

MEMORANDUM

Date: February 6, 2019

To: Members of the Board of Directors (the “Board”) of Canpotex Limited (“Canpotex”), Board advisors, and other authorized personnel

From: Canpotex Executive Leadership Team

Subject: **Market Update with Volumes and Netback Forecast**

The detailed regional updates are provided below.

Brazil

2018 Imports (Estimated)	10,200,000 MT	Up 6% compared to 2017
2019 Imports (Forecast)	10,600,000 MT	Up 4% compared to 2018
2019 Canpotex Sales (Forecast)	3,300,000 MT	Up 6% compared to 2018
2019 Canpotex Market Share (Forecast)	31%, unchanged from 2018	

Over all 2018 was a very good year for the Brazilian fertilizer industry and agribusiness in Brazil. Despite political and economic, agribusiness benefited greatly by the high profitability of the main crops, especially soybeans and cotton. Soybean, which consumes 40% of all fertilizer consumption in the country, especially benefited. The premiums paid by China due to the trade war with the US combined with the devaluation of the local currency positively impacted the exports of Brazilian agriproducts as a whole. This set of events strongly supported local fertilizer consumption, and estimated NPK deliveries for 2018 are between 35.5 and 36 million tons, a considerable increase over 2017 total deliveries of 34.2 million metric tonnes (MT).

Entering 2019, farmers are now focused on harvesting the first crop and planting the second crop. Fertilizer sales for the second crop are almost done and estimated to be higher than last year, with a few last-minute purchases still to be covered. Deliveries are currently strong and expected to last until end Feb/mid-March.

Regarding the next summer crop, looking at the soybean fundamentals, despite high global inventories, prices are holding. This is due to the growing expectation of a settlement in the China and US trade discussions as well as anticipated lower Brazilian yields due to the prolonged drought in Brazil. Estimated 2018/19 soybean harvest was initially over 120 million MT and was recently revised down to 118 million MT by Conab (Company of National Supply), with some other consultants estimating even lower levels. Soybean exports in 2019 are forecasted to be 10

to 12% lower due to the lower yields according to Conab and Abiove (Association Brazil of Vegetable Oil industry).

The Brazil currency has been appreciating in recent weeks after President Jair Bolsonaro took office and is currently in the range of R\$3.70-3.80 to US\$1, showing an appreciation of approximately 3% since the end of last year. This is negatively impacting farmer soybean profitability expectations. The barter ratio between soybean and fertilizers, which in the last couple of years was below 20, is now currently around 26. While still profitable, Brazilian soybean farmers are delaying fertilizer purchase decisions, waiting for a better barter ratio to lock in prices. Although the market is quiet now, most of our customers and industry consulting organizations are still forecasting an increase in deliveries in comparison to 2018. Current estimates for NPK deliveries in 2019 are between 36 to 36.5 million MT. The industry expects demand to pick up by end February/early March, and if confirmed, we should see a condensed demand in the second and third quarters. This will put more pressure on logistics and challenge the ability of distributors to deliver all the requirements in a shorter period of time.

MOP consumption is expected to increase as well, following the increase in NPK deliveries. We expect imports to rise to 10.3-10.6 million MTs in 2019 compared to 10.2 million MT. In terms of new import prices, January stayed at the same level as December at US\$350-355/MT. As demand picks up in the second quarter, we expect that potash prices for new imports could strengthen. Blenders reportedly have been holding firm on the domestic potash sales price in anticipation that strong demand will be coming.

China

2018 Imports	7,464,000 MT	Up 2% compared to 2017
2019 Imports (Forecast)	8,250,000 MT	Up 11% from 2018
2019 Canpotex Shipments (Forecast)	2,413,000 MT	Down 2.5% from 2018
2019 Canpotex Market Share (Forecast)	29% compared to 34% in 2018	

China is projected to require imports of 8-8.5 million MT potash in 2019, compared to 2018 imports of 7.46 million MT. Canpotex's market share is expected to decrease to 29% from 34% in 2018, with a decrease in sales volumes of 60,000 MT from 2.47 million MT in 2018 to 2.41 million MT in 2019. Actual volumes imported by China in 2019 will be dependent on the timing of the new contract settlements with the Buying Committee as well as the availability of volume from international suppliers.

