PRISM SULPHUR CORPORATION

GPAC

May 1st 2009

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Prism Sulphur Corporation

Outline

- Company Background
- Global Sulphur Supply
- Global Sulphur Demand
- Sulphur Pricing
- Global Sulphur Balance
- Sulphur Outlook

PRISM SULPHUR CORPORATION

Corporate History

- Incorporated in 1962 as Cansulex Limited
- Merged with several independent marketers in 1991 to form PRISM Sulphur Corporation
- Present membership – 17 shareholders

PRISM SULPHUR CORPORATION

PRISM's Major Shareholders

Major Shareholders:

- PETRO-CANADA
- ExxonMobil
- nexen
- ENCANA
- ConocoPhillips
- Canadian Natural — Delivering the Future
- enerPLUS
- PRIMEWEST
- Chevron
- Canadian Forest Oil
- SuperSul
- BAYTEX ENERGY TRUST

Third-Party Suppliers:

- devon ENERGY CORPORATION
- crew energy inc.
- canetic
- Dominion
- Husky
- KEYERA
- SemCAMS
- SUNCOR ENERGY
- TALISMAN ENERGY

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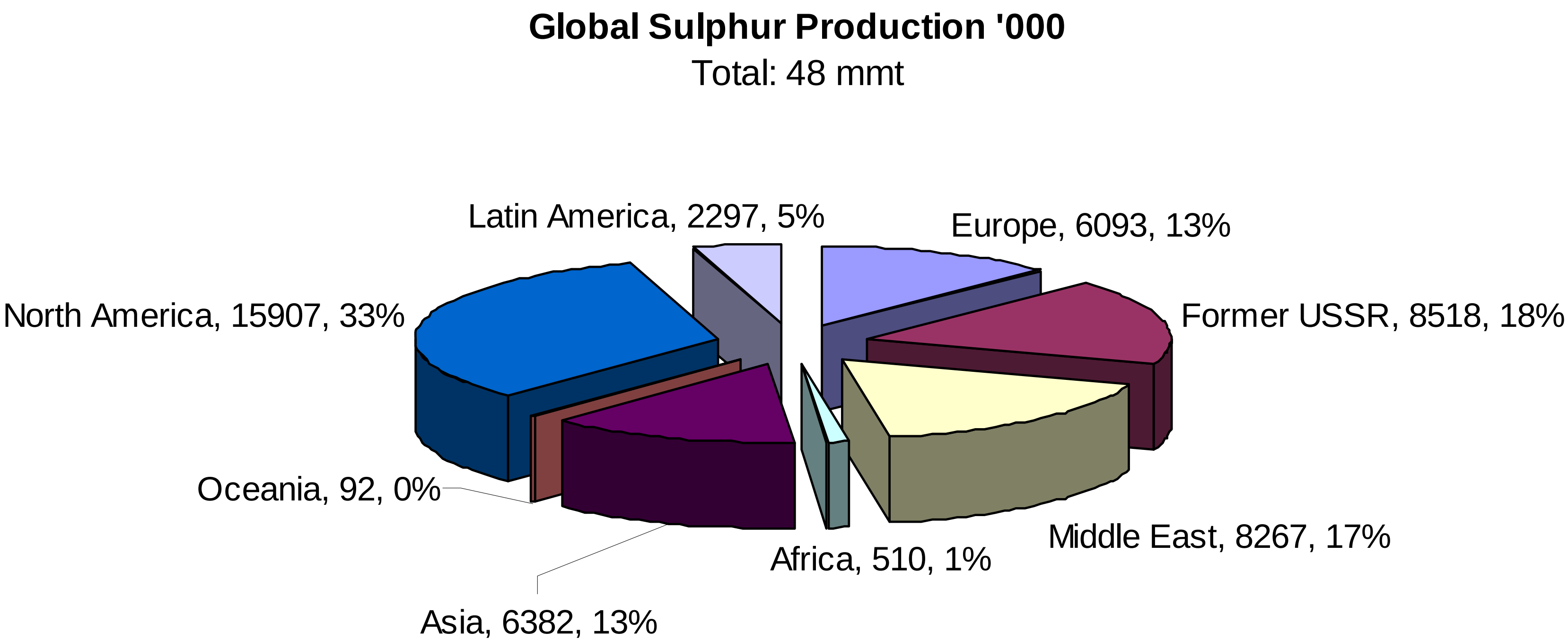
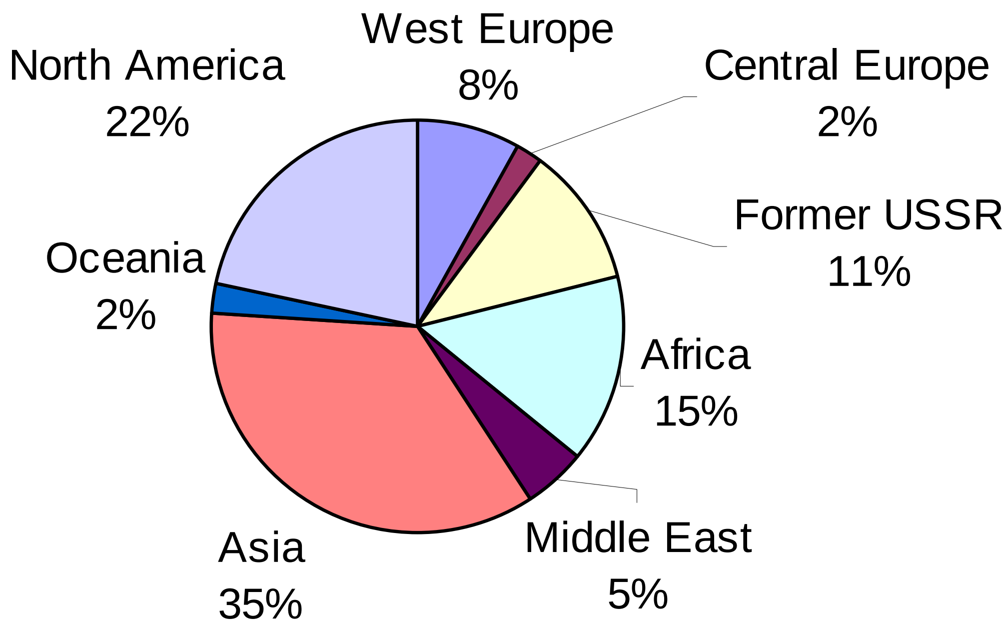
Global Sulphur Production 2008



