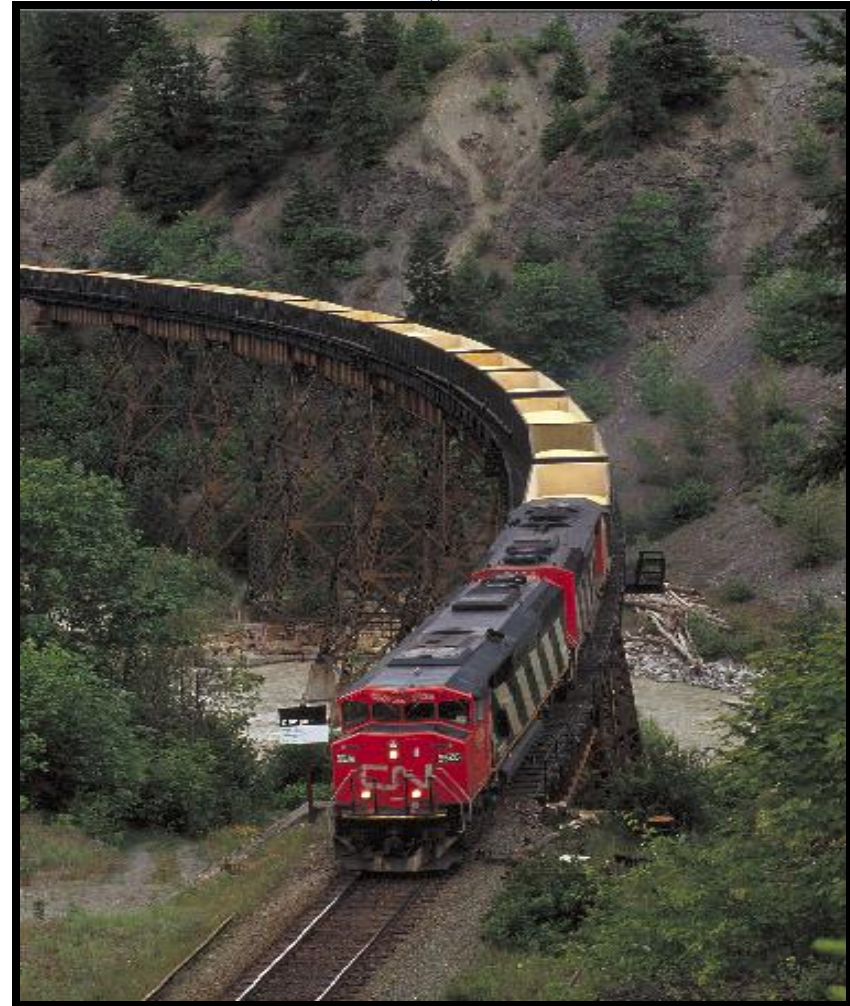
Forming Facilities





Sultran

- Sultran is an integrated supply chain and logistics management service provider
- Responsible for physical distribution of commercially formed elemental sulphur from Western Canada forming plants to Vancouver shipping ports