Domestic MOP production in 2018 decreased by approximately 400,000 MT to an estimated 6.8 million MT. Combined with total imports of 7.46 million MT, an estimated 14.26 million MT of new potash supply was made available in 2018. Domestic consumption in 2018 is estimated at 15-15.5 million MT, leaving a gap of approximately 1 million MT. Due to the late timing of the settlement last year and lower availability of overall imports, China reportedly consumed

inventory at both the domestic production area of Qinghai as well as at ports in order to close the supply gap. Inventory levels at Qinghai were reportedly drawn down significantly in 2018 to very low levels today, and current port inventories are estimated by third party sources at 1.7 million MT, 200,000 MT above the strategic reserve level of 1.5 million MT. If consumption levels in 2019 remain or exceed last year's level of 15-15.5 million MT, there will not be sufficient inventory available to fill the gap as occurred in 2018, and imports will need to be increased. The potential for tightening supply is expected to play out later in the second quarter as current inventory and new import arrivals are consumed for the spring crop in March–May. The Buying Committee will need to pay close attention to this developing situation and as a result will likely be required to arrive at a settlement earlier than last year.

China's domestic market price remains strong. Spot prices at ports have reportedly increased to RMB 2,450/MT (US\$305/MT CFR equivalent) for red standard grade and RMB 2,600/MT (US\$325/MT CFR equivalent) for granular and white grades.

The Chinese Spring Festival (Lunar New Year) will take place in the first half of February and local shipments and activity is expected to pick up in late February/early March after the holiday period.

Korea/Taiwan

Prices in Korea and Taiwan are strong.

Korean MOP imports (by arrival) totaled 624,000 MT in 2018. Canpotex accounts for 72% of the imports, at 447,000 MT. Based on information from various market sources, ICL accounts for 9%, at 56,000 MT, while BPC accounts for 17%, at 108,000 MT. Canpotex's sales prices to customers in Korea range from US\$325 to US\$335 CFR for products loading in quarter one of 2019.

Taiwan 2018 MOP imports (by arrival) totaled 328,000 MT in 2018. Canpotex accounts for 53% of imports, at 173,000 MT. Based on reports from third party sources, ICL accounts for 8%, at 25,000 MT, and APC accounts for 23%, at 75,000 MT. Canpotex sales prices to Taiwan in quarter one 2019 range from US\$320 to US\$340 CFR, depending on grades.

Japan

Japanese MOP imports (by arrival) totaled 492,000 MT in 2018, marking a drop of approximately 50,000 MT (10%) compared to 2017 imports (by arrival) of 546,000 MT. Canpotex accounts for 67% of the imports, at 331,000 MT. Based on information from third party sources, APC accounts for 8%, at 41,000 MT, followed by Uralkali (8%, 37,000 MT), BPC (8%, 37,000 MT) K+S (3%, 15,000 MT) and ICL (2%, 10,000 MT).

Quarter two 2019 will be an important quarter as Zen-Noh, the leading Japanese agricultural cooperative purchasing product and reselling to consumers, is expected to announce their mid-term plan (in March) and their long-awaited reform plan (in May). We will keep a close eye on

this development and also analyze future implication to the Japanese fertilizer industry and potash imports.

India

2018 Imports (Estimate)	4,500,000 MT	Down 7% compared to 2017
2019 Imports (Forecast)	4.5 million MT	Unchanged from 2018
2019 Canpotex Sales (Forecast)	1,322,000 MT	Unchanged from 2018
2019 Canpotex Market Share (Forecast)	29%, unchanged from 2018	

Canpotex now estimates 2018 imports to India of 4.5 million MT, which is down from 2017 due to the evident absence of Uralkali from the Indian market which reportedly has neither committed nor delivered cargo since the 2018-19 contract price was finalized by Indian buyers.

Despite the absence of Uralkali, the local market does not appear to be short on MOP supplies as monthly sales for November and December have reportedly slowed when compared to the same period in 2017, a result likely attributable to the higher farmgate prices. We do not believe the full effect of prices will be realized until we are well into quarter one.

In 2019, Canpotex is forecasting imports to be in the range of 4.2-4.5 million MT. A reduction is possible due to the increased farmgate prices and limited optimism on fertilizer policy reform that would favor potash. With that said, an ongoing encouraging sign is that our customers have confirmed our first half 2019 shipment schedules and have maintained their purchase requirements.

The next couple of months are important for the fertilizer sector as the national budget is set to be announced on February 1. Given that the national election is in May and with recent success of the opposition party in India (Congress Party) in provincial elections, this budget will hold significant importance. With rural distress being a contributor to the BJP's woes, many believe the government may take visible steps to alleviate discord in the rural sector. Given the short duration to election time, relief may come in the form of debt waivers, cash transfers and other handouts vs. meaningful policy reform. Although the total fertilizer budget allocation is announced along with the budget, the breakdown by nutrient could take a few months to be announced. Customers and industry experts are divided on whether the subsidy change will be favorable to potash.

Indonesia

2018 Imports (Estimate)	3,200,000 MT	Unchanged from 2017
2019 Imports (Forecast)	3,000,000 MT	Down 6% from 2018
2019 Canpotex Sales (Forecast)	1,300,000 MT	Down 4% compared to 2018
2019 Canpotex Market Share (Forecast)	43% compared to 42% in 2018	

Canpotex is projecting total potash imports to Indonesia in 2019 to be in the range of 2.8-3 million MT.