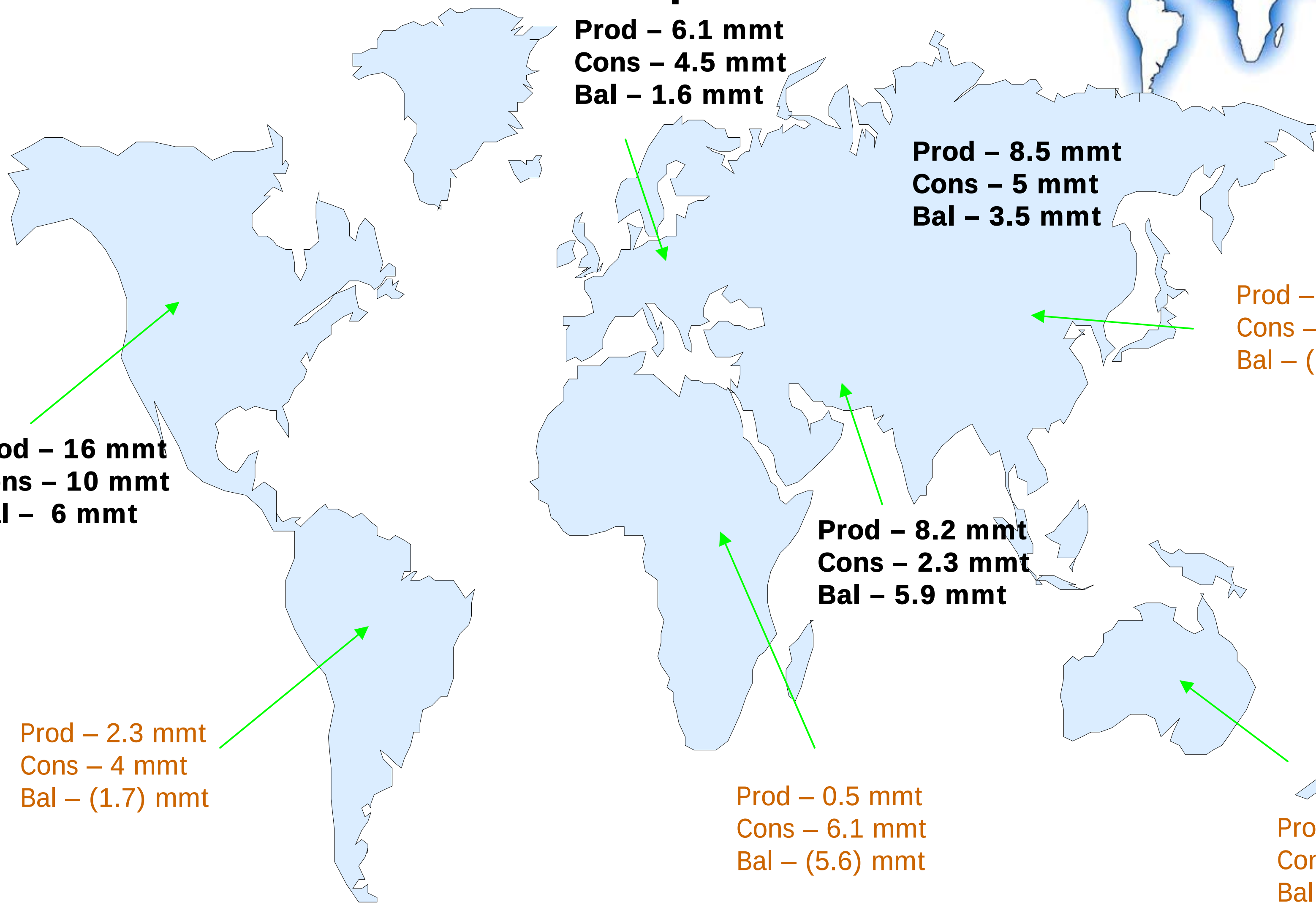
Sulphur Consumption 2008

Sulphur Consumption by Region 2008
Total: 45 mmt



Source: FRC

World Sulphur Balance



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Canada Trade 2008

China
1.9 Million tpa

Oceania
854,000 tpa

South Africa
526,000 tpa

USA
2.2 Million tpa

South America
1.3 Million tpa

Come By Chance , NF
60,000 tpa to markets in Atlantic

2006	**8.6**	0.7	2.1	5.8
2007	**8.1**	0.7	2.1	5.3
2008	**7.6**	0.7	2.2	4.7
2009	**7.7**	0.7	2.0	5.0
2010	**7.9**	0.7	1.8	5.5

