



**INVESTOR PRESENTATION
FALL 2022**

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Saskatchewan and Selected Provinces



Saskatchewan
651,036 km²
1,194,803 people
\$70,001 GDP/capita



Alberta
661,848 km²
4,543,111 people
\$72,331 GDP/capita



Ontario
1,076,395 km²
15,109,416 people
\$51,687 GDP/capita



British Columbia
944,735 km²
5,319,324 people
\$51,518 GDP/capita



Canada
9,984,670 km²
38,929,902 people
\$52,564 GDP/capita

The Saskatchewan Difference

Economic Stability

- Diversified economy balances cyclicalities of non-renewable resources and agriculture
- Growing population
- Affordable housing – average house price in Saskatchewan is 50% of national average (October 2022)
- Majority government with strong mandate – next election in 2024

Fiscal Responsibility

- Budget balance and low debt are Saskatchewan's fiscal anchors – among lowest net debt/GDP of provinces
- Prior to COVID, the Province maintained an accumulated surplus since inception in 1905 of ~\$2B
- Long history of managing variable revenue and expense flows leads to fiscal forecast conservatism

Financial Flexibility

- Strong credit ratings
- Low reliance on federal transfer payments
- Access to over \$7B in liquidity (\$4B short-debt capacity, \$2.5B sinking fund, \$1.25B - \$1.75B cash reserves)
- Among the lowest tax jurisdictions in Canada

Credit Ratings

Agency	Long-Term Date of Last Action	Short-Term	Trend	ESG Scoring
Moody's	Aa1 May 21, 2021	Not Rated	Stable	CIS-2 Neutral
Standard & Poor's	AA June 21, 2017	A-1+	Stable	-
DBRS Morningstar	AA (Low) June 18, 2021	R-1 (middle)	Stable	ESG Assessment Relevant/Not significant
Fitch	AA December 13, 2013	F1+	Stable	ESG Relevance Level 3 Neutral/Minimal

Forest

Covers northern portion of the province —

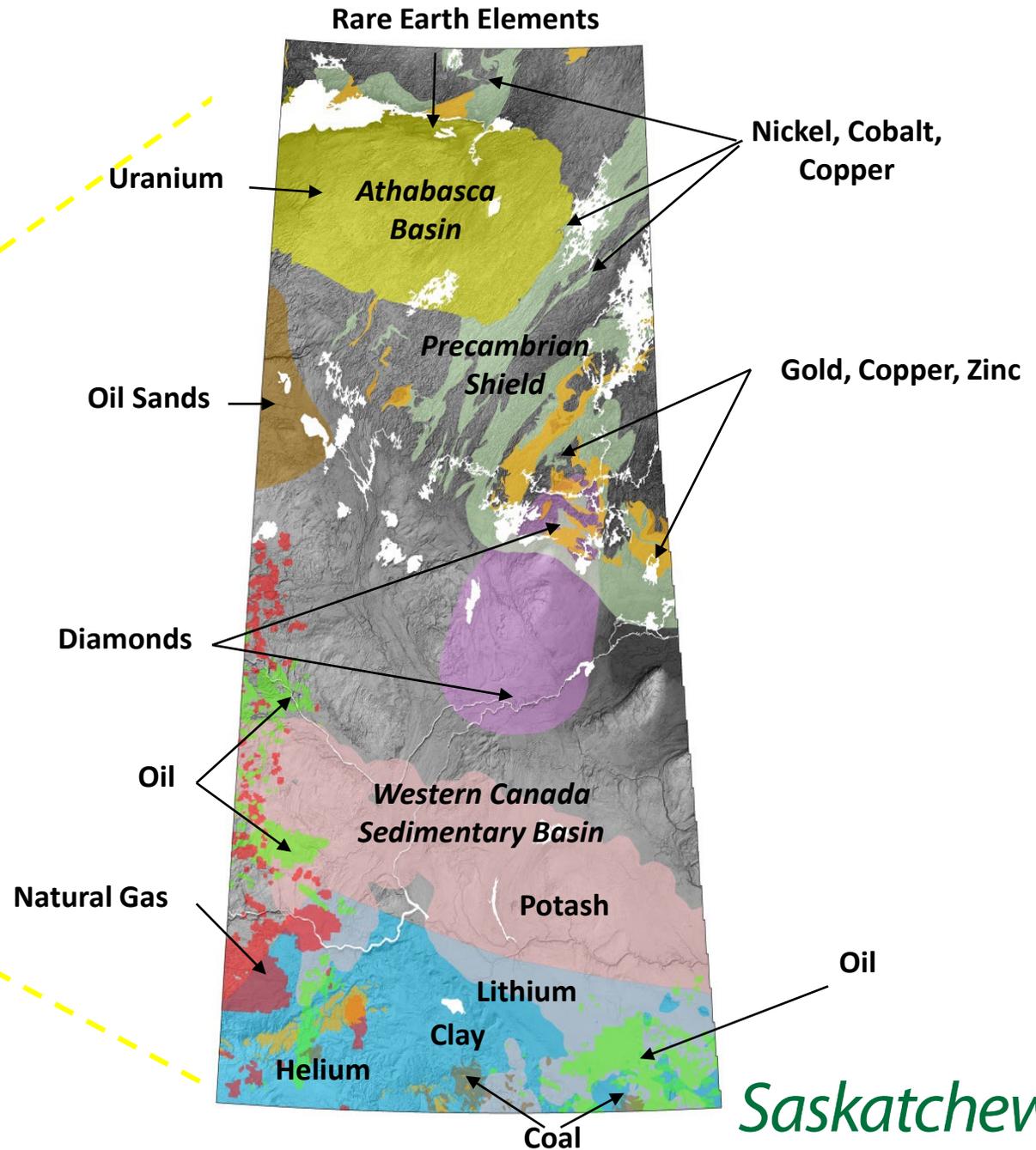
34 million hectares
(84 million acres)

Farmland

Covers most of the remaining area —

18 million hectares
(44 million acres)

Subsurface Minerals



Crown Sector



Investment & Economic Growth

Saskatchewan Opportunities Corporation (SOCO)¹
CIC Asset Management Inc. (CIC AMI)²



Utilities

Saskatchewan Power Corporation (SaskPower)
Saskatchewan Telecommunications (SaskTel)
SaskEnergy Inc. (SaskEnergy)
Saskatchewan Water Corporation (SaskWater)