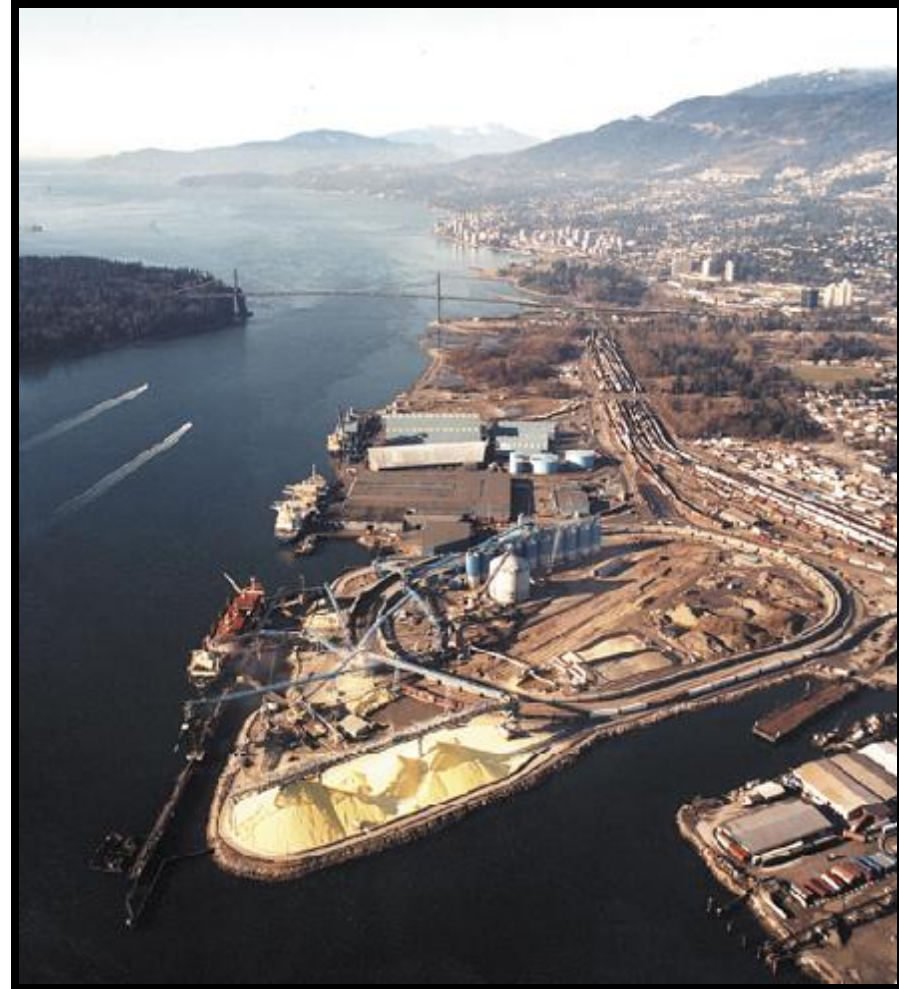
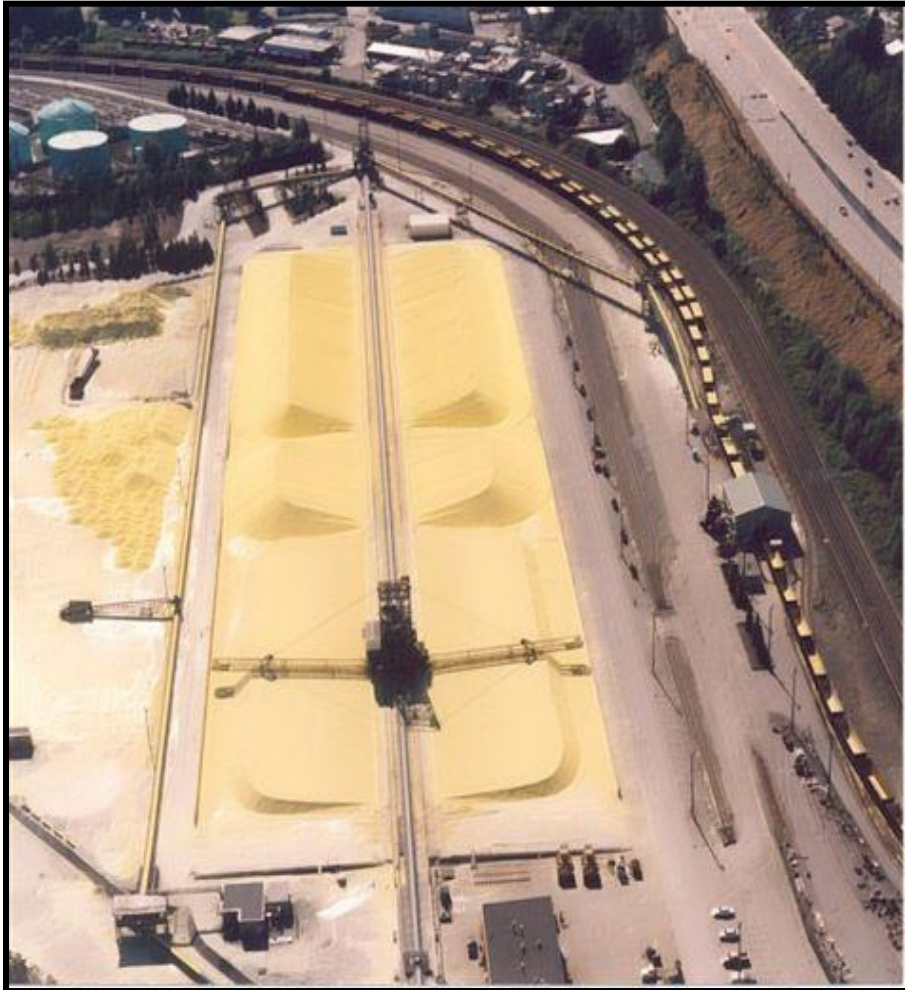