Although CPO prices look to have reached bottom and have since began to recover slightly over the past month, profitability remains a concern for plantations, especially small holders, which are opting to delay fertilizer purchases and have cut back on usage. Our market channels estimate about a 10-20% reduction in overall volumes for first half 2019.

Canpotex intends to maintain its stance on price and continue to work with our customers to try to achieve increases, if possible, as we begin to discuss second quarter volumes. However, this is likely to be met with continued resistance from buyers and could come at the cost of reduced volumes until low priced inventory is drawn down and plantations return to more profitable levels.

Malaysia

2018 Imports (Estimated)	2,100,000 MT	Unchanged from 2017
2019 Imports (Forecast)	1,900,000 MT	Down 10% compared to 2018
2019 Canpotex Sales (Forecast)	700,000 MT	Down 10% compared to 2018
2019 Canpotex Market Share (Forecast)	37%, compared to 37% in 2018	

Canpotex is projecting 2019 potash imports to Malaysia of approximately 1.9 million MT, down 200,000 MT from 2018 levels.

The first half 2019 tenders have progressed slowly this season with deliveries and awards significantly delayed. The declining CPO prices and low yields experienced in 2018 resulted in the plantations decreasing usage in the second half and they are approaching 2019 cautiously. They are continuing to re-evaluate their volume requirements and delay purchasing as much as possible. Of the volumes tendered so far, our customers estimate demand could decline as much as 20-30%. Local prices have not been able to reach replacement levels for quarter one sales as lower priced carry over inventory has taken longer to flush out of the market than expected.

Similar to Indonesia, Canpotex is maintaining its focus on price in Malaysia and will reduce our volume aspirations if need be to protect the price increases we achieved throughout the past 12 months. In view of the above situation, Canpotex has reduced approximately 30,000 MT so far from first half volumes to help balance inventory levels and clear out low-priced product. We will continue to monitor the situation in Malaysia and may have to make further adjustments as the results of first half tender season evolves.

Bangladesh

Bangladesh is approaching the end of its main fertilizer application season, Rabi, which lasts until the end of February. Throughout the 2018-19 season, farmers have experienced very positive weather conditions supporting ample levels of potash consumption.

Suppliers continue to face discharge delays, specifically with BADC, where vessels have sat idle for up to four weeks. This is a result of an influx of incoming fertilizer vessels and a limited availability of lighteners, causing a backlog of product into distribution. We do not believe this has had any implication for fertilizer sales for farmers.

Canpotex had a record year of sales to Bangladesh in 2018 totaling over 260,000 MT, with total imports for the market around 792,000 MT.

Southeast Asia

Thailand's fertilizer market remains quiet as buyers adopt a cautious approach in the wake of a weakening urea market, where local urea prices have dropped 10% in the last four weeks. With the upcoming Chinese New Year festivities, fertilizer demand is only expected to return in the second half of February. Local competitor channels are sitting on high stocks of lower priced potash inventory following BPC's aggressive import program into Thailand in 2018. They have, however, reportedly remained disciplined in keeping local prices firmly aligned with international prices. For February shipment to Thailand, Canpotex secured a US\$15/MT price increase for standard grade, with pricing now at US\$315/MT. Granular grade remains stable at US\$335/MT for first quarter shipments, and industrial grade at US\$360/MT for first half 2019 shipments.

After five consecutive months of potash inventory decline in Vietnam, inventory levels have climbed sharply in December as importers built up their stock levels in anticipation of the country's main winter-spring season. This, together with a bearish urea market, has weighed negatively on local market sentiment and as a result the price recovery momentum of the local potash market seen over the past few weeks appears to have stalled. A local BPC channel is reportedly offering standard grade product at reduced prices of VND7,050/KG (US\$287/MT breakeven), which has dampened our customers' appetite to take larger positions in the first quarter. As a result, Canpotex has had to reduce some volumes on our January shipment to Vietnam. First quarter shipments are stable at US\$310-315/MT (standard) and US\$330-335/MT (granular), with some volumes committed earlier at US\$330/MT (standard) and US\$350/MT (granular) for second quarter shipments.

The Philippines' rice harvest in 2018 hit 19.1 million tonnes, below the government's forecast of 19.2 million tons and the previous year's 19.3 million tonnes. While production had dipped, farmers enjoyed higher gains as gross receipts from rice production increased by 7.69% on the back of higher rice prices. This has helped support a healthy demand in fertilizers even though fertilizer average retail prices have climbed 18% in the last 12 months. Dry season fertilizer

application for rice and corn is ongoing and demand is strong given favorable weather conditions and crop prices. Prices in the Philippines remain stable at US\$315 for first quarter shipments.

