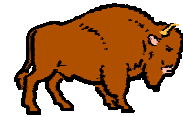




BISON MARKET AND SUPPLY UPDATE

Prepared by Red Meat Section/Agriculture and Agri-Food Canada - October 12, 2007



Weekly Federal Bison Slaughter

| for week ending: | 01-Sep | 08-Sep | 15-Sep | 22-Sep | Sept. Total | 2007 YTD | 2006 YTD | % Change |
|----------------------|------------|------------|------------|------------|--------------|---------------|---------------|-----------|
| Total Canada | 410 | 483 | 492 | 266 | 1,651 | 13,298 | 12,680 | 5% |
| <i>previous year</i> | 113 | 303 | 361 | 265 | 1,042 | | | |

Provincially Inspected Slaughter

| | May | June | July | Aug | Jun 2006 | 2007 YTD | 2006 YTD | % Change |
|-----------------|------------|------------|-----------|----------|------------|--------------|--------------|-----------|
| Alberta | 386 | 304 | n/a | n/a | 373 | 2,491 | 2,349 | 6% |
| Manitoba | 51 | 41 | n/a | n/a | 37 | 277 | 260 | 7% |
| Ontario | 37 | 51 | 43 | n/a | 34 | 273 | 301 | -9% |
| Total | 474 | 396 | 43 | 0 | 444 | 3,041 | 2,910 | 5% |

*source AAFC Red Meat Section

| | 2007 YTD | 2006 YTD | % Change |
|--|---------------|---------------|-----------|
| Total Canadian Federal and Provincial Slaughter | 16,339 | 15,590 | 5% |

US Federal Slaughter*

| for week ending: | 01-Sep | 08-Sep | 15-Sep | 22-Sep | Sept. Total | 2007 YTD | 2006 YTD | % Change |
|----------------------|--------------|------------|--------------|--------------|--------------|---------------|---------------|------------|
| | 1,288 | 980 | 1,300 | 1,163 | 4,731 | 35,377 | 29,481 | 20% |
| <i>previous year</i> | 720 | 856 | 892 | 952 | 3,420 | | | |

*actual slaughter numbers in federally inspected plants, not necessarily inspected, source USDA

Canada Live Bison Exports to US

| | July | Aug | Sep | 2007 YTD | 2006 YTD | % Change | |
|------------------|--------------|--------------|--------------|---------------|--------------|------------|---------------|
| Slaughter Male | 624 | 1,076 | 548 | 6,500 | 4,654 | 40% | * See Chart 1 |
| Slaughter Female | 713 | 684 | 798 | 4,206 | 1,927 | 118% | |
| Feeder Male | | 100 | 130 | 1,146 | 1,257 | -9% | |
| Feeder Female | | 58 | | 676 | 933 | -28% | |
| Total | 1,337 | 1,499 | 1,476 | 12,528 | 8,771 | 43% | |