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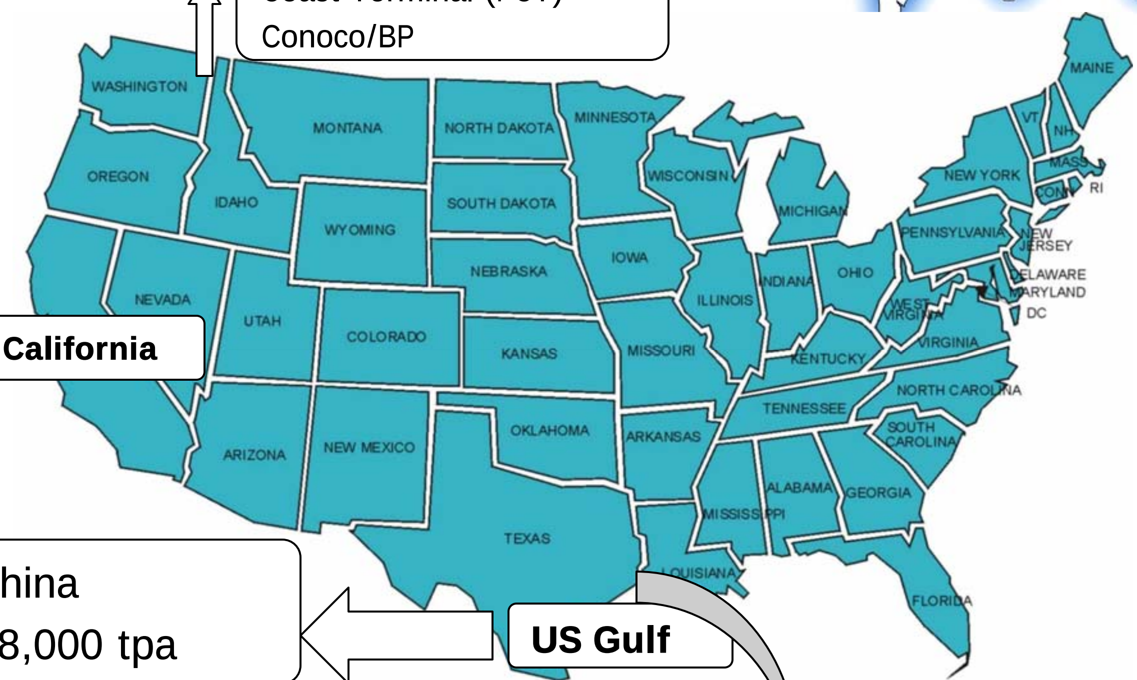
USA
Sulphur Exports

Anacortes Export to Pacific Coast Terminal (PCT)
Conoco/BP



California

China
380,000 tpa

Brazil
233,000 tpa

Mexico
169,000 tpa

US Gulf

China
48,000 tpa

Brazil
235,000 tpa

North America

- Largest producing region - 15.9 MMT / year
- Combined consumption - 9 MMT / year
- Largest export region- 8 MMT / year
- Significant inter-regional trade: Canada and Mexico to USA
- Total Sulphur blocks 8 mmt (7.5 in Canada, 0.5 mmt in US)