Myanmar exported 1.7 million MT of rice between April and December 2018, a decrease of 32% compared to the same period last year. The weak export figures were mainly attributed to lower demand from China and are expected to face further headwinds with the recent reinstated tariffs on Myanmar rice by the EU in January 2019. Rice prices may come under pressure in the upcoming summer harvest season, which would have an adverse impact on the farmers' fertilizer purchasing ability in the subsequent planting season. For first quarter shipments to Myanmar, prices are stable at US\$315/MT (standard) and US\$335/MT (granular).

Australia/New Zealand

In 2018, Australia imported an estimated 437,361 MT with Canpotex shipping 325,586 MT for a 74% market share. For 2019, we forecast potash imports to be comparable with those of 2018. The market is currently quiet with limited fertilizer activity through December and January. Western Australia is coming off a very successful harvest and is expected to ramp back up in the coming weeks ahead. In the east, continued record hot temperatures and dry conditions have not supported growth in fertilizer sales, however, many customers are not considering adjusting their requirements yet and remain optimistic of the season ahead.

Despite concerns of falling milk prices in New Zealand during November and December 2018, January prices have rebounded underpinning continued optimism throughout the summer months. The north island has had very favorable weather conditions with alternating days of rain and sun providing optimal growing conditions for farmers. Our sole customer in New Zealand, Ballance, has come off a very successful calendar year and they were able to raise prices sustainably across major fertilizers. Imports to New Zealand in 2018 were 263,000 MT with Canpotex representing 67% of the market.

Europe

Canpotex's quarter one 2019 price negotiations concluded with an increase of €11 to the two largest KOH producers in Europe, bringing the levels up to €297/MT (US\$339/MT). Both producers are projecting strong recovery of industrial demand and seeking higher than budgeted (110-115,000 each) supply from Canpotex. Meanwhile, several small buyers (traditional K+S clients) of industrial potash in Western Europe have approached Canpotex with interest in receiving product in an effort to diversify their supplier portfolio in 2019 and onward. Prices for other Canpotex clients are in the range of US\$339/MT to US\$350/MT for quarter one delivery.

On the agriculture front, reportedly, K+S started to send product to Europe from their mine in Canada. Based on information from various market sources, two vessels containing 48,000 MT each (2 grades) are expected to arrive the first half of February and mid-March. Although low water levels have improved, buyers have experienced extremely high barge freight due to restrictions on draft and barge load capacity. Current market prices appear to have settled at

€280-285/MT CFR for granular grade. Canpotex expects modest price momentum in March from key suppliers as fresh import opportunities start to emerge as a result of seasonal demands.

Africa

Local reports suggest that total potash imports to Africa for 2018 will be slightly over 1.3 million MT, compared to 1.1 million MT in 2017. Canpotex delivered 66,000 MT to OCP -- the first time in our history to supply directly to this region. Canpotex projects MOP imports to Africa for 2019 to be in the range of 1.45–1.5 million MT due to lower carryover inventories and increasing demand supported by favorable government policies in countries such as Nigeria and Ghana.

Canpotex has a current sale to Morocco for 50,000 MT (mid-February loading) of Pink Granular and Pink Standard tracking at 31% of budget to date. Although, prices to Northern Africa continue to be under pressure (net price of low US\$270's/MT CFR and US\$280's/MT for standard and granular grade, respectively), net sales prices saw support from favorable ocean freight in the low US\$20's/MT for large size vessels. We expect modest price improvement for the upcoming rice season in West Africa.

There is an interesting development in “new generation fertilizer” according to OCP’s announcement about “eco-friendly fertilizers.” Reportedly, the company is working with China based Hubei Forborne on added-value fertilizers such as bio stimulants, sulphur fertilizers, fertilizers with micronutrient.

Latin America (Excluding Brazil) and Mexico

2018 Imports (Estimated)*	2,100,000 MT	Up 13% compared to 2017
2019 Imports (Forecast)*	2,350,000 MT	Up 12% compared to 2018
2019 Canpotex Sales (Forecast)	1,080,000 MT	Up 8% compared to 2018
2019 Canpotex Market Share (Forecast)**		51% compared to 49% in 2018
<i>*for agriculture **participated markets</i>		

Canpotex exports to this region reached the 1 million MT shipment milestone in 2018 and we expect another year of strong fertilizer demand in 2019 as the market continues to take lead positions in cash crop exports. According to FAO, this region ranked first in the world in banana and fruits exports, second in coffee, sugar and corn exports, third in soybean exports and sixth in wheat exports. All key cash crop export countries with the exception of Peru saw double digit (in percentage YOY) growth in fertilizer applications for the past three years.

