

# Great Salt Lake Minerals Corp is back . . .



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by Mr. Michael E. Ducey,  
President and CEO,  
Compass Minerals Group Inc.

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*“Not only is the traditional GSL name back, but so are many of the people who delivered your quality SOP products and service in years past. And for that, we are extremely excited,”* said Michael E. Ducey, President and Chief Executive Officer of Compass Minerals Group, Inc. *“The opportunities are encouraging, we are pleased with the progress made to date since the ownership change and are optimistic about our growth potential in the near future.”*

## Ownership Change

Compass Minerals Group, Inc. (CMG) was a wholly owned subsidiary of IMC Global Inc. through November 27, 2001, when a controlling interest was acquired by an affiliate of Apollo Management, L.P. in a recapitalization transaction. CMG, through its Great Salt Lake Minerals Corporation (GSL) subsidiary in Ogden, Utah, is the largest producer of sulphate of potash (SOP) in North America. The company's salt operations are located in the United States (North American

Salt Company), Canada (SIFTO Canada, Inc.) and the United Kingdom (Salt Union Ltd.), which makes CMG the third largest producer of salt in the world while operating the world's largest rock salt mine in Goderich, Ontario. CMG serves a broad range of customers and industries including agriculture, highway maintenance operations, retail sales and the chemical industry.

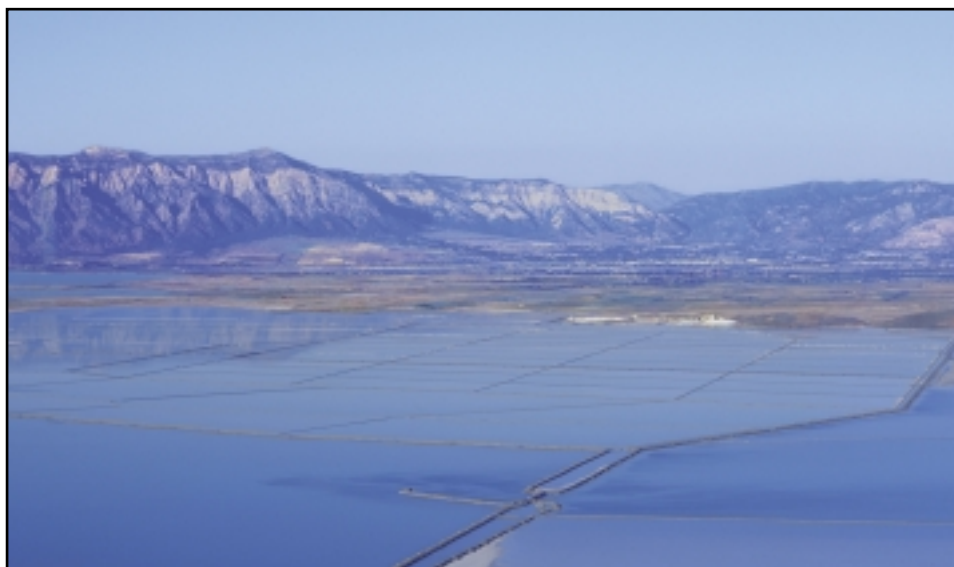
Apollo itself was founded in 1990 and is among the most successful private investment firms in the U.S., in terms of both number of

investment transactions completed and aggregate dollars invested. Since its inception, Apollo and its affiliates have managed over \$13 billion in equity capital in a wide variety of industries. Apollo's attraction to GSL was related directly to the abundant mineral resources from the Great Salt Lake, the experience and work ethic of the people and the significant growth opportunities for SOP, both domestically and internationally.

## Compass Minerals Group New Leader

Mr. Michael E. Ducey, 54, most recently President and Chief Executive Officer (CEO), of Borden Chemical, Inc., joined CMG as President and CEO on April 1, 2002. He succeeds Mr. Robert F. Clark, 59, who retired but who will remain a Director. Bob Clark was President of GSL from 1993 to 1998 when he became President of IMC Salt and then President and CEO of CMG when the group was formed last year.

Mr. Ducey has approximately 30 years of broad-based general management and operating experience in the chemical industry with Borden, a \$1.4 billion diversified chemical company. He previously held the positions of Chief Operating Officer and Executive Vice President of Borden Chemical and prior to that, Director of Sales and Marketing and Director of Planning and Commercial Development at Forest Products, N.A. Mr. Ducey graduated in 1970 with a Bachelor of Arts degree from Otterbein College, Westerville, Ohio, and in 1980 received an MBA from the University of Dayton, Ohio.