Insurance

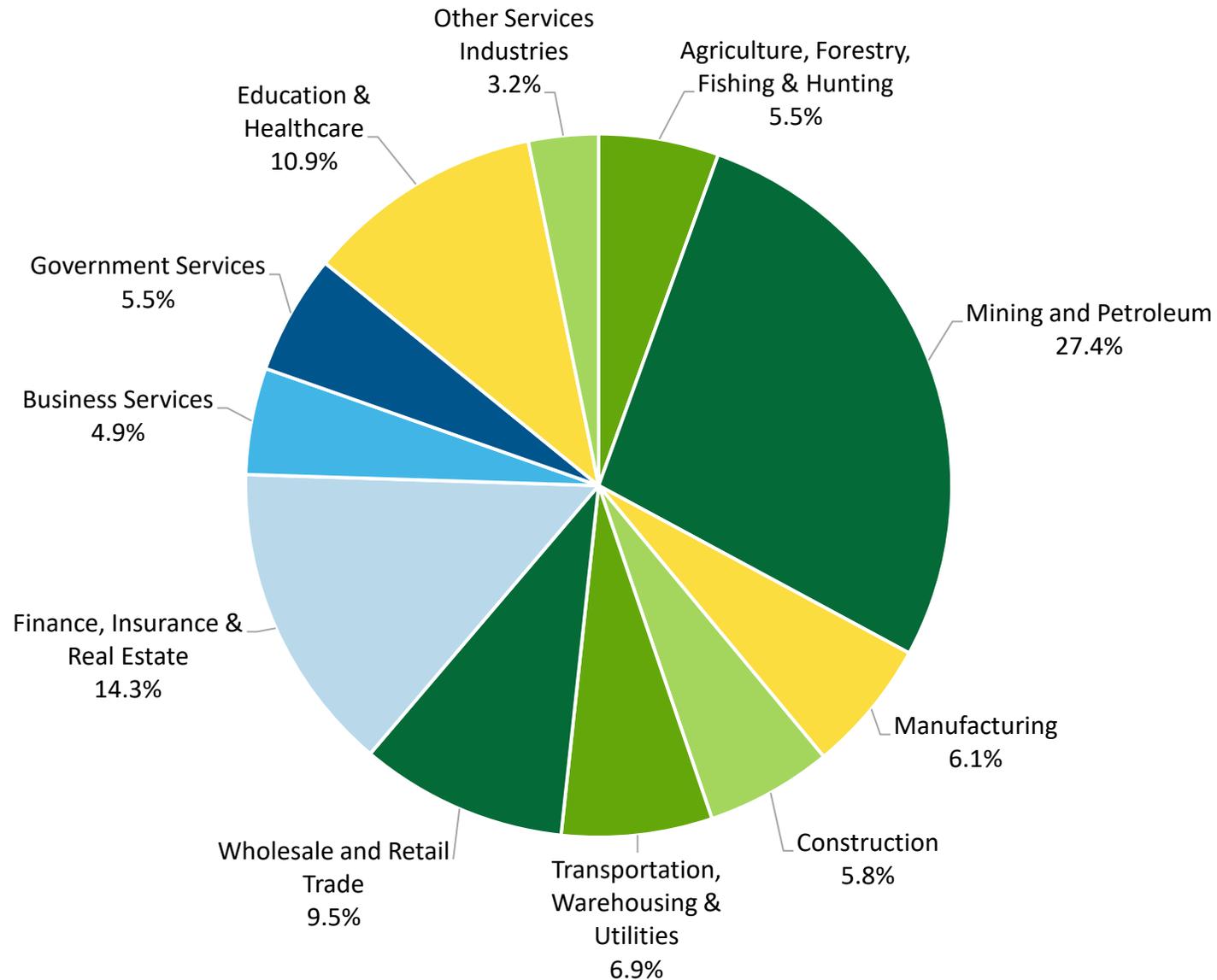
Saskatchewan Government Insurance (SGI CANADA)³



Entertainment

Saskatchewan Gaming Corporation (SGC)

