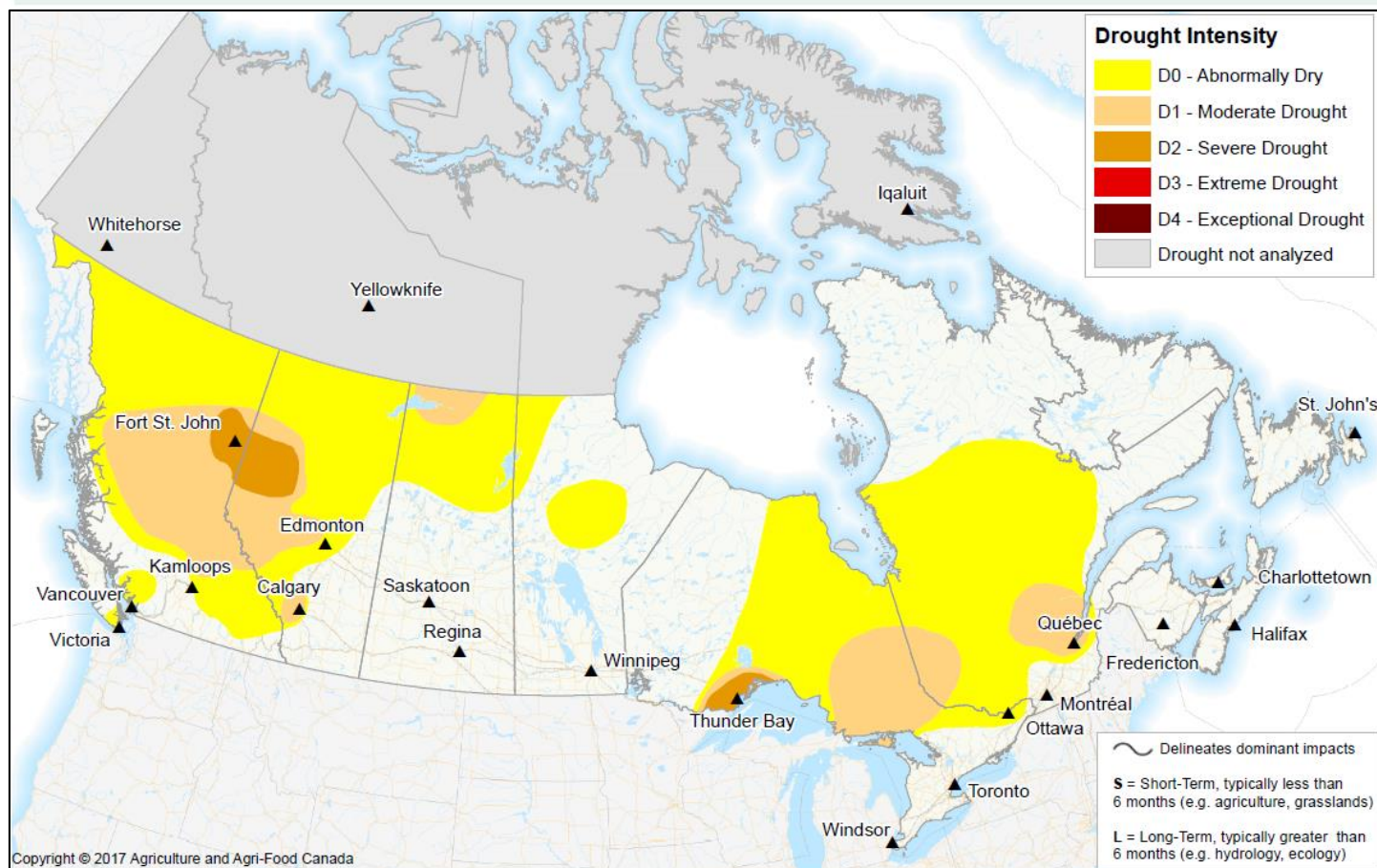


Canadian Drought Monitor

Conditions as of July 31, 2010



In July, conditions across Canada generally improved throughout the south and degraded in the northwest. Conditions throughout British Columbia were generally hot and dry through the month. Southern and central Alberta continued to improve from last summer's drought; with areas receiving 200 percent of normal precipitation. However, the Peace River region of Alberta and British Columbia has not received the same magnitude of precipitation as in the south, leaving conditions very dry. Northwestern and southern Ontario received precipitation greater 200 percent of normal in some areas while the area north of the Georgian Bay only received 40 to 60 percent of normal. Conditions were wet throughout Quebec with exception to the Lac Saint-Jean and Abitibi regions.

Pacific Region (BC)

Hot and dry conditions impacted British Columbia through July, with most of the province receiving less than 60 percent of normal precipitation. Coastal areas which normally receive up to 40 mm (1.5 inches) of precipitation in July, received as little as 1 mm of rain, resulting in an abnormally dry (D0) classification. The high temperatures combined with drier than normal conditions increased the fire risk throughout the province. This led to restrictions on open fires in all regions of the province and a significant outbreak of intense fire activity in the central interior for the latter part of the month. The northern and central regions of British Columbia also continued to be dry, most notably the Fort St. John, Prince George and Williams lake areas. Water restrictions continued in the Chimney Creek watershed due to extremely low water flows in the Cariboo region.

Prairie Region (AB, SK, MB)

West Central Alberta and the Peace River Region of Alberta and British Columbia continued to be dry throughout July with precipitation ranging from 60 percent to less than 40 percent of normal. Since April 1st the Peace River Region has received 60 mm to 120 mm (2.4 to 4.7 inches) below normal rainfall, in contrast to the rest of the prairie region. Dry conditions this summer have only added to the drought impacts from the continued drought from previous years. As a result, The D1 region in the Alberta Peace River region has expanded north and west into B.C. Continued dry conditions have led to crop conditions deteriorating in the southern and central areas of the region. Soil moisture in the regions for spring wheat and pasture was 50 mm to 100 mm (2.0 to 4.0 inches) below normal.

