

2007 REIN™ Field Trip Fort Sask. Presentation



Welcome to Fort Saskatchewan. We are very pleased to be hosting you today as part of your investment tour.

Nestled along the banks of the North Saskatchewan River we have it all.... A rich history, a dynamic present and a vibrant future.

2007 REIN™ Field Trip Fort Sask. Presentation



Our community of 16,000 has a strong history, so if you'd indulge me I'd like to start with a brief history lesson. The Fort Saskatchewan District entered history well over 250 years ago with its original industry of canoe building, then came the fur companies building trading posts in the area. In the summer of 1795 the North-West Company established Fort Augustus a few miles down the river from the present day City of Fort Saskatchewan. Later, in the same year, the Hudson's Bay Company built Edmonton House close by.

2007 REIN™ Field Trip Fort Sask. Presentation



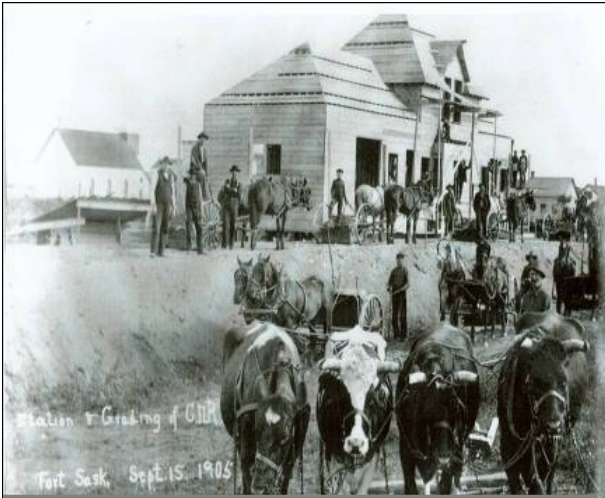
Our History...

1875 North West Mounted Police Fort

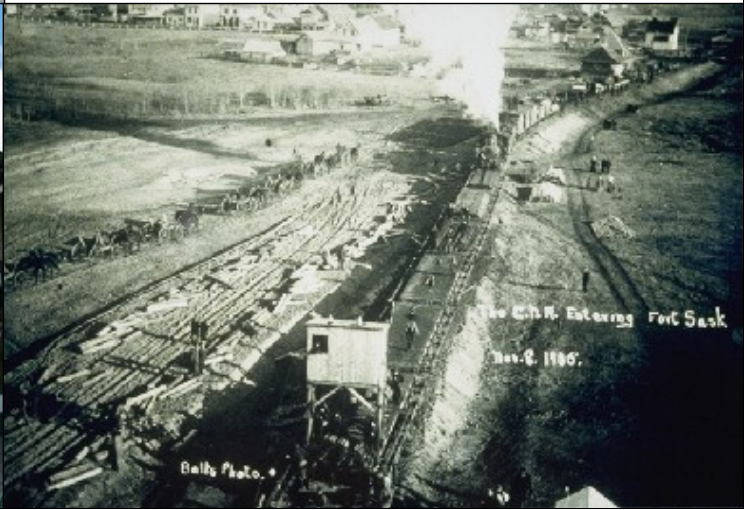


We really came into being in the 19th century. In 1874 the Northwest Mounted Police made its incredible trek across the prairies. The main force established Fort MacLeod in the southern part of the province while "A" Division made the hazardous trip to Edmonton. It was an epic journey by any standards, and, towards the end of the trek, five miles a day was the most that they could make. However, they persevered and arrived in Edmonton in October 1874, remaining there for the winter. In the spring of 1875, they built the Fort on the Saskatchewan. A community began to develop adjacent to the fort. Thus, the present City of Fort Saskatchewan traces its history back to this North-West Mounted Police fort of 1875.