Diversified Economy

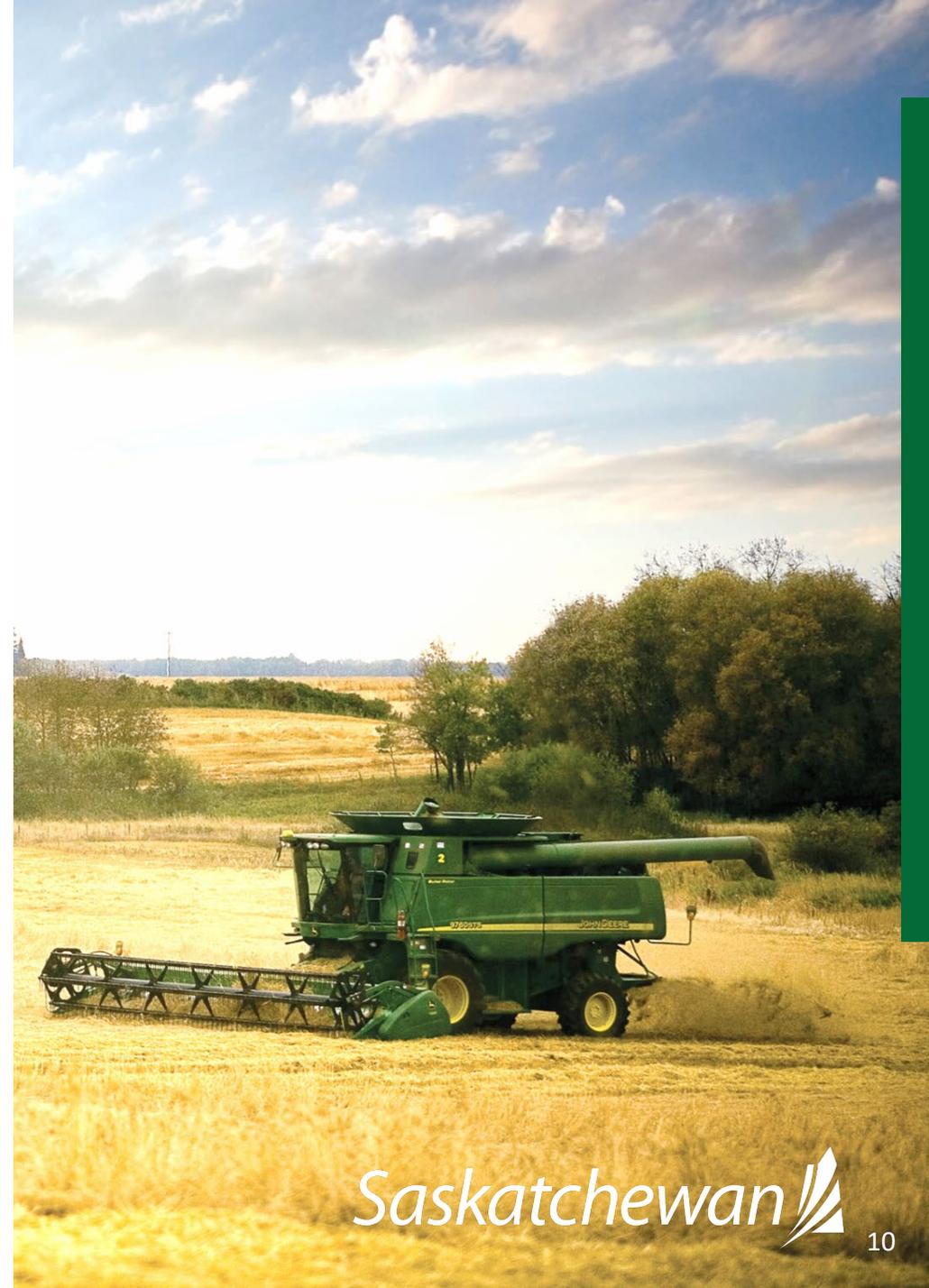


Saskatchewan
Real GDP and Share by
Industry, 2021

GDP at Basic Prices by Industry, Chained (2012) dollars
Source: Statistics Canada, table 36-10-0402-01

Agriculture

- 40% of Canada's arable land
- Agri-food exports reached **\$17.5** billion in 2021
- 60% of the world's lentil exports
- 42% of the world's durum wheat exports
- 43% of the world's pea exports
- 20% of the world's flaxseed/canola meal exports



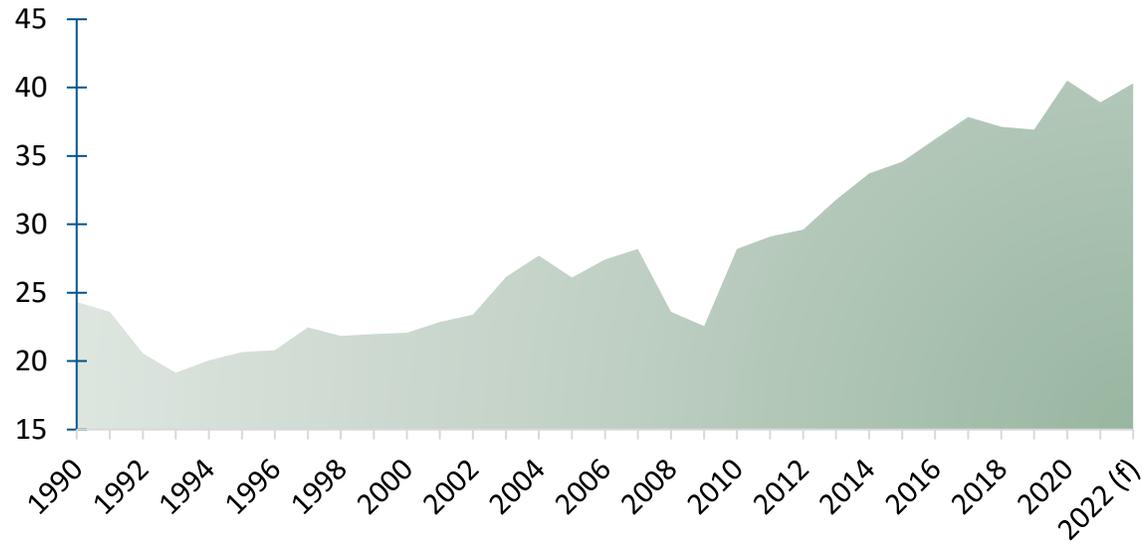
Sustainable Agricultural Practices

- Agriculture industry is the most innovative and sustainable in the world
- Leader in zero-till farming, storing more carbon in farmland than any other province
- Major producer of plant protein crops like lentils and dried peas
- Agriscience cluster in Saskatoon



Potash

World Potash Consumption
(millions of metric tonnes)

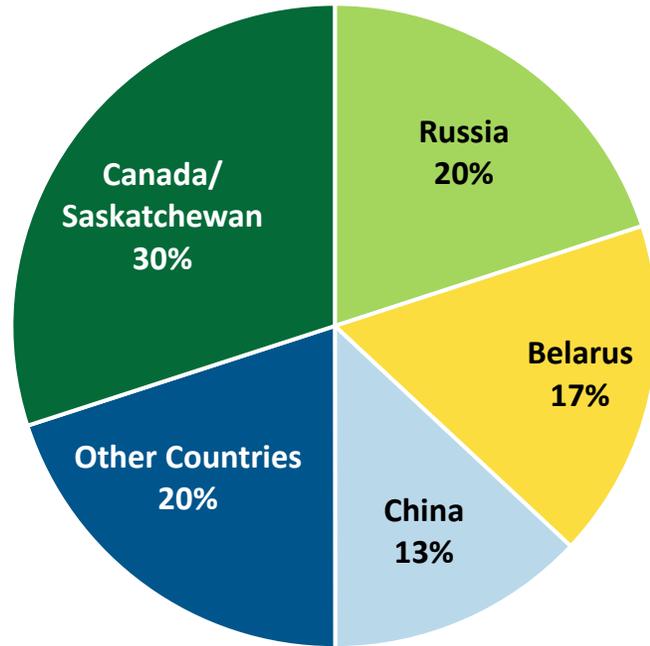


- By conservative estimates, Saskatchewan could supply current world demand for several hundred years