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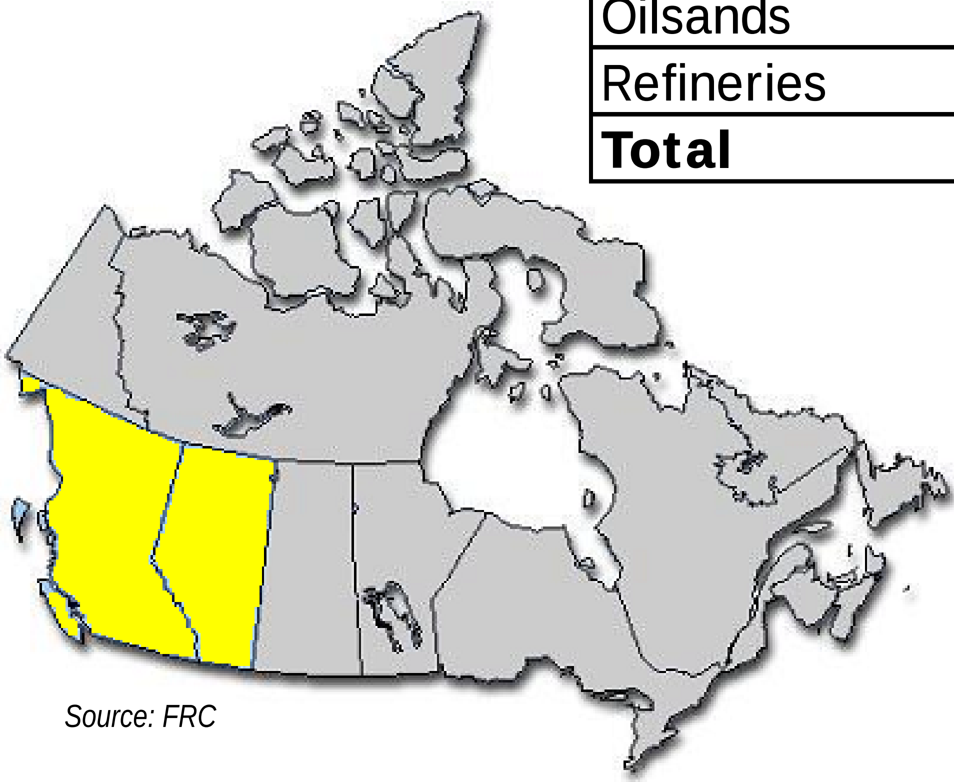
Canada
Sulphur Production

Canada - Sulphur Production ('000 tonnes)				
	2006	**2007**	**2008**	*2012*
			Actual	*Forecast*
Gas Processing	5,986	5,595	5,068	*4,850*
Oilsands	1,417	1,520	1,390	*3,240*
Refineries	491	484	520	*600*
Total	**7,894**	**7,599**	**6,978**	*8,690*



