

The Moose Jaw—Regina Corridor

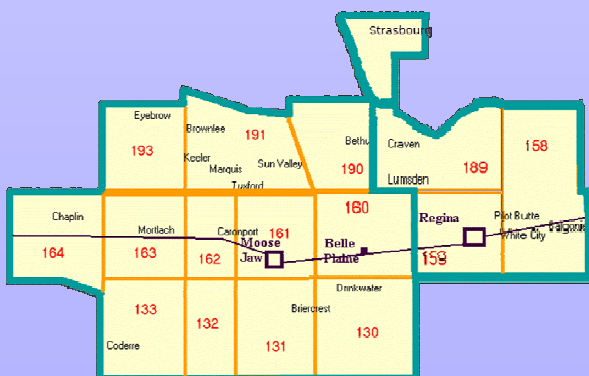
Background

The Moose Jaw—Regina Corridor is a joint economic development initiative being conducted by the Cities of Regina and Moose Jaw and is currently being pursued by the Moose Jaw Regional Economic Development Authority Inc. and the Regina Regional Economic Development Authority Inc.



The Moose Jaw—Regina Corridor is one of the most important areas for the Province of Saskatchewan because of its size and location.

- The Moose Jaw—Regina Corridor is located on the #1 TransCanada Highway which stretches from Victoria, B.C. in Western Canada to St. John's, Newfoundland in Eastern Canada.
- The Corridor is also part of the National Highway System which provides links in all directions.
- The Moose Jaw—Regina Corridor includes the Cities of Moose Jaw and Regina and the immediate area surrounding Belle Plaine.
- The Corridor's population of 240,000 makes it the most populous region in Saskatchewan, making up 24% of the province's total population.



- It also has the largest labour force in the province with approximately 175,000 workers available.
- The Corridor has an estimated GDP of \$7.7 billion making it the largest economic region in Saskatchewan.
- The Village of Belle Plaine is located about halfway between the Cities of Moose Jaw and Regina and already has a major industrial base with businesses such as Mosaic, Saskferco, Canadian Salt and CWS Logistics located at Belle Plaine employing over 500 workers. Many of these workers are drawn from the surrounding areas

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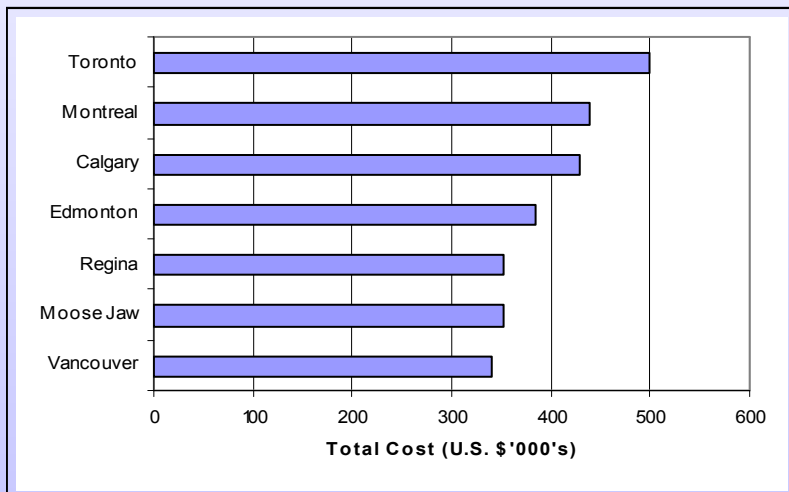
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The Moose Jaw—Regina Corridor Advantages

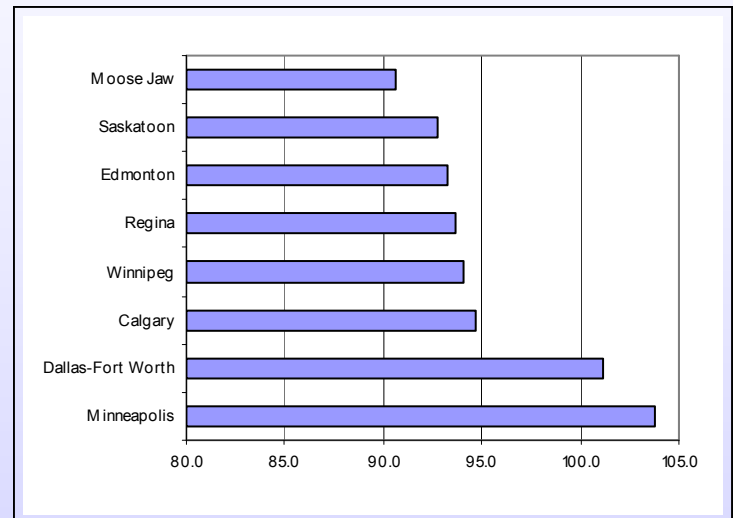
The Moose Jaw—Regina Corridor could become a key driver of economic development in Saskatchewan with Advantages in cost, transportation and research support.