Potash

2021



- Saskatchewan accounts for about 30% of the world's production and trade



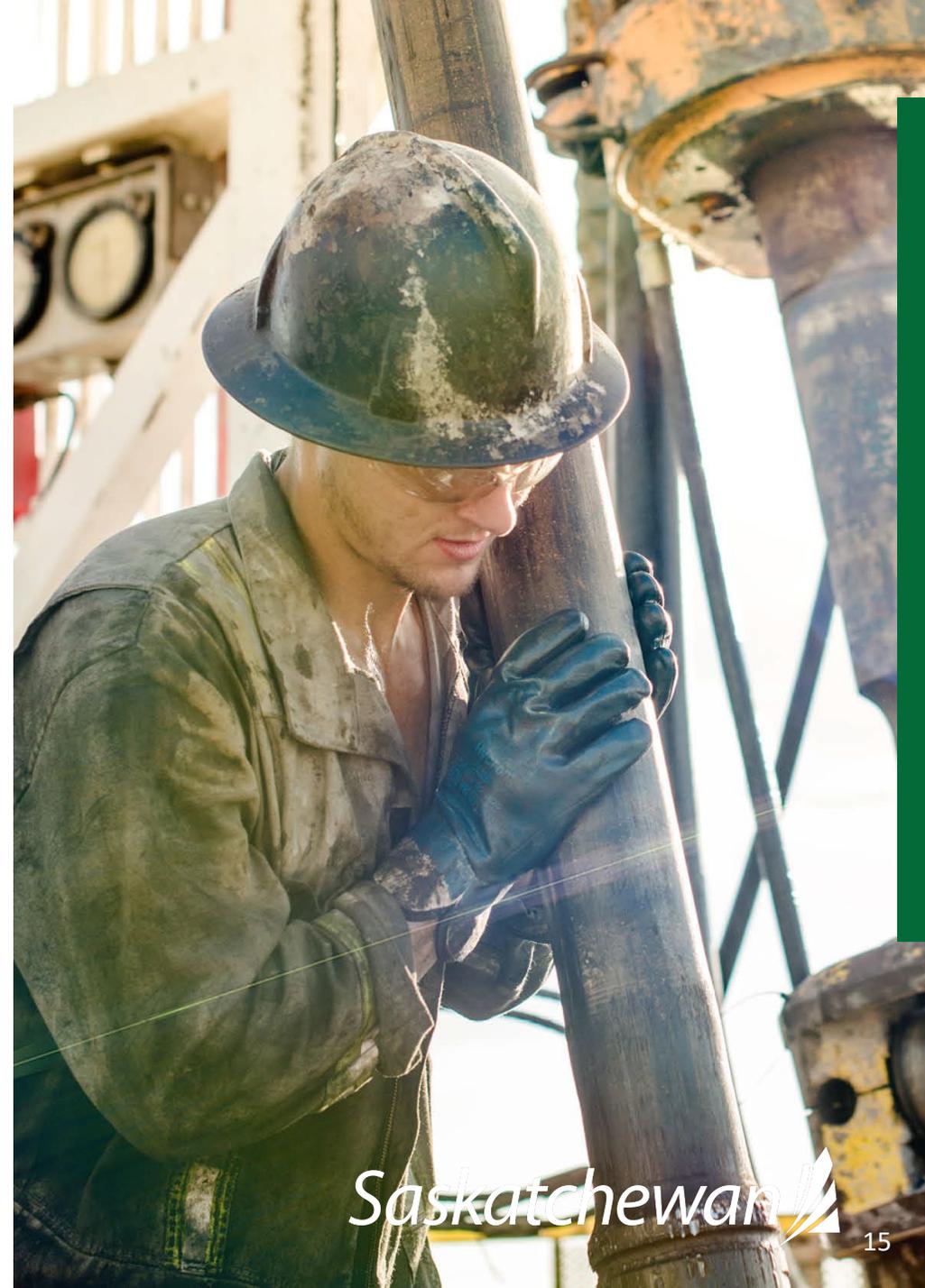
Sustainable Mining

- Saskatchewan produces potash with 50% fewer emissions than competing jurisdictions
- Province's high-grade uranium deposits are an important global source of zero-carbon energy
- Occurrences of 22 of the 31 critical minerals including: cobalt, copper, graphite, helium, lithium, nickel, platinum group metals and rare earth elements



Energy

- Saskatchewan is Canada's 2nd largest producer of oil and 3rd largest producer of natural gas in Canada
- Saskatchewan oil production is conventional light, medium, and heavy crude
- World-leading uranium industry with 2nd largest reserves of uranium



Clean Energy and Environmental Strategy



Targeting 50% renewable power sources by 2030



Methane Emission Targets



World's Largest Commercial CCUS Project



Capital Investment

- 2022 capital investment is expected to increase 18.5% over 2021 levels to \$14.5B
- Mining and oil and gas investment is expected to increase by 26.2% in 2022 over 2021 to \$5.4B
- In 2021, BHP Billiton announced \$7.5B to complete 1st phase Jansen project by 2026