Mexico

Reportedly, total deliveries in 2018 are expected to be around 400,000 MT. Despite recent sales concluded by another supplier in the high US\$320's/MT (US\$10/MT below the market), main buyers continue to be optimistic in anticipation of a strong 2019 based on positive crop

economics. It is also reported that new offers from major suppliers for new businesses (prompt loading) are stable at around US\$330/MT CFR with terms. Canpotex expects prices to remain flat at current levels for the most part of quarter one.

Caribbean

The region, with exception of Cuba, has been mostly quiet as the key importers replenished inventory in late December in preparation of the tender season. As reported in the previous update, Canpotex has experienced a slight dip in volume since traders continue to target this premium netback region. Importers reportedly are taking an extremely disciplined approach to their next round of purchases (March-April loading) for the peak application season. Canpotex concluded its last round of business in the range of US\$315–321/MT FOB Saint John for granular grade. We believe the market will likely remain flat for the next few weeks.

In Cuba, the momentum continues. Canpotex recently concluded business at US\$335/MT FOB Saint John (standard grade) for March loading. We believe prices will likely be stable or decrease slightly during the next round of negotiations based on new offers third party sources have heard from other suppliers.

Central America/Colombia

The latest projection continues to show a total delivery of around 850,000 MT with Canpotex accounting for around 50% of the total volume.

Business concluded during the second week of January for February loading in preparation of winter application suggest that prices are under pressure as some MOP producers/suppliers diverted planned volume of approximately 60,000-70,000MT for other markets to find an eventual home in this sub-region in late December 2018. During last week's Latin American conference, most potential buyers reportedly received offers in the mid-US\$320's from traders and other producers. It seems the consistent price momentum has stalled, and suppliers have been challenged and struggled to reach their proposed offers (reportedly of mid US\$330/MT into March and April). On the demand front, Canpotex traditional customers remain confident with strong cash crop exports projected for 2019. Most importers believe stabilization is evident in the next round of business in mid-February when buyers return to the market.

Argentina/Paraguay/Uruguay

Buyers from Paraguay should begin to secure product requirements from early February. The country has become a major exporter of soybean and corn. Reportedly, total fertilizer imports are around 1 million MT in 2018. Among those, MOP accounted for approximately 260,000 MT. Soybean production was about 7.5-8 million MT in 2018, down 2.5 million MT from the previous year due to draught. Buyers seem confident about fertilizer demand for the upcoming season but are expected to stay sidelined as their price discovery continues in this area.

In Uruguay, an early and strong crop season has been widely anticipated for 2019, yet buyers have been very slow entering the market. Some suppliers have tried to push for commitment and firm prices with limited success. Canpotex's expectation is that most of the buying will be occurring in the second half of February with vessels delivering in May.

Farmers in Argentina are reluctant to commit given the: 1) uncertainty with the upcoming presidential elections; 2) re-instated export tariffs for corn, soybean and wheat in October 2018 - soybean tariff is now 35%, up from 26%, meanwhile corn and wheat were increased from 5-6% to 8-10%.

Ecuador/Peru/Chile

Farm economics continue to evolve at a different pace among these three countries. In Peru, fertilizer price increases in the past few months have resulted in lower consumption levels of urea, DAP and granular MOP. Major buyers in the country will most likely re-enter the market in April/May once application demand ramps up. Local prices for all fertilizers with the exception of white soluble MOP softened in the past two weeks to US\$325/MT from US\$330-335/MT, as previously reported.

Meanwhile, in Ecuador, key distributors have been upwardly revising their requirement on positive returns from domestic sales and fruit exports. Total fertilizer consumption in Ecuador was approximately 950,000 MT to 1 million MT in 2018, MOP total consumption was 200,000 MT, nearly 20% growth YOY.








Reportedly, the Chilean MOP market is extremely tight as buyers continue struggling to secure tons locally. Current prices for quarter one 2019 shipments are in the range of US\$340-\$350/MT CFR.