*Above, GSL's solar ponds in Ogden, Utah.*

**Table 1.**

**Salt Index of Some Common Fertilizer Materials**

Fertilizer	Salt Index per Unit K <sub>2</sub> O Nutrient
Potassium-magnesium sulphate (SPM)	1.971
Potassium chloride (KCl, MOP)	1.936
Potassium nitrate (KNO <sub>3</sub> )	1.580
Sulphate of Potash (SOP, K <sub>2</sub> SO <sub>4</sub> )	0.853

*PPI/PPIC/FAR Technical Bulletin 1998-1*

Mr. Ducey's experience at Borden Chemical helped him tremendously in his transition to CMG. Both are leaders in businesses that require focus - focus on customers, business processes and the associates. Capitalizing on the strengths of these critical competitive forces allows an organization to drive the business to higher performance levels. Both CMG and Borden Chemical are learning how to maximize the benefits achieved through marketing leadership. He believes CMG is uniquely positioned to positively influence the markets that the company chooses to serve and be recognized for technical innovation, product stewardship and, most of all, customer satisfaction.

Mr. Ducey was attracted to CMG because it is an exciting opportunity to create significant value to all stakeholders - customers, employees, suppliers, investors and the local communities where the company has facilities. Going forward, GSL is an integral part of that value creating vision.

**Market Focus**

GSL has been very successful in reassembling a strong and experienced Sales & Marketing team, who have already revitalized its presence in the market while securing current and future sales around the world. Moving forward, it is important for the company to reinvest in research and field trials, which support the favourable economics of using high-K and low chloride SOP as a potassium source. SOP is the strategic product of GSL; consequently, the focus on market development will continue to increase and remain an on-going strategy.

GSL is a world-class leader in the production of natural SOP and is listed by the Organic Materials Review Institute (OMRI) for use in the production of organic food and fibre. The company's unique location, dedicated people and commitment to innovation, technology and delivering the highest quality products gives GSL a true competitive advantage in key markets within North America and around the world. Together, the personnel at GSL share a vision that these essential ingredients will ensure the long-term future of the company and continued business growth in traditional, solution and new technology within the agriculture, turf and industrial markets.

The company is known worldwide for producing material with a high K<sub>2</sub>O content, low chloride impurities and the widest variety of product grades from which to choose. GSL is continually striving to improve products to meet the needs of its customers. The sales and marketing staff along with GSL engineers conduct some of the most extensive market development activity of any SOP producer. Its agronomic studies have proven the ability of SOP to increase yields, improve sugar and protein content, and generally increase quality in many crops while its products and market development activities ensure GSL's growth and leadership in the premium fertilizer markets.

**Advantages of Using SOP**

SOP is a dual nutrient fertilizer that supplies crops with both essential potassium and sulphur. It also has the lowest salt index among traditional potash fertilizers (see Table 1). This allows for higher rates of potassium to be applied safely. SOP is predominantly used on crops that represent a high-market value and require high rates of K - especially where salt or chloride sensitivity can severely limit yield potential. SOP is the preferred potassium fertilizer used in today's most profitable

vineyards. Chloride-sensitive grapes produce higher marketable yields with SOP (see Table 2). In addition, SOP from GSL is derived naturally from the Great Salt Lake and the company's unique solar evaporation process creates no environmentally harmful waste streams.

**The Future**

The advantages of using SOP as a safe and effective way to build up vital K nutrition for high yields and consistent quality are clear. GSL will continue to advance the industry with leading-edge product development for specialty applica-

tions while setting industry standards for product quality and environmental safety. With the expansions that have taken place at the company's Ogden, Utah facility over the last decade, GSL is well positioned to handle volume increases through development, education, product quality and service! ■

**GSL at a Glance**

1. *Naturally Derived Product - High in K<sub>2</sub>O and Low in Chlorides.*
2. *Largest Producer of SOP in North America.*
3. *Growth Opportunities Under Compass Minerals Group Ownership.*
4. *Team Effort in Quality Commitment, Market Development, Product Lines, Capital Investments.*
5. *Sulphate of Potash is the Company's Strategic Business.*

**Production Capacity (thousand tpa)**

1993	1997	2003
200	400	450

**Table 2.**

**Improved Yields with SOP  
(Chardonnay grown on different rootstocks)**

Rootstock	Yield, tons/acre			Clusters/vine		
	SOP	No SOP	% Yield Increase	SOP	No SOP	% Yield Increase
110R	5.9	3.6	63.9	66	45	46.7
AxR#1	6.2	4.5	37.8	68	56	21.4
St. George	3.1	2.3	34.8	42	32	31.3
1202	6.3	4.9	28.6	69	55	25.5

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