Top International Export Products



OIL

\$8.6B



POTASH

\$7.1B



WHEAT

\$4.1B



CANOLA SEED

\$3.6B



CANOLA OIL

\$2.6B



LENTILS

\$1.7B



PEAS

\$1.1B



CANOLA MEAL

\$867M



ORIENTED
STRAND BOARD

\$711M



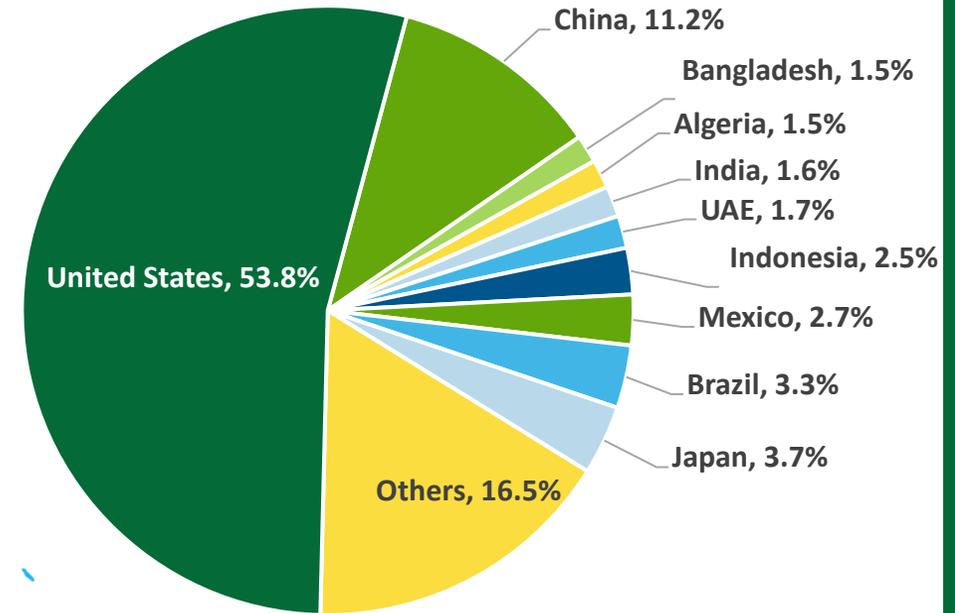
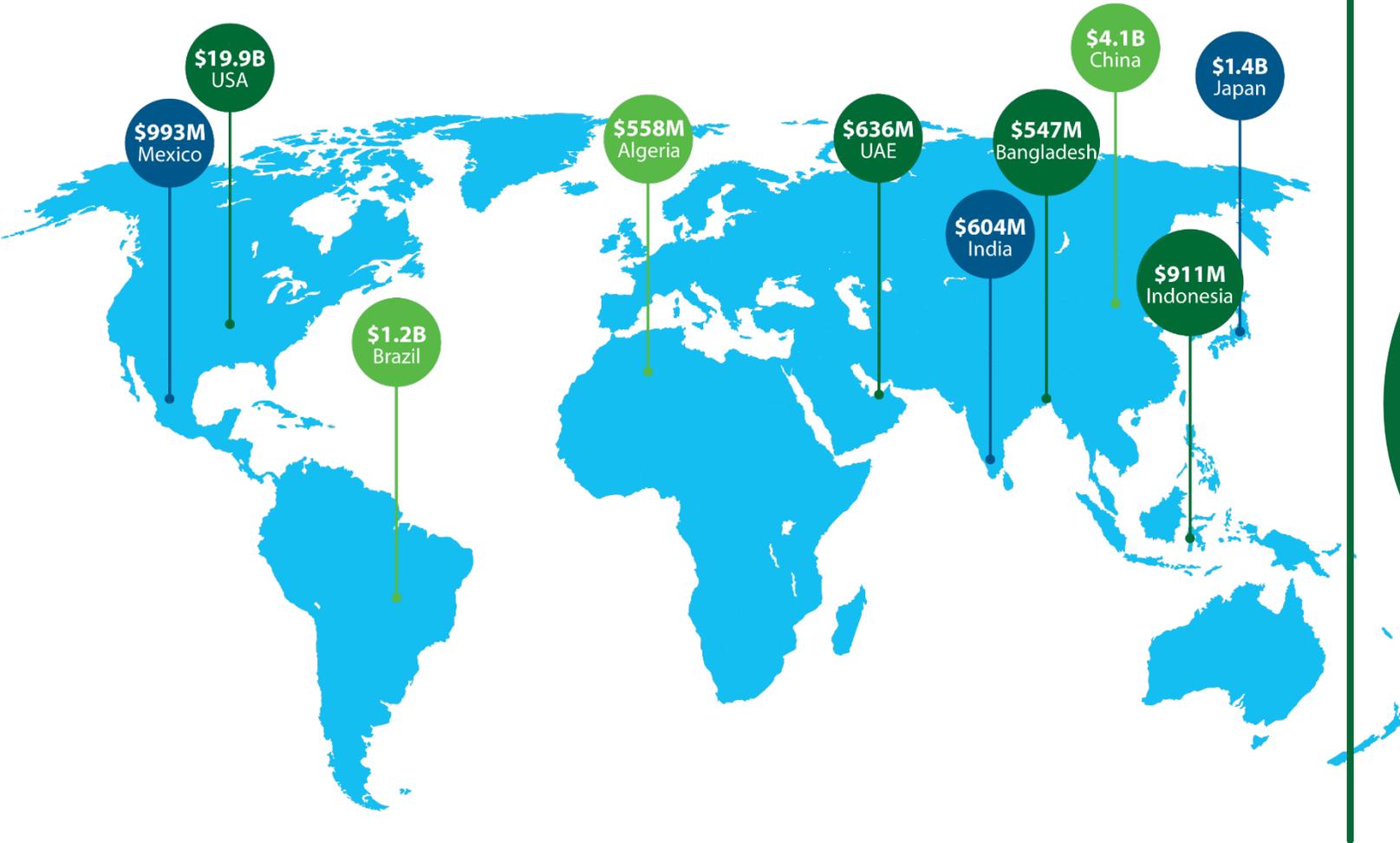
SOYA BEANS

\$702M

Source: Canada Trade Data Online, accessed Sep 2022
Data may not total 100% due to rounding
Dollar figures are in \$CAN.

TOTAL EXPORTS FOR 2021 = \$37B

Top Export Markets



2021

Mid-year Fiscal Update

(Millions of Dollars)	2022-23			Change from	
	Budget	Q1	Mid-Year	Budget	Q1
Revenue	17,157.6	19,172.5	19,509.4	2,351.8	336.9
Expense	17,620.5	18,128.7	18,415.5	795.0	286.8
Deficit	(462.9)	1,043.8	1,093.9	1,556.8	50.1
<u>Key Metrics</u>					
Net Debt (\$M)	17,540	15,241	15,171	(2,369.0)	(70.7)
Net Debt as % of GDP	19.0	15.6	14.6	(4.4)	(1.0)

- **\$1.6B fiscal improvement vs. budget**
 - Revenue up \$2.4 billion
 - Expenses up \$0.8 billion
- **Net Debt \$2.4B lower than budget**

Mid-year Revenue Update

(Millions of Dollars)	2022-23 Budget	2022-23 Mid-year Forecast	Change from Budget
Taxation	8,092.8	9,137.8	1,045.0
Non-renewable resources	2,910.1	4,305.7	1,395.6
Net income from GBEs	742.5	261.3	(481.2)
Other own-source revenue	2,192.5	2,429.6	237.1
Transfers from the federal government	3,219.7	3,375.0	155.3
Total Revenue	17,157.6	19,509.4	2,351.8