Volumes & Netback Forecast

Nutrien

February 6, 2019



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Comments & Assumptions

1. Sales volumes and net sale prices are based on forecasted amounts for January – April and budgeted amounts for May – December. The next full year update will be prepared for the April Board meeting.
2. Sales volumes for first quarter are estimated at 2,795,342 MT, 231,850 MT above budget. With the first quarter forecasted volumes, we see a downside risk of 415,291 MT, with a potential upside realization of 153,706 MT. The fluctuation accounts for vessels forecasted to finish unloading in the last 5 days/first 5 days of the quarter.
3. Net sale prices for the first quarter are projected to average \$297.84/MT (\$309.30/MT invoice price), an increase of \$10.19/MT from budget.
4. Ocean Freight rates for the first quarter are projected to average approximately \$28.39/MT CFR, a decrease of \$4.88/MT from the budget. This decrease is primarily due to lower bunker prices. The \$28.39/MT CFR average equates to \$26.05/MT on all tonnes compared to the budget of \$30.58/MT, a decrease of \$4.53/MT.
5. The US/CDN \$ exchange rate is projected to average approximately 1.31 for the first quarter, compared to the budget rate of 1.27.
6. Monthly inland and terminal costs are allocated evenly by load port, regardless of grade, on a \$/MT basis. Further precision around grade-specific cost allocation will come from the grade project that is currently underway.
7. Inland Freight for the first quarter is \$1.47/MT lower than budget, primarily due to favourable foreign exchange and an increase in volumes.
8. Terminal expense for the first quarter is \$0.87/MT lower than budget, primarily due to an increase in volumes and favourable foreign exchange.
9. S&A expenses for the first quarter is \$0.32/MT lower than budget, due to an increase in volumes. S&A expenses, for each given month, are allocated evenly across all tons.
10. Other Costs for the first quarter are \$0.34/MT lower than budget, due to an increase in volumes.
11. Average Netbacks are projected to be \$221.13/MT for the first quarter, an increase of \$17.74/MT from budget.
12. Lifting estimates are our most current projection.
13. All \$ amounts are in USD and all volumes are in KCL metric tons.
14. The \$/MT amounts may vary by \$0.01/MT due to rounding.
15. Once the netback results are available for each subsequent month, these results are used to recalculate the average year-to-date (“YTD”) netback for each grade pool. The YTD tonnage lifted from each Producer, for each grade pool, is recalculated using the updated netbacks, to determine the positive or negative netback adjustment by Producer.

February 2019 Interim Pricing, in USD

(pricing to be used for invoicing)

	\$/MT K20
Standard	348.00
Premium	394.00

Netback Variance Analysis (\$/mt)

		Qtr 1 2019	Qtr 1 2019		
		Forecast	Budget	Variance	Comments
Volume (000's)	Rail Billing	3,455.1	3,308.1	147.0	
	Sales	2,795.3	2,563.5	231.8	
Net Sales Price		\$ 297.84	\$ 287.65	\$ 10.19	Price strength, strategy execution
Ocean Freight		26.05	30.58	4.53	Lower bunker prices
Inland Freight		32.03	33.50	1.47	Weaker CAD and increase in volumes
Terminal		10.00	10.87	0.87	Increase in volumes and weaker CAD
S&A		3.55	3.87	0.32	Increase in volumes
Other Cost ⁽¹⁾		5.08	5.42	0.34	Increase in volumes
Netback		\$ 221.13	\$ 203.39	\$ 17.74	

¹ Includes Credit & Other, Commissions, Market Development, Planning & Development, Finance Costs, Supply Chain Consulting, Other Income, FX, Tax

Netback Forecast, by Region

		Dec-18		Jan-19		Feb-19		Mar-19		Apr-19		Qtr 1 2019		Qtr 2 2019		Qtr 3 2019		Qtr 4 2019		2019	
		Actual		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast	
		mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)
All Regions		1,394,231	\$ 216.93	788,592	\$ 206.90	1,018,428	\$ 225.32	988,322	\$ 228.17	1,198,772	\$ 230.66	2,795,342	\$ 221.13	3,472,997	\$ 218.93	3,635,765	\$ 218.85	3,415,050	\$ 211.28	13,319,154	\$ 217.41
Asia		991,846	\$ 208.20	541,507	\$ 198.80	710,321	\$ 214.08	787,019	\$ 220.56	778,300	\$ 220.61	2,038,847	\$ 212.52	2,144,400	\$ 193.22	1,691,100	\$ 225.68	2,013,700	\$ 201.58	7,888,047	\$ 207.30
	STD_P	611,443	198.62	401,189	197.35	446,698	206.52	415,921	216.80	539,400	214.20	1,263,808	206.99	1,571,200	205.57	1,246,800	199.15	1,477,200	197.36	5,559,008	202.27
	PRM_P	380,403	223.61	140,318	202.95	263,623	226.88	371,098	224.78	238,900	235.09	775,039	221.54	573,200	159.37	444,300	300.13	536,500	213.22	2,329,039	219.32
Latin America		333,225	\$ 240.82	142,201	\$ 237.81	206,741	\$ 255.84	157,900	\$ 260.53	247,822	\$ 257.69	506,842	\$ 252.24	1,012,279	\$ 277.99	1,567,965	\$ 207.84	1,110,200	\$ 229.46	4,197,286	\$ 235.84
	STD_P	15,929	203.49	16,205	214.94	8,000	207.12	41,000	235.83	12,522	245.58	65,205	227.12	63,979	310.45	75,484	126.06	75,000	193.96	279,668	210.01
	PRM_P	317,296	242.69	125,996	240.75	198,741	257.80	116,900	269.19	235,300	258.34	441,637	255.95	948,300	275.80	1,492,481	211.97	1,035,200	232.03	3,917,618	237.68
Oceania		52,974	\$ 225.43	20,596	\$ 192.98	61,799	\$ 228.91	6,600	\$ 242.20	70,650	\$ 244.04	88,995	\$ 221.58	135,850	\$ 172.22	125,700	\$ 291.76	132,150	\$ 221.92	482,695	\$ 226.06
	STD_P	13,166	203.04	-	-	13,891	200.00	-	-	8,800	218.70	13,891	200.00	8,800	169.41	-	-	15,000	209.13	37,691	196.49
	PRM_P	39,808	232.84	20,596	192.98	47,908	237.29	6,600	242.20	61,850	247.65	75,104	225.57	127,050	172.41	125,700	288.31	117,150	227.26	445,004	228.56
Europe		16,186	\$ 230.00	84,288	\$ 210.15	39,567	\$ 262.03	36,803	\$ 249.49	52,000	\$ 248.42	160,658	\$ 231.94	99,468	\$ 202.66	220,000	\$ 229.84	119,000	\$ 209.99	599,126	\$ 221.95
	STD_P	-	-	7,112	190.02	-	-	-	-	-	-	7,112	190.02	8,000	196.19	15,000	197.13	8,000	162.07	38,112	188.25
	PRM_P	16,186	231.28	77,176	212.01	39,567	262.03	36,803	249.49	52,000	248.42	153,546	233.88	91,468	203.23	205,000	232.23	111,000	213.44	561,014	224.24
Africa		-	\$ -	-	\$ -	-	\$ -	-	\$ -	50,000	\$ 215.80	-	\$ -	81,000	\$ 124.55	31,000	\$ 383.09	40,000	\$ 163.28	152,000	\$ 187.47
	STD_P	-	-	-	-	-	-	-	-	25,000	209.80	-	-	40,000	177.41	15,000	226.74	40,000	163.28	95,000	179.25
	PRM_P	-	-	-	-	-	-	-	-	25,000	221.79	-	-	41,000	72.98	16,000	529.66	-	-	57,000	201.17