Source: FRC

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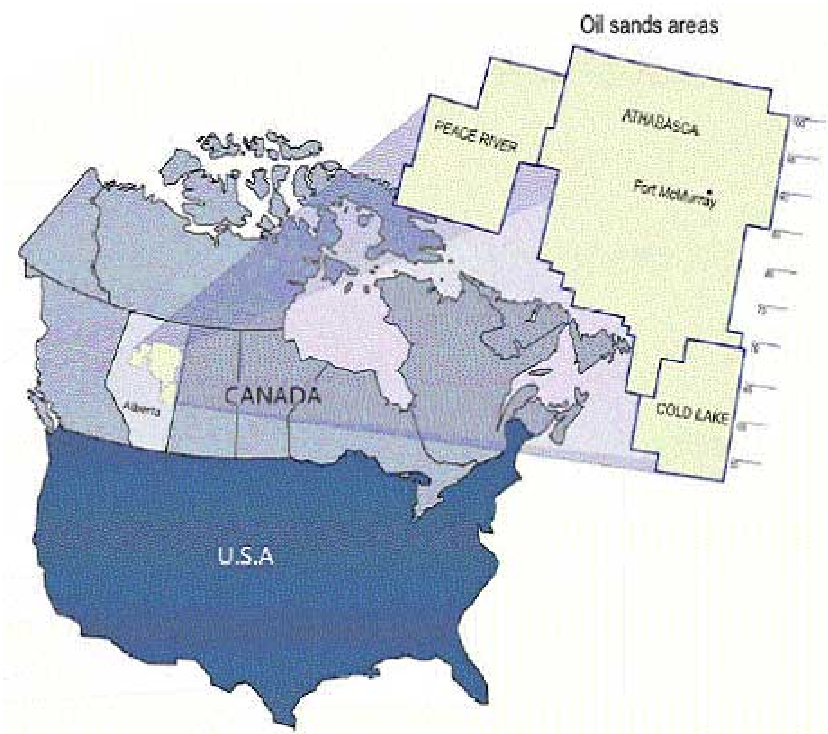
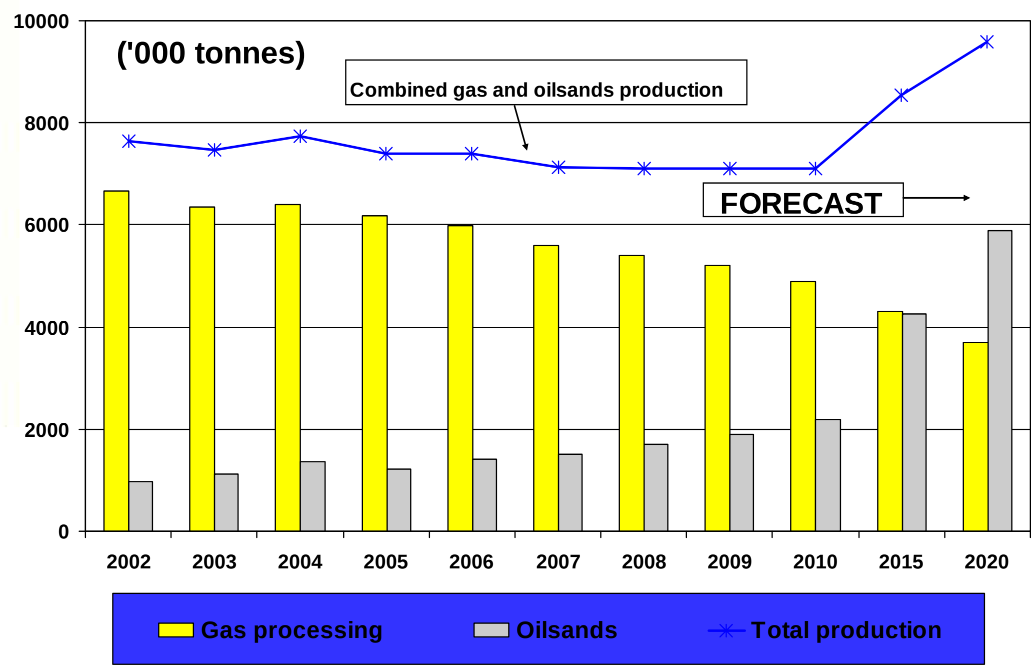
Canada
Oil Sands Sulphur Production





- Oilsands Sulphur block is currently approx. 7.5 MMT
- PRISM owns approx 30% of production through shareholders

Source: PentaSul

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Canadian Supply

- Current Situation
  - Canadian Sulphur production decline (Decreased Natural Gas and oilsands)
  - Blocking will be restricted to a small number of gas processing sites and major oilsands locations.
  - Central forming capacity - Needs to expand forming capacity in Canada
  - Total production vs production that reaches market
  - Western Canada needs major changes in infrastructure as sulphur supply switches from gas processing to oilsands

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North America Supply
5- Year Outlook

- Canadian supply from gas will decrease
- Canadian supply from oilsands will increase
- Canadian Block inventory at gas plants will be almost depleted by 2010 (Except Oil Sands)

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Vancouver Exports by Market

Market	2007	2008	Variance	
Australia	769,105	689,220	(79,885)	-10%
Brazil	809,916	896,084	86,168	11%
Chile	71,349	95,989	24,640	35%
China	2,695,380	1,896,838	(798,542)	-30%
Cuba	144,849	174,613	29,764	21%
Guatemala/Ecuador	12,428	0	(12,428)	-100%
Indonesia	47,000	66,060	19,060	41%
Israel	0	58,000	58,000	100%
Mexico	27,411	126,681	99,270	362%
New Caledonia	0	21,527	21,527	100%
New Zealand	135,372	143,769	8,397	6%
Philippines	0	31,000	31,000	100%
South Africa	493,123	526,046	32,923	7%
USA	0	37,539	37,539	100%