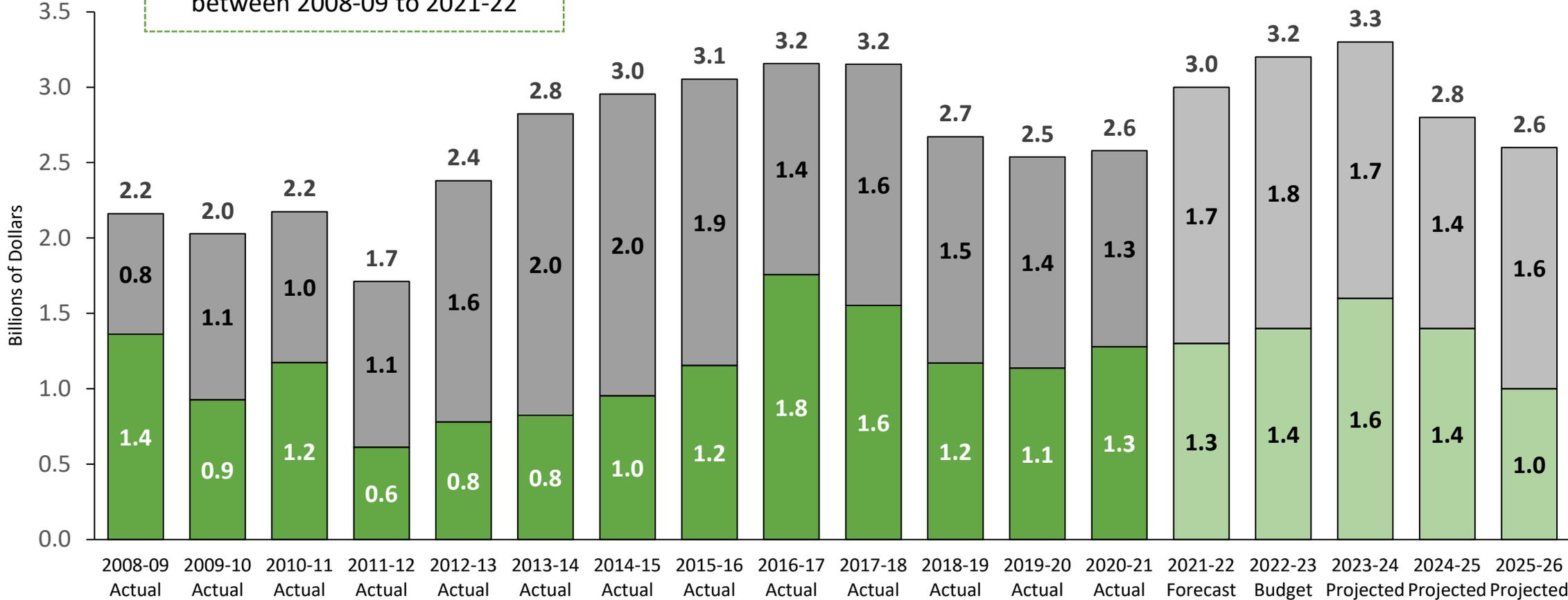
Totals may not add due to rounding

- **Taxation up \$1,045.0M**
 - High assessments for 2021
- **Non-renewable resources up \$1,395.6M**
 - Primarily prices for potash and oil
- **Net income from GBEs down \$481.2M**
 - Investment portfolio losses and higher natural gas prices

Government Capital Expenditures

\$36B of capital investments between 2008-09 to 2021-22

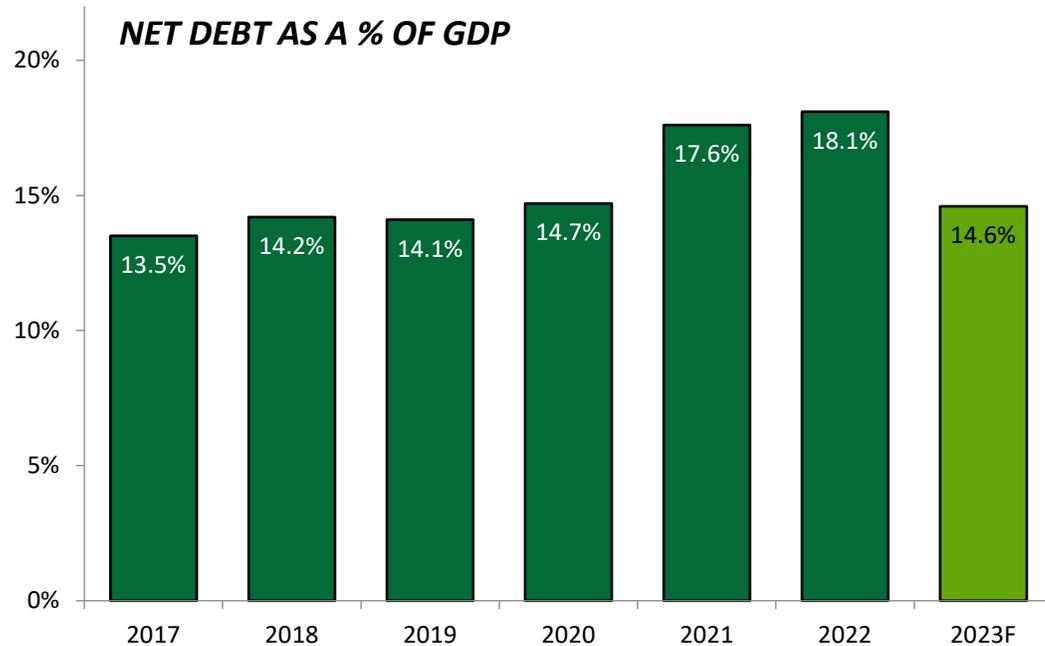
\$12B of investments over next 4 years



Executive Government Ministries and Agencies

Commercial Crowns

Low Debt Burden



Projected Public Debt

(as at March 31st)

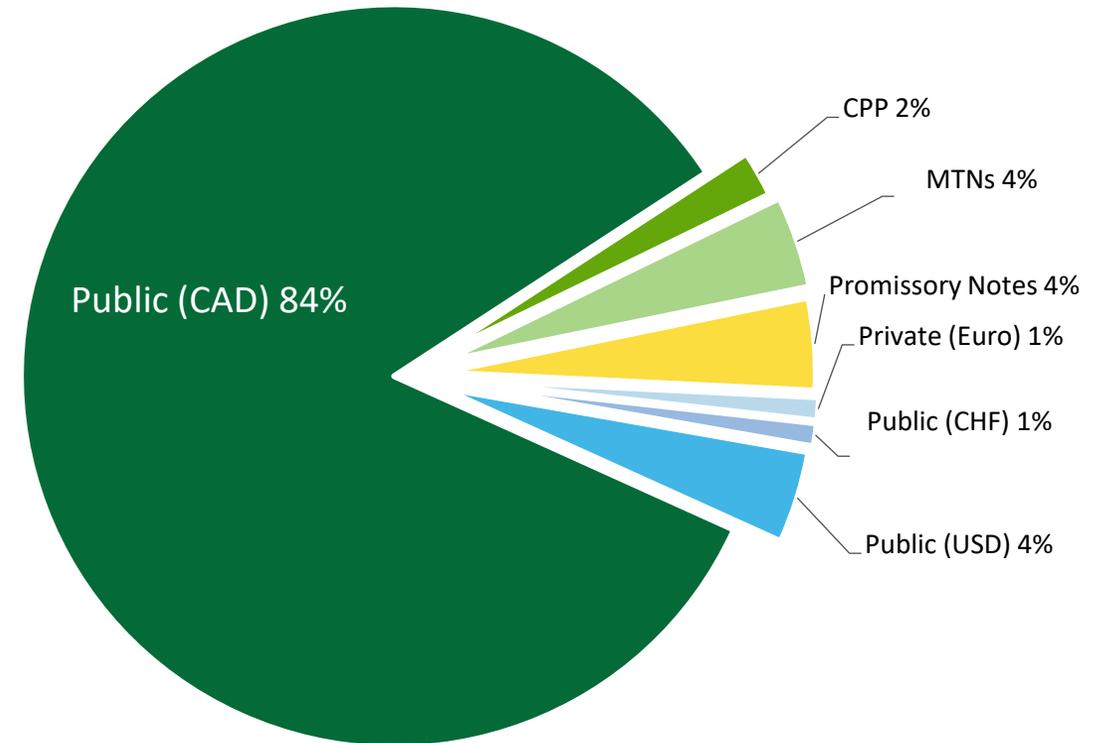
	Budget 2022-23	Mid Year Forecast 2022-23	Change from Budget
<i>(millions of dollars)</i>			
General Revenue Fund (GRF)			
- Operating	9,925.0	7,689.2	(2,235.8)
- Saskatchewan Capital Plan	9,269.3	9,138.3	(131.0)
Other Government Service Organizations	266.4	263.6	(2.8)
Total	19,460.7	17,091.1	(2,369.6)
Crown Corporation Debt	10,583.8	10,844.9	261.1
Public Debt	30,044.5	27,936.0	(2,108.5)