2007 REIN™ Field Trip Fort Sask. Presentation



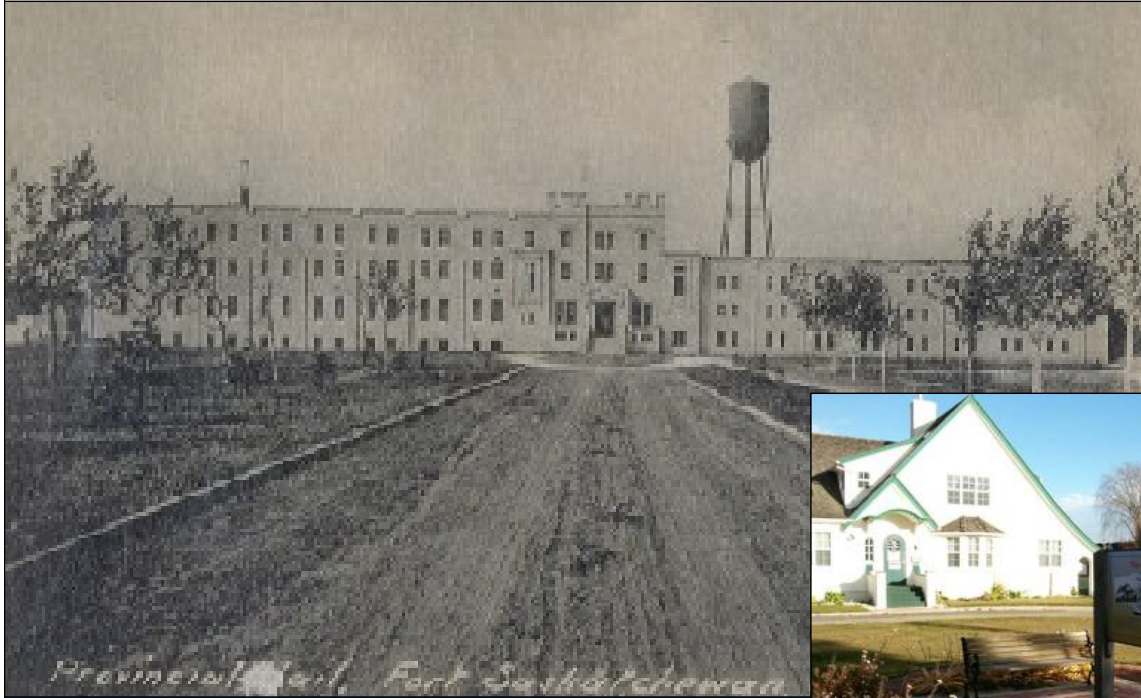
1905 CN Rail Arrives



Our next milestone was in 1905 when the Canadian Northern Railway reached the Fort. The railway provided a great boost to the whole district. In the late 1980's the original railway station was restored by the local Kinsmen Club and is now home to our Chamber of Commerce.

2007 REIN™ Field Trip Fort Sask. Presentation

A part of our past...



1914 Provincial Jail



In 1913 "G" division headquarters of the mounted police was transferred to the Province of Alberta, and the Provincial Jail was built in 1914. Although the correctional centre has since been rebuilt in another location in our community, the Warden's House, pictured in the bottom right, has been restored and is the gateway to our museum and historical precinct. Our heritage is based on law and order and as an agricultural service centre.

2007 REIN™ Field Trip Fort Sask. Presentation

Our Business...