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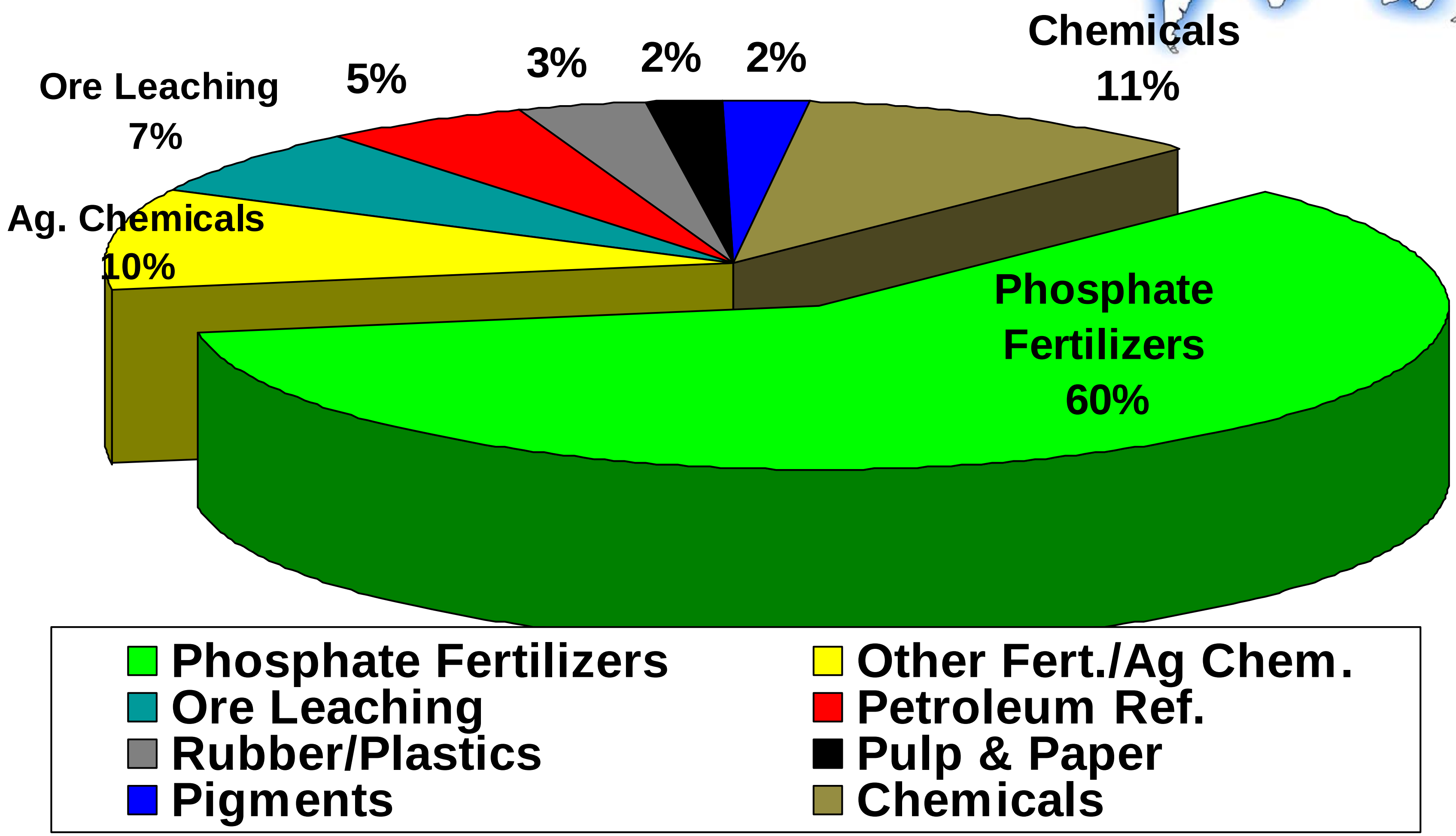
Sulphur End Uses



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Current Market Situation

- Global Recession
- Financial Crisis
- Lack of Liquidity
- Commodity Price Melt Down
- Investor Confidence