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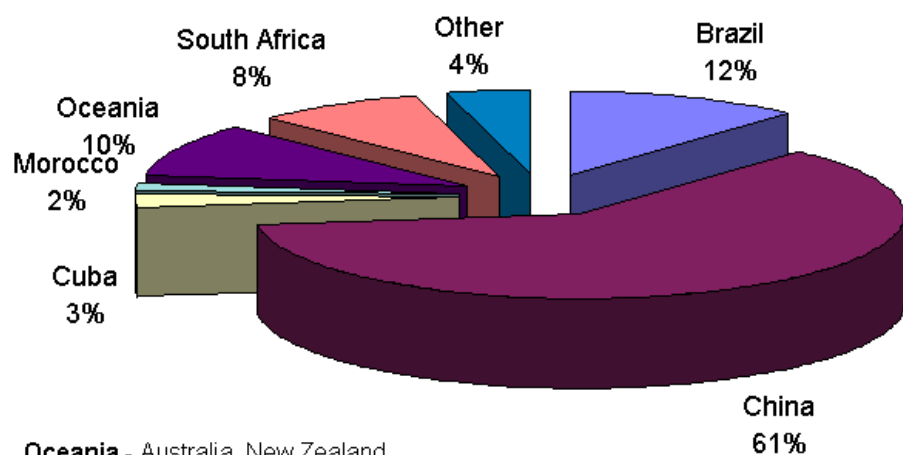
Vancouver Terminals





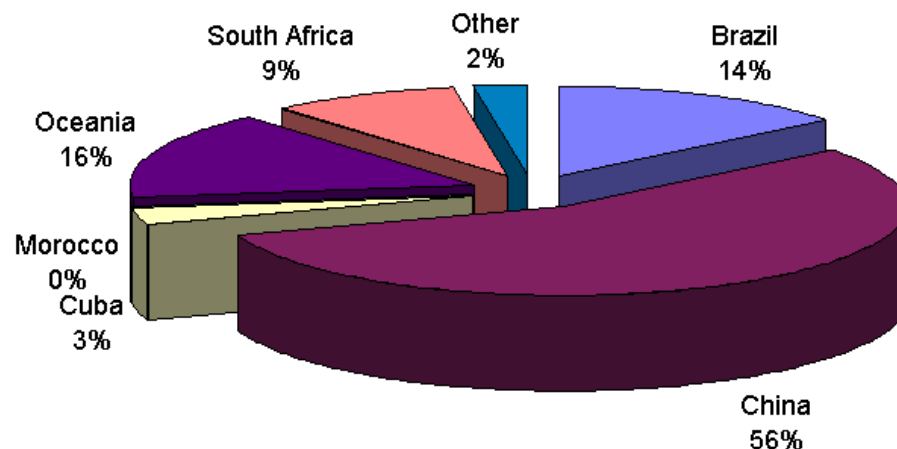
2006/07 Vancouver Exports By Country

**2006 Vancouver Exports (5.8 MMT)
By Country**



Oceania - Australia, New Zealand
Other - Mexico, El Salvador, Equador, New Caledonia,