Allocation %:

All Regions																					
Asia		71.1%	68.3%	68.7%	66.0%	69.7%	66.3%	79.6%	77.0%	64.9%	62.1%	72.9%	70.1%	61.7%	54.5%	46.5%	48.0%	59.0%	56.3%	59.2%	56.5%
	STD_P	43.9%	40.2%	50.9%	48.5%	43.9%	40.2%	42.1%	40.0%	45.0%	41.8%	45.2%	42.3%	45.2%	42.5%	34.3%	31.2%	43.3%	40.4%	41.7%	38.8%
	PRM_P	27.3%	28.1%	17.8%	17.5%	25.9%	26.1%	37.5%	37.0%	19.9%	20.3%	27.7%	27.8%	16.5%	12.0%	12.2%	16.8%	15.7%	15.9%	17.5%	17.6%
Latin America		23.9%	26.5%	18.0%	20.7%	20.3%	23.0%	16.0%	18.2%	20.7%	23.1%	18.1%	20.7%	29.1%	37.0%	43.1%	41.0%	32.5%	35.3%	31.5%	34.2%
	STD_P	1.1%	1.1%	2.1%	2.1%	0.8%	0.7%	4.1%	4.3%	1.0%	1.1%	2.3%	2.4%	1.8%	2.6%	2.1%	1.2%	2.2%	2.0%	2.1%	2.0%
	PRM_P	22.8%	25.5%	16.0%	18.6%	19.5%	22.3%	11.8%	14.0%	19.6%	22.0%	15.8%	18.3%	27.3%	34.4%	41.0%	39.8%	30.3%	33.3%	29.4%	32.2%
Oceania		3.8%	3.9%	2.6%	2.4%	6.1%	6.2%	0.7%	0.7%	5.9%	6.2%	3.2%	3.2%	3.9%	3.1%	3.5%	4.6%	3.9%	4.1%	3.6%	3.8%
	STD_P	0.9%	0.9%	0.0%	0.0%	1.4%	1.2%	0.0%	0.0%	0.7%	0.7%	0.5%	0.4%	0.3%	0.2%	0.0%	0.0%	0.4%	0.4%	0.3%	0.3%
	PRM_P	2.9%	3.1%	2.6%	2.4%	4.7%	5.0%	0.7%	0.7%	5.2%	5.5%	2.7%	2.7%	3.7%	2.9%	3.5%	4.6%	3.4%	3.7%	3.3%	3.5%
Europe		1.2%	1.2%	10.7%	10.9%	3.9%	4.5%	3.7%	4.1%	4.3%	4.7%	5.7%	6.0%	2.9%	2.7%	6.1%	6.4%	3.5%	3.5%	4.5%	4.6%
	STD_P	0.0%	0.0%	0.9%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.2%	0.2%	0.2%	0.4%	0.4%	0.2%	0.2%	0.3%	0.2%
	PRM_P	1.2%	1.2%	9.8%	10.0%	3.9%	4.5%	3.7%	4.1%	4.3%	4.7%	5.5%	5.8%	2.6%	2.4%	5.6%	6.0%	3.3%	3.3%	4.2%	4.3%
Africa		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.2%	3.9%	0.0%	0.0%	2.3%	1.3%	0.9%	1.5%	1.2%	0.9%	1.1%	1.0%
	STD_P	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	1.9%	0.0%	0.0%	1.2%	0.9%	0.4%	0.4%	1.2%	0.9%	0.7%	0.6%
	PRM_P	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	2.0%	0.0%	0.0%	1.2%	0.4%	0.4%	1.1%	0.0%	0.0%	0.4%	0.4%