A Prime Location



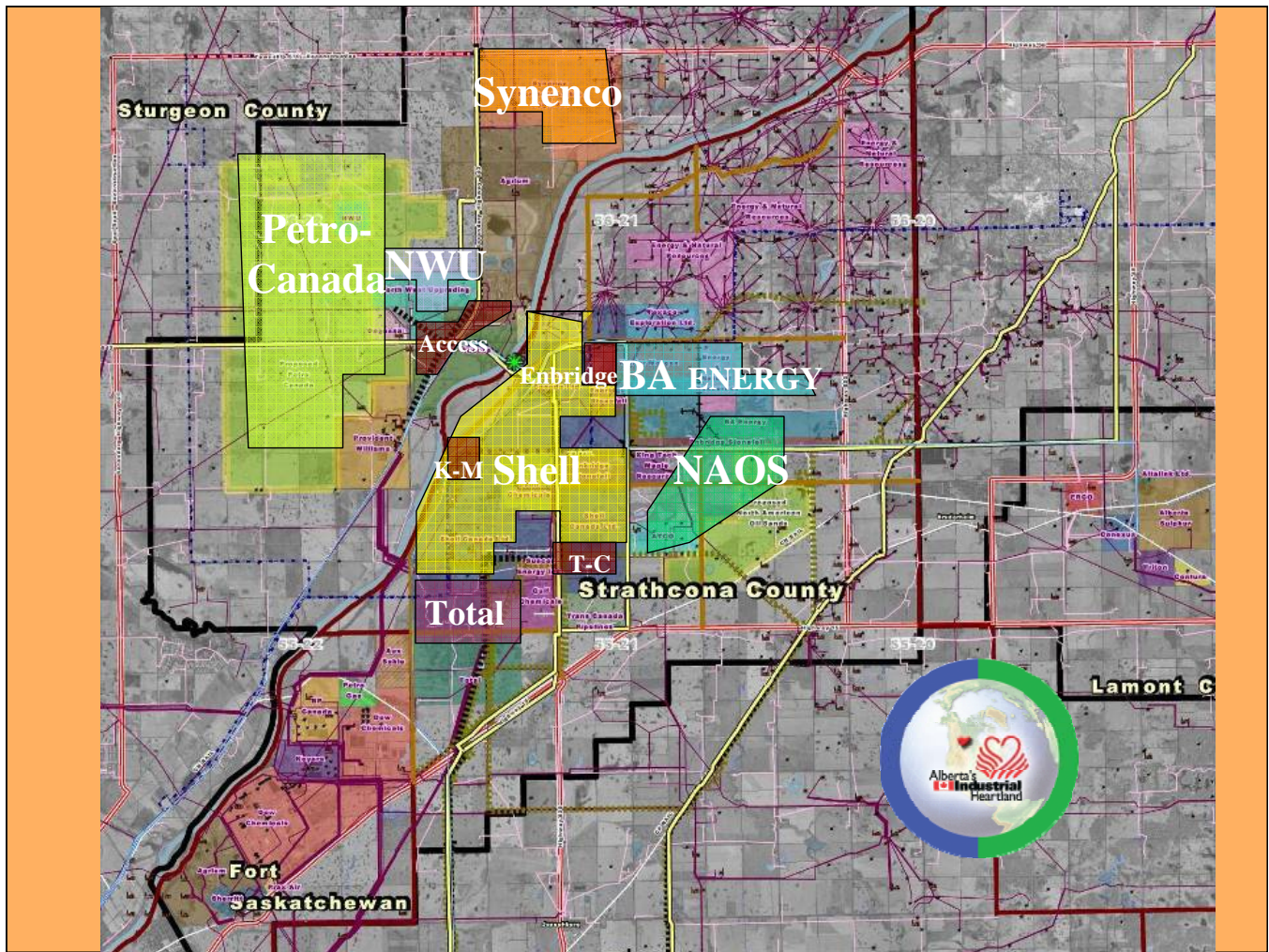
We stayed very much a small town until 1952 when Sherritt Gordon Mines Limited established a multi-million dollar nickel refinery here, and over the succeeding years Fort Saskatchewan experienced a steady growth. Petrochemical Industries started to move into the area, attracted by the availability of land, easy transportation access, salt deposits, abundance of water, a skilled labour force, and an appealing community for their employees.

2007 REIN™ Field Trip Fort Sask. Presentation



Over the last 50 plus years, our community has seen a number of industries join Sherritt. These logos represent the industries within our corporate limits. There are over a dozen more just east and north of Fort Saskatchewan in what we call Alberta's Industrial Heartland .