*source USDA

Canadian Fresh or Chilled Bison Meat Exports

| Boneless | | March | April | May | June | July | Aug | 2007 YTD | 2006 YTD | % Change | |
|-----------------------|---------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|-------------|---------|
| USA | Kg | 13,150 | 12,216 | 10,506 | 8,652 | 30,695 | 19,350 | 111,176 | 307,615 | -64% | |
| | Value (\$Cdn) | 68,000 | 69,317 | 78,950 | 88,230 | 156,769 | 152,146 | 763,374 | 1,909,530 | -60% | |
| France | Kg | 23,266 | 51,798 | 40,554 | 18,244 | 28,340 | 39,108 | 260,890 | 305,258 | -15% | |
| | Value (\$Cdn) | 219,219 | 460,873 | 243,461 | 178,505 | 279,343 | 351,896 | 2,358,265 | 3,065,373 | -23% | |
| Germany | Kg | 26,820 | 13,906 | 15,988 | 16,345 | 16,613 | 16,503 | 128,569 | 356,681 | -64% | |
| | Value (\$Cdn) | 233,914 | 220,446 | 224,191 | 200,811 | 219,843 | 205,021 | 1,617,629 | 1,897,706 | -15% | |
| Switzerland | Kg | | 2,826 | 9,927 | 2,114 | | 1,561 | 2,847 | 22,157 | 11,142 | 99% |
| | Value (\$Cdn) | | 81,798 | 107,122 | 48,166 | | 18,317 | 29,995 | 64,997 | 424,558 | 333,109 |
| Netherlands | Kg | | 1,091 | | | | | | 1,091 | | |
| | Value (\$Cdn) | | 8,676 | | | | | | 8,676 | | |
| Japan | Kg | | | | | | 9,123 | 9,123 | 7,059 | | |
| | Value (\$Cdn) | | | | | | 50,519 | 50,519 | 46,392 | | |
| Neth. Antilles | Kg | 67 | 65 | 88 | 247 | | 56 | 923 | 770 | 20% | |
| | Value (\$Cdn) | 1,334 | 1,096 | 1,833 | 2,698 | | 931 | 14,731 | 18,940 | -22% | |
| Italy | Kg | 474 | 580 | 363 | 1,116 | 1,260 | 22,373 | 26,166 | 2,183 | 1099% | |
| | Value (\$Cdn) | 9,791 | 11,047 | 6,943 | | 20,155 | 197,916 | 165,962 | 10,435 | 1490% | |
| Other | Kg | 3,520 | 1,230 | 1,956 | 3,753 | 82,436 | 2,472 | 102,602 | 257,027 | -60% | |
| | Value (\$Cdn) | 101,479 | 18,891 | 12,963 | 33,896 | 335,664 | 9,310 | 624,229 | 1,368,528 | -54% | |
| Total | Kg | 71,214 | 89,722 | 71,569 | 48,357 | 160,905 | 111,832 | 662,697 | 1,247,735 | -47% | |
| | Value (\$Cdn) | 724,211 | 888,792 | 616,507 | 522,457 | 1,041,769 | 1,032,736 | 6,027,943 | 8,650,013 | -30% | |

Bone-in

| | March | April | May | June | July | Aug | 2007 YTD | 2006 YTD | % Change |
|---------------|--------------|--------------|--------------|--------------|---------------|------------|----------------|---------------|------------|
| Total | 4,052 | 2,360 | 5,677 | 3,379 | 37,678 | 305 | 109,382 | 92,647 | 18% |
| Value (\$Cdn) | 22,159 | 4,580 | 34,061 | 21,685 | 177,295 | 5,408 | 436,044 | 496,093 | -12% |

Total Exports, Boneless and Bone-in

| | March | April | May | June | July | Aug | 2007 YTD | 2006 YTD | % Change |
|----------------------|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|-------------|
| Kg | 75,266 | 92,082 | 77,246 | 51,736 | 198,583 | 112,137 | 607,050 | 1,340,382 | -55% |
| Value (\$Cdn) | 746,370 | 893,372 | 650,568 | 544,142 | 1,219,064 | 1,038,144 | 5,091,660 | 9,146,106 | -44% |

*source Statistics Canada

US Bison Carcasses - Grain Fed (Hot Carcass Wt \$US/cwt) FOB Plant Basis

| wghtd avg | Bulls (UTM) | Heifers (UTM) | Bulls (OTM) | Cows (OTM) | |
|-----------|-------------|---------------|-------------|------------|---------------|
| Jan | 180 | 160.18 | 124.36 | 113.65 | * See Chart 2 |
| Feb | 181.45 | 161.39 | 121.59 | 113.52 | |
| March | 180.68 | 161.26 | 124.62 | 115.68 | |
| April | 183.98 | 165.08 | 126.79 | 113.06 | |
| May | 187.82 | 167.21 | 125.93 | 125.58 | |
| June | 189.28 | 169.15 | 135.00 | 119.6 | |
| July | 190 | 174.05 | | 126.69 | |
| Aug | 192.35 | 176.2 | 130 | 127.84 | |
| Sept | 195.94 | 173.34 | 133.33 | 126.67 | |