**Jan to Sept 2007 Vancouver Exports (4.0 MMT)
By Country**

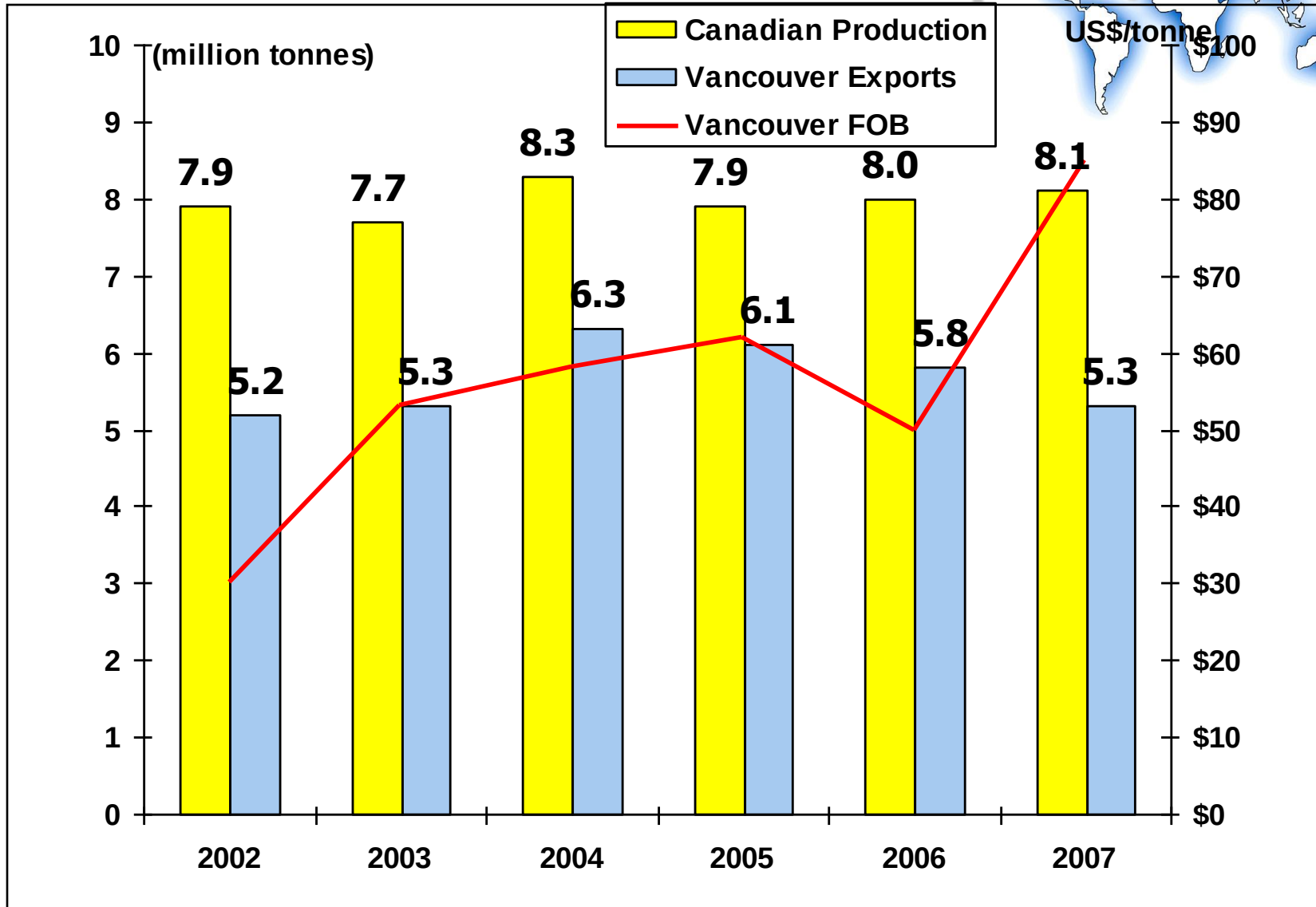


Oceania - Australia, New Zealand
Other - Equador, Chile, Indonesia

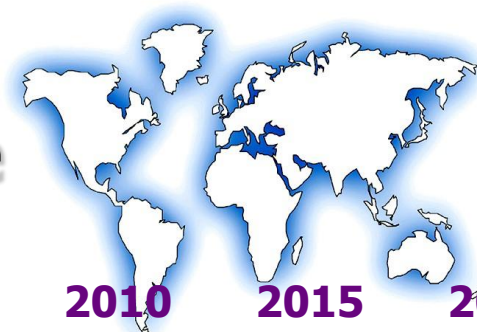


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Canadian Sulphur Production and Vancouver Exports/FOB