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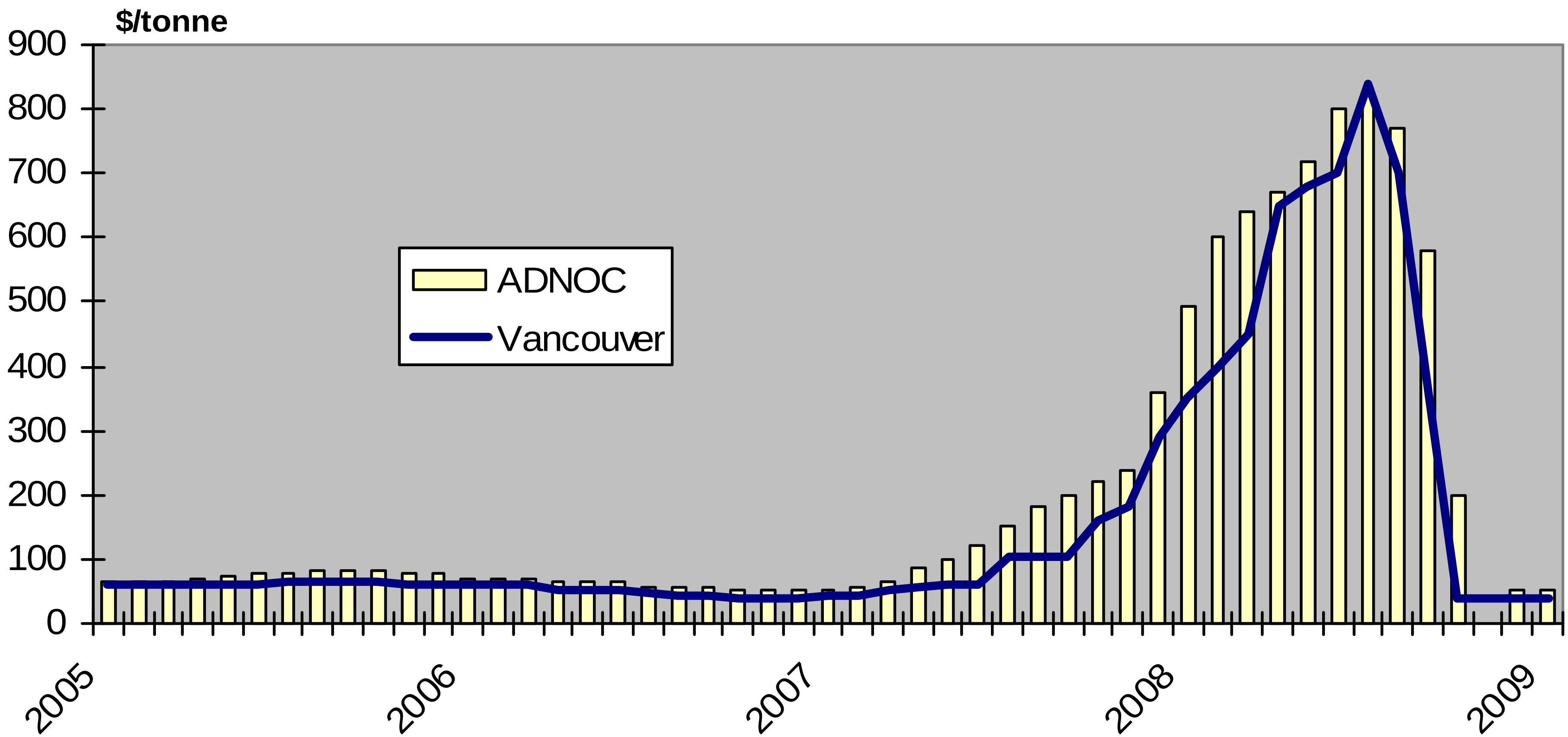
International Sulphur Prices



Source: PentaSul

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2008 What Happened?

- Sulphur demand remains weak
- Sulphur/Fertilizer inventories high
- Commodity price decreasing
- Metal production ramp/shut down
- Contract non-performance (Morocco, Tunisia, Brazil)
- Supply responses bigger than anticipated

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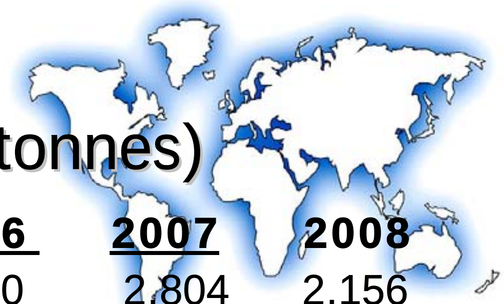

China Sulphur Imports ('000 tonnes)

SOLID	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**
Canada	2,127	2,128	3,553	4,137	3,710	2,804	2,156
Iran	236	382	326	284	179	795	692
Kuwait	112	161	152	192	233	172	254
Abu Dhabi (UAE)	360	492	499	593	997	1,214	486
Saudi Arabia	90	287	210	707	1,012	1,176	1,462
USA	203	267	364	512	547	795	369
Taiwan	89	112	227	293	255	312	303
Kazakhstan	-	120	278	200	419	414	366
Russia	-	-	-	-	-	540	267
Others*	30	110	115	248	211	234	673
Sub-total	3,250	4,059	5,724	7,165	7,563	8,456	7,028

* Qatar, Singapore, Russia (to 2006), Uzbekistan, Malaysia, Ukraine, Iraq, Poland, Turkey, India,

LIQUID	2002	2003	2004	2005	2006	2007	2008
Japan	707	757	799	892	911	926	1,047
South Korea	139	177	243	249	339	265	340
Sub-total	846	934	1,042	1,141	1,250	1,191	1,387
TOTAL	4,093	4,993	6,766	8,307	8,813	**9,647**	**8,415**
Increase	22%	22%	36%	23%	6%	10%	(13%)

China Market

2008

- Earthquake / Olympic Games / Fertilizer Export Tax impacts in China
- Fertilizer production curtailing
- Unsold product in bonded warehouse
- Sulphur inventory building
- Re-export to other markets.