*source USDA

Canadian Bison Carcasses - Grain Fed (Hot Carcass Wt cdn\$/cwt) FOB Plant Basis

| wghtd avg | Bulls (UTM) | Heifers (UTM) | Bulls (OTM) | Heifers (OTM) |
|-----------|-------------|---------------|-------------|---------------|
| June | 183.13 | 166.25 | 136.25 | 136.25 |
| July | 182.5 | 162.5 | 137.5 | 137.5 |
| Aug | 182.5 | 165 | 150.83 | 150.83 |
| Sept | 187.5 | 174.38 | 150.63 | 150.63 |
| 05-Oct | 187.5 | 177.5 | 165 | 165 |

*source CBA

USDA Key Cuts - Grain Fed Wholesale (\$US/cwt)

| | July | | Aug | | Sept | | Change Current Month vs. 2 months prior 1 month prior | |
|----------------------------|-----------|---------|-----------|---------|-----------|---------|---|-----|
| | Range | Wt. Avg | Range | Wt. Avg | Range | Wt. Avg | | |
| Ribeye Lip-On Fresh | 675-1376 | 900.87 | 675-1306 | 893.39 | 600-1306 | 903.05 | 0% | 1% |
| Chuckroll/Clod Fresh | 250-410 | 290.1 | 250-410 | 290.29 | 250-410 | 295.58 | 2% | 2% |
| Striploin Fresh | 635-1176 | 856.09 | 650-995 | 841.6 | 650-995 | 862.98 | 1% | 3% |
| Tenderloin Fresh | 1200-2140 | 1518.29 | 1200-2141 | 1588.64 | 1300-1750 | 1511.68 | 0% | -5% |
| Ground 90% Bulk, Fresh | 200-320 | 291 | 280-380 | 291 | 275-300 | 291 | 0% | 0% |
| Ground 85% Bulk, Frozen | 250-465 | 336.3 | 250-465 | 312.57 | 265-441 | 323.99 | -4% | 4% |
| Ground 85% Patties, Frozen | 265-375 | 302.84 | 265-418 | 313.26 | 265-418 | 315.58 | 4% | 1% |

*source USDA

Canadian Bison Cuts - Grain Fed Wholesale (\$cdn/kilogram)

| | Mid-October Pricing |
|-----------------------------|---------------------|
| Tenderloin - Fresh | \$40-45 |
| Strip Loin Boneless - Fresh | \$20-23 |
| Inside Round - Fresh | \$7.10-10.00 |
| Ground 90% Bulk Fresh | \$4.40-6.00 |

*source CBA

Live Auction Reports *most recent reported, may not reflect current market

| Willowview Auctions (AB) (2/10/07) | | | Sekura Auction (AB) (10/6/07) | | | Kramer Auction (SK) (5/9/07) | | | |
|------------------------------------|----------|--------------------|-------------------------------|----------|---------------|------------------------------|-----------|-----------|--------------------|
| Birth Year, Sex | lbs | Average (\$cdn/lb) | Birth Year, Sex | lbs | Average (cwt) | Birth Year, Sex | lbs | # of Head | Average (\$cdn/lb) |
| 2006 Bulls | 300-399 | .60-.70 | 2007 Males | 0-300 | 49.34 | 2006 Bulls | under 400 | 31 | 0.66 |
| | 400-449 | .75-.81 | | 300-400 | n/a | | 400-450 | 24 | 0.88 |
| | 450-500 | .83-.85 | | 400-500 | n/a | | 450-500 | 20 | 0.88 |
| 2006 Heifers | 300-399 | .30-.40 | 2007 Females | 0-300 | 37.07 | | 500-550 | 28 | 0.94 |
| | 400-449 | .38-.45 | | 300-400 | n/a | | 550 plus | 19 | 0.93 |
| | 450-500 | .43-.48 | | 400-500 | n/a | 2006 Heifers | under 300 | 17 | 0.26 |
| 2005 Bulls | 500-599 | .45-.50 | 2006 Males | 500-600 | 73.87 | | 300-350 | 28 | 0.40 |
| | 600-699 | .50-.55 | | 600-700 | 81.63 | | 350-400 | 45 | 0.52 |
| | 700-799 | .65-.78 | | 800-900 | 66.54 | | 400-450 | 46 | 0.60 |
| | 800-900 | .83-.89 | 2006 Females | 400-500 | 65.04 | | 450 plus | 21 | 0.60 |
| 2005 Heifers | 500-599 | .3-.35 | | 500-600 | 10.00 | 2005 Bulls | under 600 | 5 | 0.19 |
| | 600-699 | .40-.45 | 04/05 Males | 900-1000 | 70.00 | | 600-700 | 21 | 0.22 |
| | 700-799 | .48-.54 | | 1000+ | 76.50 | | 700-800 | 13 | 0.29 |
| Mature Slaughter Bulls | | .18-.25 | 04/05 Females | 500-600 | 70.00 | | 800-900 | 12 | 0.35 |
| Mature Slaughter Cows | per head | \$50-100 | | 600-700 | 40.00 | | 900 plus | 10 | 0.42 |
| | | | | 800-900 | 61.30 | 2005 Heifers | 500-600 | 11 | 0.23 |
| | | | Mature Bulls | per head | 110-325 | | 600-700 | 16 | 0.44 |
| | | | Feeder cows | | 26.80 | | | | |