Debt and Liquidity

- CAD benchmark curve
 - Global SEC USD shelf
 - Opportunistic offshore issuance
 - Longer term debt maturity profile (~16 years)
-
- Sinking Fund (~CAD \$2.4B)
 - Modest near-term maturities
 - \$4.0B Short Debt Capacity
 - \$1.25B – \$1.75B Liquid Reserves

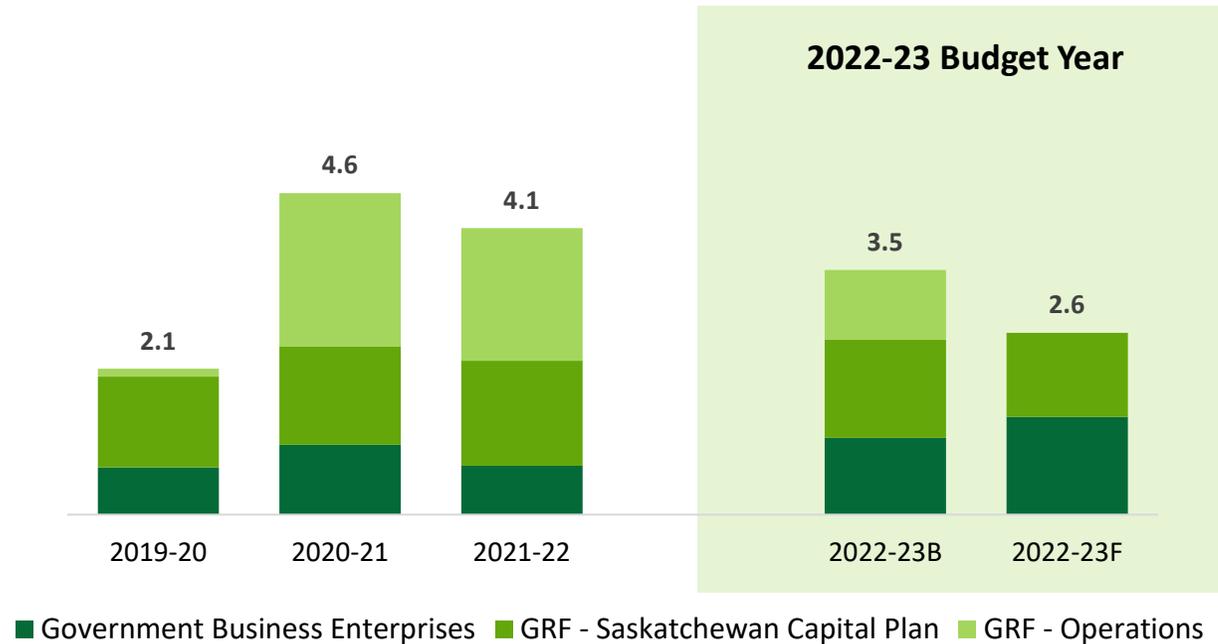
DEBT OUTSTANDING

as at November 15, 2022

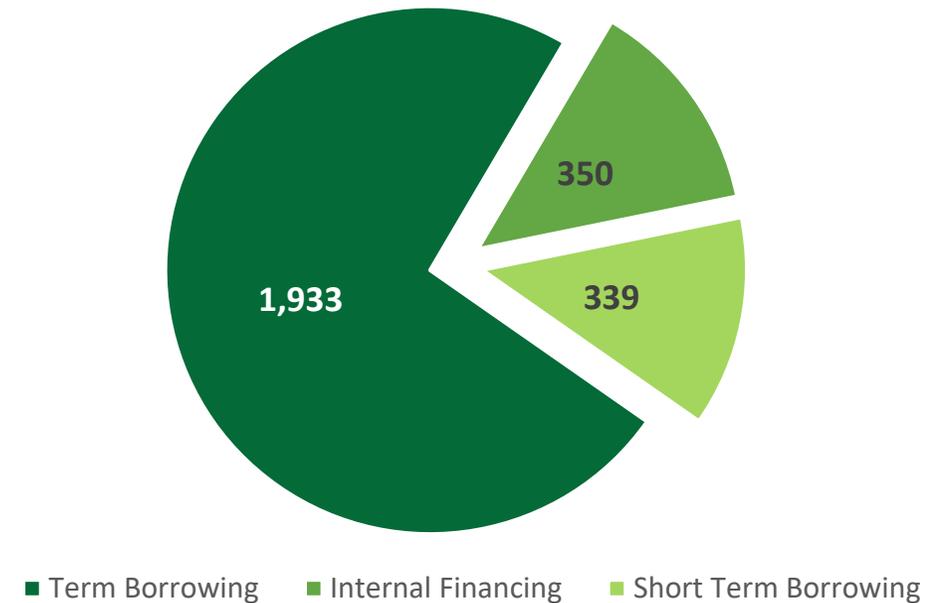


Borrowing Requirements

Annual Borrowing Requirements
(billions of dollars)