2009

- Government Support – 292 million grain reserve
- Stimulus Package Incentive to plant crops

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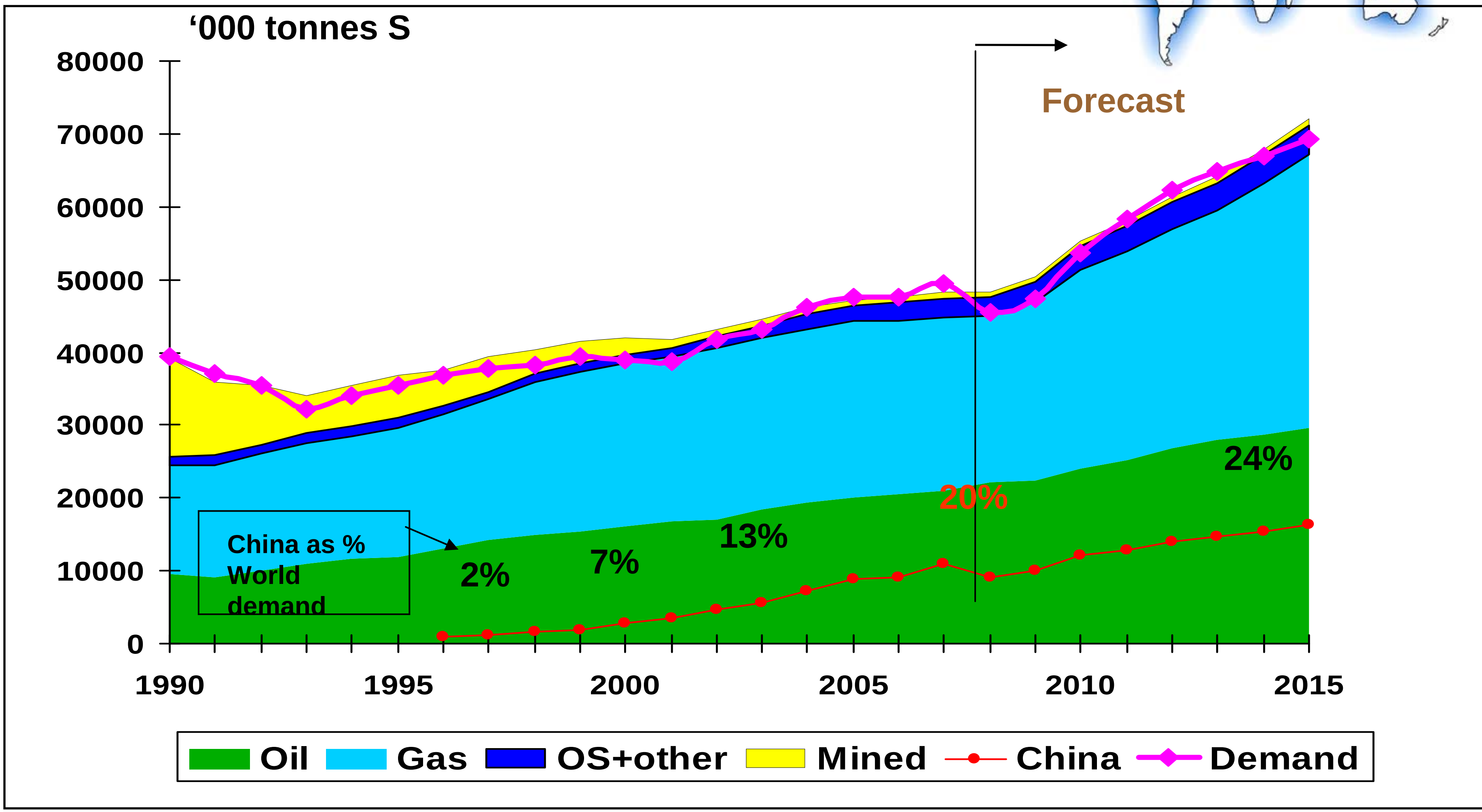
Elemental Sulphur Balance



Source: PentaSul

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2009 Moving Forward

- US fertilizer plants starting to operate
- Sulphur demand requirements picking up
- Economic / Credit issues remain
- Russia restarting exports
- Overall small increase in FOB's
- Population growth / Food demand will increase
- Long term Mining will rebounce

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Thank you !