Commentary

By Terry Kremeniuk, Executive Director, CBA

This report can only be improved with your feedback. Please send any comments that you have to either cba2@sasktel.net or zaharychukd@agr.gc.ca

Demand for bison meat continues to be strong in North America and in Europe. This demand has translated into higher finished bison prices even with the appreciating Canadian dollar. The differences between UTM bull and heifer prices have also narrowed over the past few months. This can be attributed to strong demand and adjustments to the bison carcass grading program that reflects the quality of heifer meat. Quality OTM bison have also showed significant improvement with strong domestic and European demand.

Live bison continue to move to the U.S in significant numbers with exports to date being 50% above last year's levels with slaughter bison being most significant. There have been insufficient feeder bison sales to establish fall bison feeder prices.

Chart 1

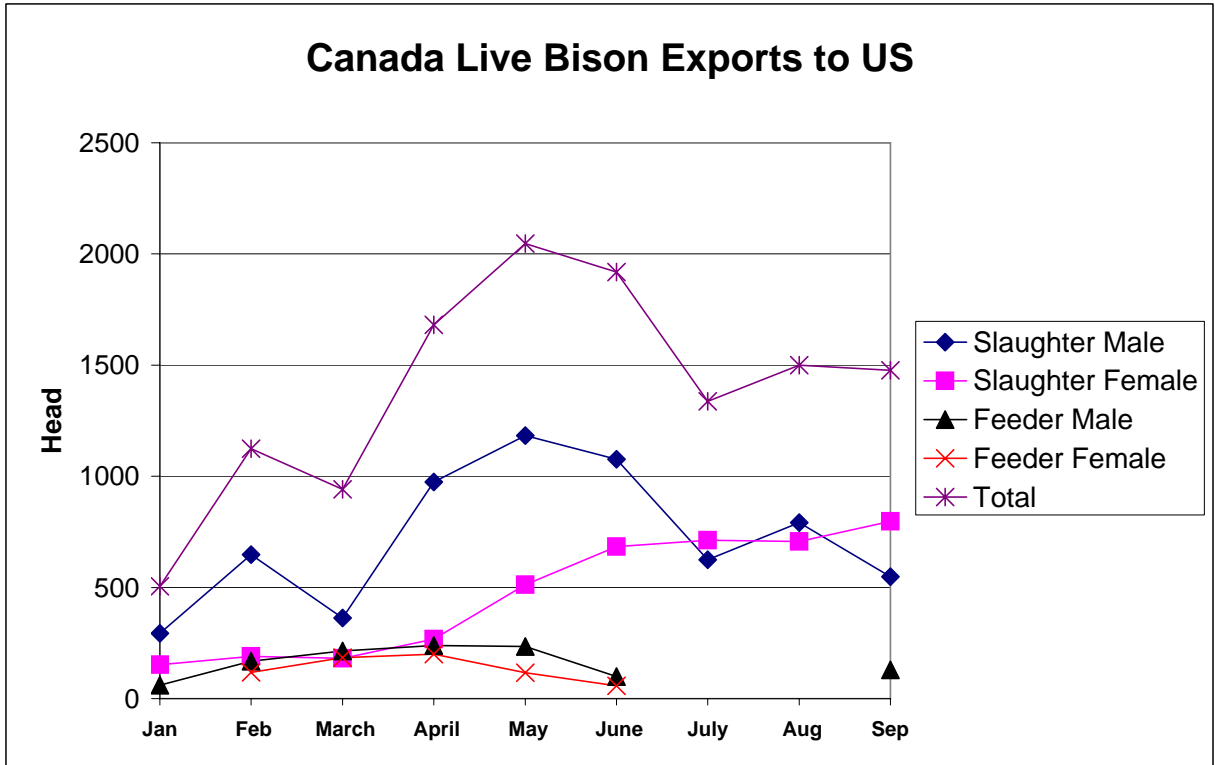
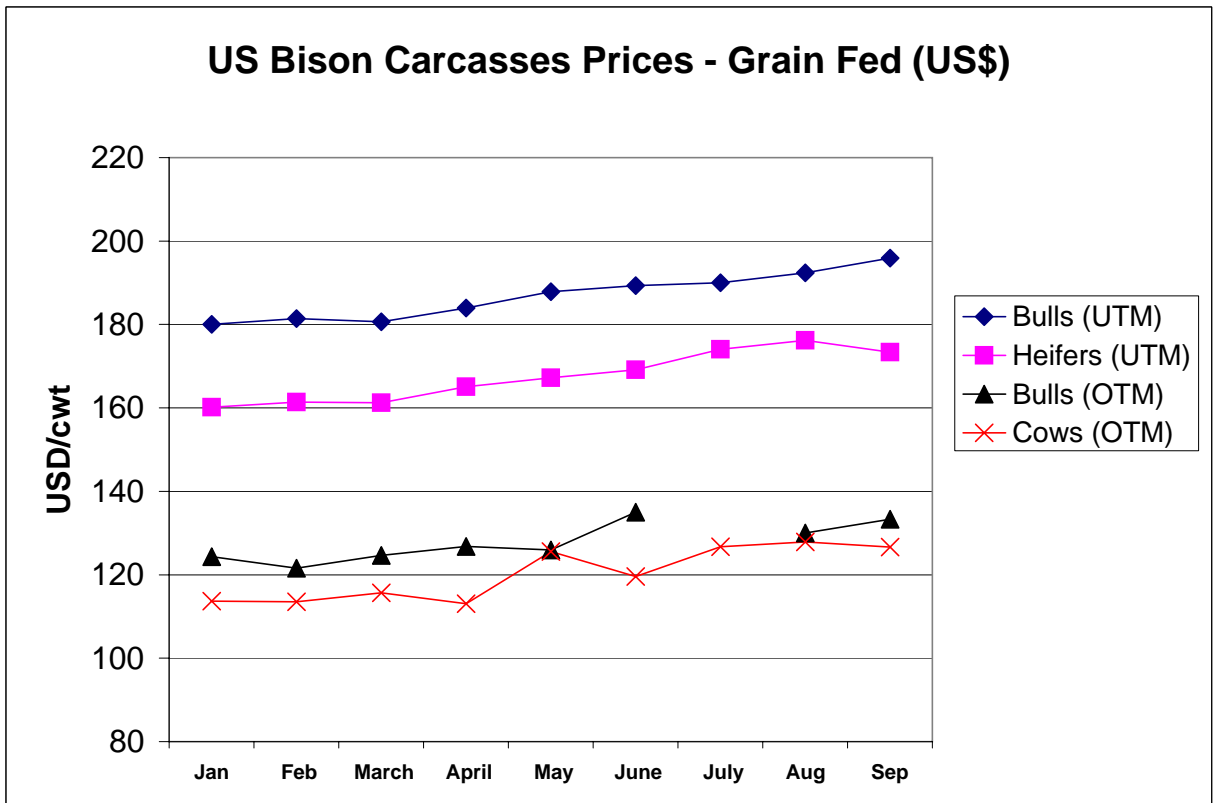


Chart 2



Contact: Daniel Zaharychuk (613) 694-2712 or see us at: <http://www.agr.ca/redmeat>