2007 REIN™ Field Trip Fort Sask. Presentation



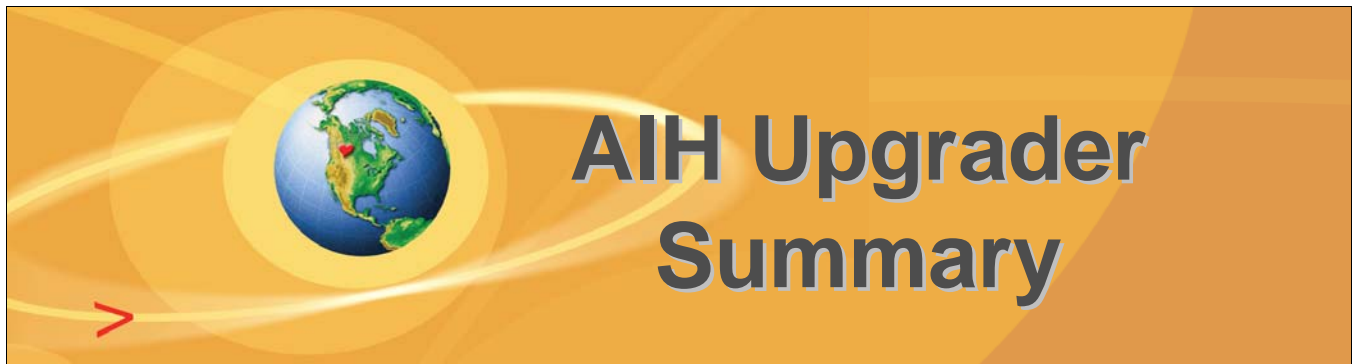
Fort Saskatchewan, along with the counties of Strathcona, Sturgeon and Lamont formed Alberta's Industrial Heartland in 1997.

Heartland has:

- unique infrastructure - storage, road, rail and pipeline in place and with the capacity to handle growth
- over 30,000 acres of pre-zoned industrial land within a defined area and a complementary planning approach between municipalities
- one of the largest petrochemical clusters that continues to offer eco-industrial opportunities and new value-added production between neighbouring industries
- cost advantages over other locations – studies have shown this to be the most cost competitive area in Alberta to build upgrading, refining and petrochemical process capacity. It has the potential to be competitive against U.S. or off-shore investment for these value-added manufacturing processes.

From this busy map you can see highlighted the many upgrader projects that are either underway or announced as well as pipeline projects and other services.


2007 REIN™ Field Trip Fort Sask. Presentation



Company/Years	BPD	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
BA Energy	163,200			>>>		>>>		>>>			
North West Upgrading	150,000					>>>		>>>			>>>
Petro-Canada	400,000						>>>		>>>		
Shell Scotford	290,000			>>>		>>>		>>>			!!!
Synenco - Northern Lights	100,000					>>>		>>>			
North American Oil Sands	250,000						>>>				>>>
Total Canada Inc.	200,000								>>>		>>>


This chart gives you an idea of the timelines that the upgrader projects are scheduled for:

- Shell is currently under construction as is BA Energy.
- Northwest Upgrading is in the process of their hearings for approval.
- Synenco has put their plans on hold for the time being, while Petro-Canada and North American Oilsands are in the process of filing their applications; and
- Total Canada, the youngster of the bunch, just announced their project last month.



AIH Upgrader Summary

Total Projected Capacity (b/d)	1,416,000
Total Construction Labor 2010-2012	20,100
Total 2012	\$23 Billion

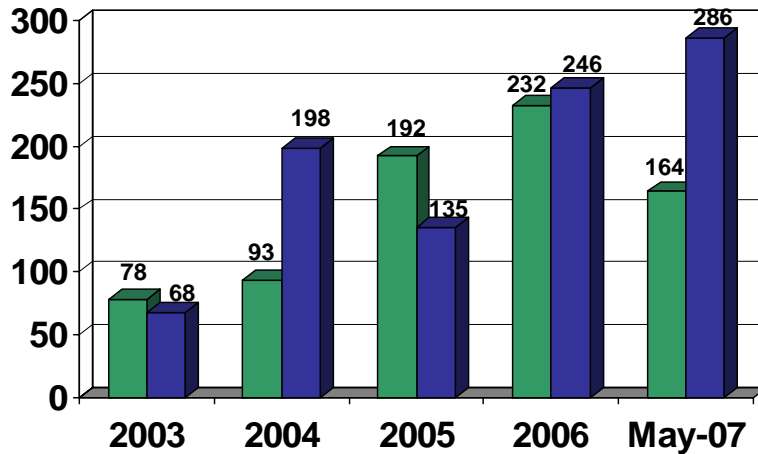


To give you an idea of the magnitude, if we take all the announced projects from the previous page and add them all together, the numbers become staggering. We estimate that the current industrial infrastructure is valued at about \$25 billion – we are looking at almost doubling that over the next 5 years or so. And these are just the upgrader projects. This does not include the pipeline and ancillary businesses that are part of a major industrial cluster such as this.