The southern reaches of the prairies dried up slightly during July with below or near normal precipitation. The central regions of the Prairie Provinces continued to be wet receiving up to 150 percent of normal precipitation with some places receiving greater than 200 percent of normal. Since April 1, these areas have had over 250 mm (six inches) more rainfall than normal. As a result, pastures and on-farm surface water supplies continued to recover. The D3 (Extreme Drought) region previously in the Edmonton area has been downgraded to a D2 and the drought boundaries in northeastern Alberta have shifted further north and westward. The D2 (Severe Drought) classification previously in the Calgary area has been replaced by a D1 (Moderate Drought) zone. Although conditions in the central region of Alberta continued to improve, the severity of drought from previous years has resulted in lingering impacts and slow recovery.

Central Region (ON, QC)

Conditions throughout northwestern Ontario improved in July, with much of the Lake Superior region receiving 115-200 percent of normal precipitation. The D2 boundary has been further reduced around the western side of Lake Superior. The eastern side of Lake Superior is now

designated D0, separating the D1 into two pockets. The eastern pocket which extends into Quebec underwent minor reductions in the north and south. Southern Ontario continued to be wet through the month with areas receiving greater than 200 percent of normal precipitation. The Great Lakes continue to be below last year's levels, each measuring six inches lower.

Conditions remained dry in the Abitibi and Lac-St-Jean regions of Quebec and continued to be in a D1 (moderate drought) condition. In contrast to the rest of the province these regions received as much as 50 mm less than normal precipitation in July, and have received greater than 120mm less than normal for the past 6 month. The dry conditions, in part, reduced forage crop yields. Southeastern and northern Quebec experienced much wetter conditions receiving up to 150% of normal precipitation, slightly shifting the D1 boundary.

Atlantic Region (NS, NB, PE, NL)

The Atlantic region had a significantly wet month with no concerns for drought at this time.