US Sulphur Balance



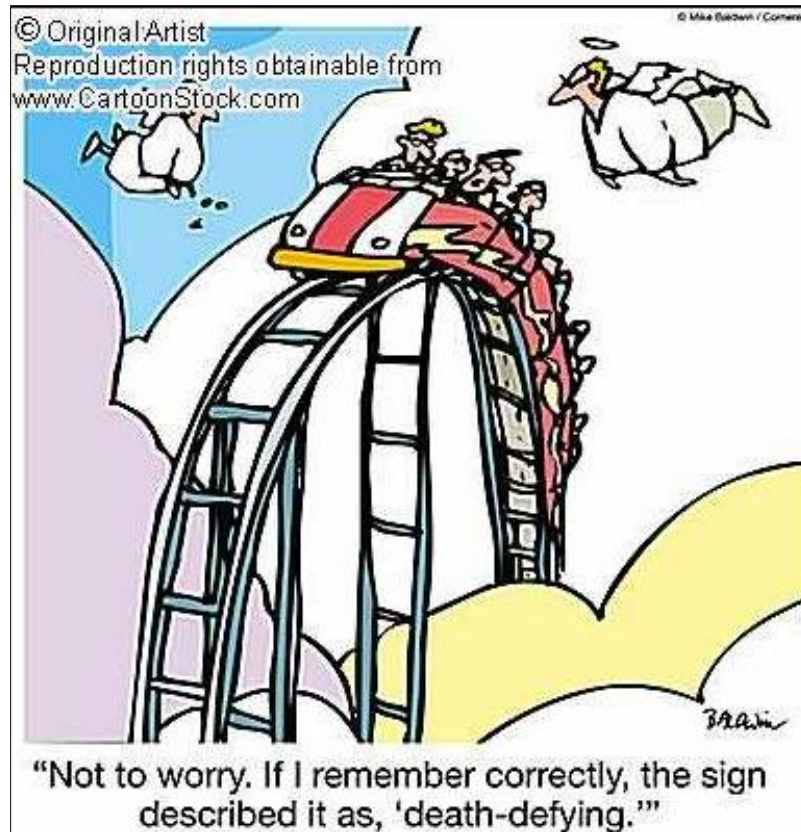
	2006	2007	2008	2009	2010	2015	2020
DEMAND	11.04	11.7	11.7	11.6	11.4	11.5	11.5
- Cons.	9.64	10.2	10.2	10.1	9.9	9.0	8.5
- Exports	1.40	1.5	1.4	1.5	1.5	2.5	3.0
CA+	1.10	1.0	1.0	1.0	1.0	1.2	1.3
US Gulf	0.30	0.5	0.5	0.5	0.5	1.3	1.7
SUPPLY	11.51	11.4	11.7	11.6	11.4	11.5	11.5
- Recovered	8.39	8.7	9.1	9.2	9.2	9.5	10.0
Oil Refining	6.96	7.4	7.8	7.9	8.0	8.5	9.0
Gas Processing	1.43	1.3	1.3	1.3	1.2	1.0	1.0
- Imports	3.12	2.7	2.6	2.4	2.2	2.0	1.5
Canada	2.10	1.7	1.6	1.4	1.1	0.9	0.4
Mexico	0.48	0.5	0.5	0.5	0.6	0.6	0.6
Venezuela	0.54	0.5	0.5	0.5	0.5	0.5	0.5
STOCK CHANGE	0.47	(0.3)	-0-	-0-	-0-	-0-	
million tonnes							

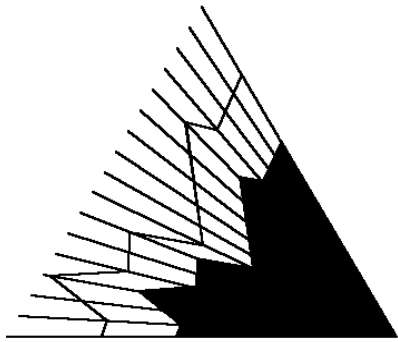


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2007 – Year of The Wild Sulphur Ride





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THE FUTURE



Summary

- Sour Gas Decline
- Oil Sands Potential
- Infrastructure Needs
- Proximity to future markets and cost structure



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Thank you for your time



Questions