2007 REIN™ Field Trip Fort Sask. Presentation

Our Homes...

New Home Construction

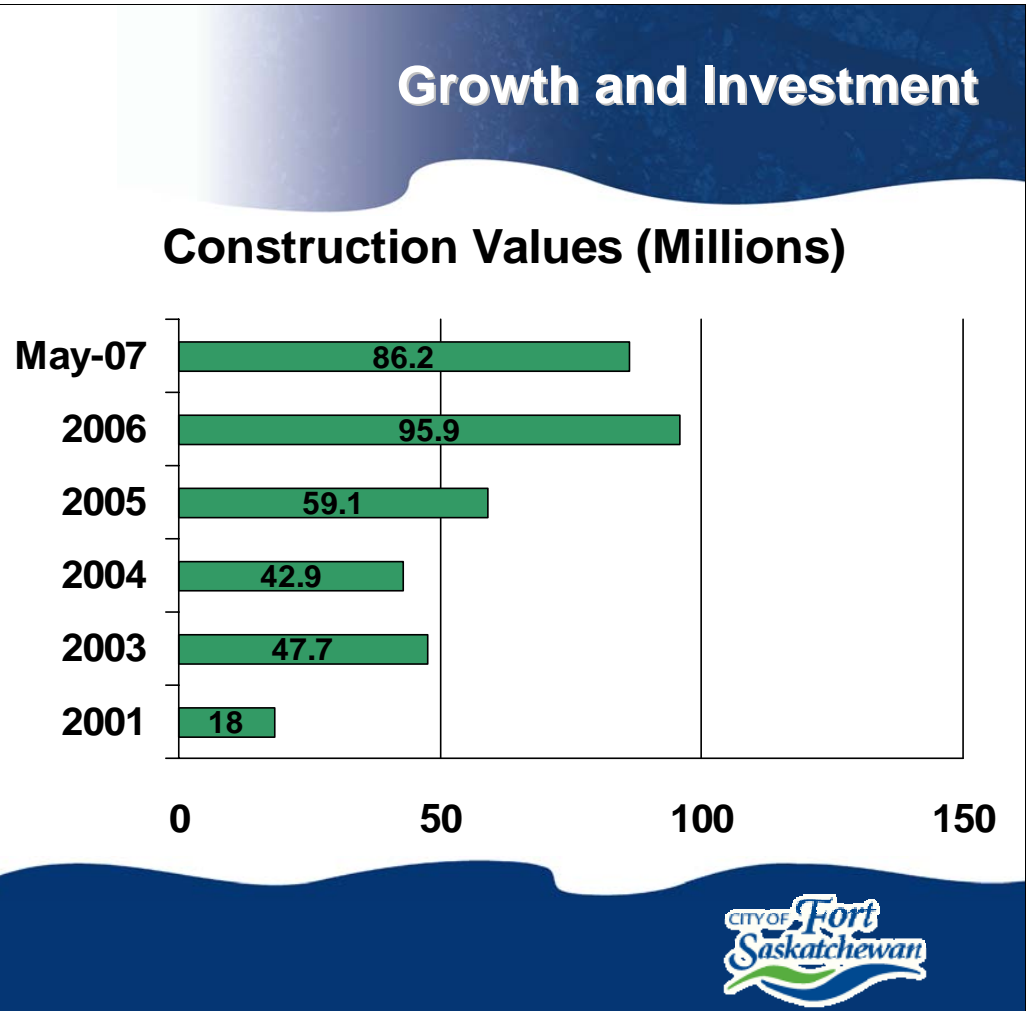


■ Single Family
■ Multi-Family



So what does all this mean for our community? Over the last five years the face of Fort Saskatchewan has been changing. We have gone from a steady 1% growth to 3% in 2005 to close to double digits. Our residential land developers cannot bring lots on fast enough to keep pace with the sales. Last year we saw almost 600 single family and duplex lots serviced and subdivided. This year we expect almost 900.