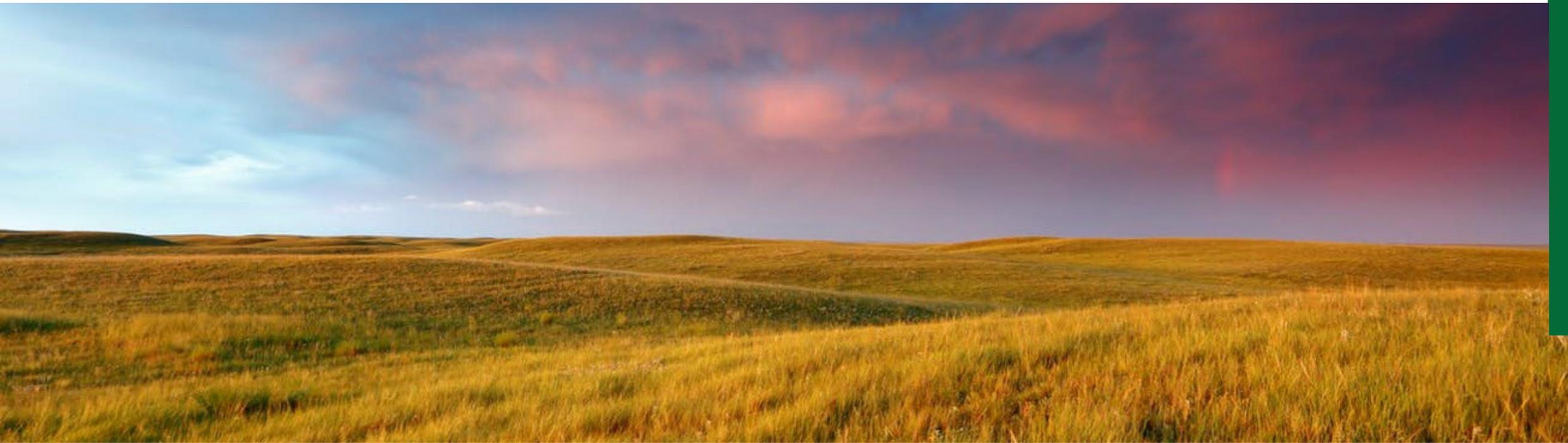
2022-23 Term Vs Short-Term Borrowing
(millions of dollars)



- Borrowing reduced by \$900M
 - GRF borrowing decreased by \$1,200M
 - GBE borrowing increased by \$300M

- No term borrowing remaining
- \$350M of GBE borrowing internally financed

Thank You



Appendix

Resource Assumptions and Sensitivities

Key Resource Assumptions

	2021-22	2022-23		Mid-Year Change from		
	Actuals	Budget	First Quarter	Mid-Year	Budget	First Quarter
WTI Oil Price (US\$/barrel)	77.07	75.75	97.50	91.00	15.25	(6.50)
Light-Heavy Differential (% of WTI)	12.7	14.5	11.3	17.0	2.5	5.7
Well-head Oil Price (C\$/barrel)	77.54	74.19	100.85	92.27	18.08	(8.58)
Oil Production (million barrels)	162.9	163.7	165.7	165.8	2.1	0.1
Potash Price (US\$/KCl tonne)	333	407	625	571	164	(54)
Potash Price (C\$/K ₂ O tonne)	683	833	1,276	1,201	368	(75)
Potash Sales (million K ₂ O tonnes)	13.8	13.7	14.5	14.0	0.3	(0.5)
Canadian Dollar (US cents)	79.77	79.98	80.60	77.68	(2.30)	(2.92)

Sensitivities (Full Fiscal-year)

- **WTI Oil Prices**
 - \$16M for each US\$1/bbl.
- **Exchange Rate**
 - \$66M for each 1 U.S. cent
- **Potash Prices**
 - \$6M for each US\$1/KCl tonne

Capital Investment

Sector/Sub-sector	Company	Description of Project
AgriValue		
	Richardson International Inc.	Doubling canola crush capacity at Yorkton plant
	Viterra	Oilseed Crush and Refinery (Regina)
	Cargill	Oilseed Crush (Regina)
	Ceres Global Ag	Oilseed Crush (Northgate)
	Red Leaf Pulp	Wheat-based pulp mill
Mining - Exploration		
	BHP	Jansen Lake potash mine
	Saskatchewan Mining and Minerals Inc.	Fertilizer production upgrade (sulphate of potash)
Forestry - Pulp		
	Paper Excellence	Prince Albert Pulp Mill
Forestry - Engineered Wood Products		
	One Sky Forest Products	OSB mill
Forestry - Lumber		
	Dunkley Lumber	Lumber mill expansion
O&G - Downstream		
	Federated Co-operatives Ltd. and AGT Foods	Canola crush and renewable diesel
O&G - Transportation & Storage		
	Whitecap Resources and Federated Co-operatives Ltd.	Capture CO ₂ at Co-op Ethanol Complex and Co-op Refinery, transport and sequester at Weyburn.
Total	Estimated 13,650,000	Permanent Jobs Estimate 2,330
		Construction Jobs Estimate 8,935

Economic Indicators at Mid-year

	<u>Saskatchewan</u>			<u>Canada</u>	
	Level	% Change	Rank	% Change	Period
Population at Jul. 1 (000s)	1,194.8	1.1	8	1.8	July
Employment (000s)*	577.4	3.7	5	4.1	Jan. - Oct.
Unemployment Rate (%)*	4.8	n.a	3rd Lowest	5.4	Jan. - Oct.
Employment Rate (%)*	64.3	n.a	2	61.6	Jan. - Oct.
Consumer Price Index (2002=100)*	153.0	6.4	Lowest	6.8	Jan. - Sep.
Average Weekly Earnings (\$)*	1,135.7	3.0	6	3.0	Jan. - Aug.
Retail Sales (\$B)**	16.0	7.3	7	9.1	Jan. - Aug.
Wholesale Trade (\$B)**	30.9	53.2	1	13.5	Jan. - Aug.
New Motor Vehicle Sales (# of Units)**	30,278	(13.4)	7	0.8	Jan. - Aug.
Food Services & Drinking Places Sales (\$M)**	1,421.1	15.8	8	32.1	Jan. - Aug.
Manufacturing Sales (\$B)**	17.5	30.0	3	20.4	Jan. - Aug.
International Goods Exports (\$B)**	38.2	44.6	2	28.2	Jan. - Sep.
Building Permits (\$B)**	1.7	32.4	2	11.8	Jan. - Sep.
Housing Starts (# of Units)**	3,258.0	(0.2)	5	(4.0)	Q1 - Q3
Investment in Building Construction (\$B)**	3.1	25.4	2	11.9	Jan. - Aug.
Residential (\$B)**	2.3	23.6	2	11.3	Jan. - Aug.
Non-residential (\$B)**	0.8	30.9	3	14.0	Jan. - Aug.

Source: Statistics Canada, November 2022

*Year to date average

**Year to date total

Economic Indicators at Mid-year

	Actual	2022-23 Budget			2022-23 Mid-Year		
<i>(per cent change unless otherwise noted)</i>	2021	2022	2023	2024	2022	2023	2024
Real GDP	(0.9)	3.7	2.5	2.2	4.7	1.4	2.0
Nominal GDP	13.1	9.0	3.7	1.3	17.5	1.1	3.5
CPI	2.6	2.8	2.3	2.0	6.7	3.6	2.1
Employment growth, 000s	14.1	14.8	12.6	13.3	21.8	6.1	5.4
Unemployment rate, %	6.5	5.4	4.9	4.5	4.9	5.5	5.3
Retail sales	14.6	0.5	2.7	1.9	7.6	4.2	4.4

Sources: Statistics Canada and Ministry of Finance

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