2006 KPMG Competitive Alternatives Study

Cost competitiveness is one of the Corridor's key advantages. The Cities of Moose Jaw and Regina ranked high in KPMG's 2006 Competitive Alternatives Study. Both cities routinely ranked higher than larger centers including Vancouver, Toronto and Montreal.



2006 KPMG Competitive Alternatives Study



2006 KPMG Competitive Alternatives Study

Utility costs in Saskatchewan are among the lowest in Canada. Using the 2006 KPMG Competitive Alternatives study, the Cities of Regina and Moose Jaw were found to have lower utility costs than Cities such as Toronto, Montreal and Calgary.

The Rural Municipalities of Pense, Moose Jaw and Sherwood have cost advantages with some of the lowest property taxes in Canada. The R.M.'s and communities are also willing to provide incentives or new industrial development.

The Province of Saskatchewan has become a very competitive place for businesses to do business with low tax rates. The 2006-2007 budget announced further tax initiatives to create an even more competitive business environment in the Province.

Provincial Taxation Highlights

- General Corporate Capital Tax on new capital investments eliminated as of July 1, 2006
- Phased reduction of Corporate Income Tax rate to 14% in 2006; 13% in 2007 and 12% by July 1, 2008
- Refundable Manufacturing and Processing Investment Tax Credit

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Transportation

The Corridor also has the advantage of being a favorably situated location for the transportation of goods and resources. Currently, Belle Plaine acts as a major distribution hub for products such as phosphate, nitrogen and potash.

The Corridor has the advantage of having much of the infrastructure in place for any industrial expansion of the Corridor. There are 4 major highways in the corridor that provide access to North American ports and markets around the world. Products can be transferred by truck to any City in Canada with 3-day service to Eastern Canada, 2-day service to Vancouver and overnight service to Winnipeg, Calgary and Edmonton.



City	Kilometers	Miles	Distance Time
Saskatoon	226	140	2:28
Prince Albert	364	226	4:11
Edmonton	775	469	7:57
Winnipeg	649	403	7:00
Calgary	691	429	7:10
Vancouver	1,639	1,018	16:41
Toronto	2,657	1,595	27:39
Montreal	2,884	1,792	30:00
Halifax	4,125	2,760	42:37
Chicago	2,023	1,257	20:15
New York	3,297	2,048	32:30
Miami	4,241	2,635	41:20
Los Angeles	2,805	1,734	28:02
Mexico City	4,565	2,837	45:58

*Distances are measured from Moose Jaw

Railway infrastructure is another advantage in the Corridor with both CN Railway and CP Railway already operating. Both companies offer services that transport products throughout Canada while CP Railway also provides direct access with the Soo Line located a few minutes east of Moose Jaw. The Corridor also has the potential to locate an inland container port because of the region's favourable geography.

Research and Innovation

Saskatchewan is home of two world class universities and research parks that provide leading research, innovation and technology.

The University of Saskatchewan boasts Canada's largest science project in the Synchrotron which has the potential to conduct research to assist industries including agriculture, food and beverage, industrial and manufacturing and petrochemicals.

The University of Regina is located in the City of Regina and it is a leader in developing new technology and processes for the energy industry. The Regina Research Park currently includes research facilities such as the Petroleum Technology Research Centre and International Test Centre for CO₂ Capture. Both of these state-of-the-art facilities are researching new technologies for the Oil and Gas industry that could have significant impact on the Corridor and internationally.



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Opportunities

The Moose Jaw—Regina Corridor has a large amount of resources and very competitive cost environment and these factors have created opportunities for investment.

Energy and Fuels

- Major market for new energy plants with the retirement of SaskPower's coal fired plants in Southern Saskatchewan with an emphasis on clean energy.
- Any future expansion of industry in the corridor will generate opportunities for new energy sources. Currently, Saskferco uses more natural gas than the City of Moose Jaw.
- The need for cleaner energy will mean the demand for developing new clean power will rise.
- The Federal mandate to have a 5% ethanol blend in gasoline and growing demand for ethanol fuel in North



Agriculture

- The Corridor region produces some of the highest quality agriculture products in the world.
- The cost of conducting a agriculture related business is much lower than in Alberta or BC.
- Resources needed to run agriculture related businesses are abundant and much cheaper to acquire than in other provinces.

Transportation and Distribution

- The Moose Jaw—Regina Corridor is ideally located as a Transportation and Distribution hub with connections to 3 major highways, which are part of the National Highway System.
- Belle Plaine is already a central hub for nitrogen, potash and phosphate distribution.
- CPR's Soo Line begins in the Corridor and provides direct rail access to U.S. markets.
- Ideal location for Inland Container Port due to its geography.
- Expansion in the Energy and Agriculture industries in the Corridor will require an expansion of transportation and distribution services.
- Oil and Gas companies including Enbridge, TransCanada and TransGas have distribution pipelines in the Corridor.



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