2007 REIN™ Field Trip Fort Sask. Presentation



These numbers also tell the story of how our community is growing. To date this year, we have issued building permits in the range of \$86 million and we are not even half way through the year yet!

We have two new residential condominium projects underway, several new industrial buildings in our Eastgate Business Park, and lots of renovations to businesses.

2007 REIN™ Field Trip Fort Sask. Presentation

Opportunities

Medium Industrial



We refer to ourselves as the gateway to Alberta's Industrial Heartland, as such, we feel that part of our future lies in being the home to the service and supply industry. Over the last year a majority of the land that we have designated for medium industrial development, has been purchased by TransAmerica, a major developer in the Edmonton region. We are working very closely with them as they plan their development. Phase one is targeted to come on later this year or early next.

The focus will be slightly different than what you see in the picture here. This is our Eastgate Business Park where we have mostly light industrial businesses sitting on 1 – 2 acre lots. The new medium industrial area will be developed with a wider range of lot sizes, everything from a couple of acres to 10 + acres. We anticipate everything from trucking companies to laydown yards to welding shops to small manufacturing operations.

2007 REIN™ Field Trip Fort Sask. Presentation

Dow Centennial Centre



With all this industrial activity and residential growth, it is allowing us to look at projects that perhaps a community of our size would not normally be capable of sustaining. This building is an example of that. Opened in September 2004, the Dow Centennial Centre combines both recreation and culture into one complex. A 22 million dollar facility for a community of under 15,000 people, at the time, was a real achievement.

This 550 seat Shell performing arts theatre is the focal point of our Sherritt Cultural Pavilion. In the Landrex Recreation Pavilion we have everything from a fitness centre to an ice arena to a soccer field. We can and have since opening, hosted conferences and major events, that previously we were not able to accommodate.

2007 REIN™ Field Trip Fort Sask. Presentation



Our next big event occurs this summer. We are proud to be hosting the Alberta Seniors Games. We are expecting over 1,200 participants in 20 different activities from athletics to cycling, to bridge, to creative writing. The Dow Centennial Centre plays a major role as well as activities taking place throughout our community and region.

2007 REIN™ Field Trip Fort Sask. Presentation



Our Past... A Historic Precinct



I would like to take a couple of minutes and focus on a couple of our main projects that we believe will help our community grow and prosper even more. At the start of my presentation I talked a lot about the history of this community. That is very important to us. We have undertaken a major study to look at recreating the old Fort and developing our museum and historic site.

Our goal is not just to reconnect with our past, but to celebrate our history. We want our historic precinct to be a major tourist attraction and a learning tool for our youth.

2007 REIN™ Field Trip Fort Sask. Presentation



Downtown is also a major focus and ties right into our history as our historic precinct is adjacent to our downtown core. We just launched, last month, creative visions and ideas of how our downtown can become more pedestrian friendly, provide more residential accommodation and become that unique commercial core that the community has told us they want.

2007 REIN™ Field Trip Fort Sask. Presentation



Our Future ...

**A Vision for our
Downtown**

McGill
ARCHITECTURE



These graphics show a couple of the ideas that were produced by Dr. Avi Friedman and his students at McGill University school of architecture. This collaborative effort between Fort Saskatchewan and McGill university has really got the community excited. Our downtown redevelopment advisory committee and city council are working together to take the next steps to turn the vision into reality.

2007 REIN™ Field Trip Fort Sask. Presentation



Life isn't perfect and we do have challenges. Inflation, particularly for construction projects, is very high and the cost of housing has risen substantially over the last couple of years. Attracting and retaining employees is also an issue. But these challenges are not unique to our community, the entire region is feeling the pressures of growth.

At the end of the day, despite the challenges, make no mistake about it, we are living in remarkable times. For every challenge we face, we have so many more wonderful opportunities. We live in a great corner of the world and we are pleased to share it with you this morning.

2007 REIN™ Field Trip Fort Sask. Presentation

**Proud to be from
Fort Saskatchewan!**



Contact us...

Mayor Jim Sheasgreen

780-992-6220

City of Fort Saskatchewan

780-992-6200

www.fortsask.ca

info@fortsask.ca



Thank for your attention.