Netback Forecast, by Country

	Dec-18		Jan-19		Feb-19		Mar-19		Apr-19		Qtr 1 2019		Qtr 2 2019		Qtr 3 2019		Qtr 4 2019		2019	
	Actual		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast		Forecast	
	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)	mt	Netback (\$/mt)
Brazil	250,224	\$ 246.27	99,808	\$ 238.29	196,741	\$ 257.94	103,000	\$ 273.19	154,650	\$ 265.43	399,549	\$ 256.96	768,650	\$ 269.16	1,185,000	\$ 218.29	818,000	\$ 234.88	3,171,199	\$ 239.77
STD_P	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PRM_P	250,224	246.27	99,808	238.29	196,741	257.94	103,000	273.19	154,650	265.43	399,549	256.96	768,650	269.16	1,185,000	218.29	818,000	234.88	3,171,199	239.77
China	365,060	\$ 211.14	235,753	\$ 200.76	306,143	\$ 210.44	353,606	\$ 210.16	354,000	\$ 218.75	895,502	\$ 207.78	818,500	\$ 135.34	315,000	\$ 392.74	676,000	\$ 201.57	2,705,002	\$ 205.85
STD_P	136,414	205.87	135,198	201.21	135,649	205.47	78,395	206.73	203,500	217.50	349,242	204.10	457,500	145.84	157,000	387.77	343,000	200.77	1,306,742	204.90
PRM_P	228,646	214.29	100,555	200.15	170,494	214.40	275,211	211.14	150,500	220.44	546,260	210.13	361,000	122.02	158,000	397.68	333,000	202.40	1,398,260	206.74
India	179,653	\$ 192.01	77,972	\$ 183.11	28,089	\$ 185.15	48,576	\$ 206.27	154,000	\$ 199.05	154,637	\$ 190.75	388,000	\$ 234.28	234,000	\$ 126.03	368,000	\$ 189.54	1,144,637	\$ 191.89
STD_P	179,653	192.01	77,972	183.11	28,089	185.15	48,576	206.27	154,000	199.05	154,637	190.75	388,000	234.28	234,000	126.03	368,000	189.54	1,144,637	191.89
PRM_P	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Netback Forecast, by Grade

	Dec-18			Jan-19			Feb-19			Mar-19			Apr-19			Qtr 1 2019			Qtr 2 2019			Qtr 3 2019			Qtr 4 2019			2019		
	Actual			Forecast			Forecast			Forecast			Forecast			Forecast			Forecast			Forecast			Forecast					
	mt	Netback (\$/mt)		mt	Netback (\$/mt)		mt	Netback (\$/mt)		mt	Netback (\$/mt)		mt	Netback (\$/mt)		mt	Netback (\$/mt)		mt	Netback (\$/mt)		mt	Netback (\$/mt)		mt	Netback (\$/mt)		mt	Netback (\$/mt)	
All_Grades	1,394,231	\$	216.93	788,592	\$	206.90	1,018,428	\$	225.32	988,322	\$	228.17	1,198,772	\$	230.66	2,795,342	\$	221.13	3,472,997	\$	218.93	3,635,765	\$	218.85	3,415,050	\$	211.28	13,319,154	\$	217.41
STD_P	640,538	\$	198.80	424,506	\$	197.90	468,589	\$	206.33	456,921	\$	218.51	585,722	\$	214.75	1,350,016	\$	207.80	1,691,979	\$	205.61	1,352,284	\$	199.46	1,615,200	\$	196.02	6,009,479	\$	202.14
RSST	-		-	-		-	-		-	-		-	-		-	-		-	-		-	32,000		197.46	80,000		194.59	112,000		195.41
ISTD	-		-	-		-	28,089		185.15	37,968		191.86	134,000		199.48	66,057		189.00	327,000		194.10	174,000		187.49	338,000		187.61	905,057		190.03
IFSS	-		-	-		-	-		-	-		-	20,000		196.15	-		-	41,000		191.43	60,000		188.06	20,000		187.58	121,000		189.12
RSTD	438,227		195.71	274,580		196.61	261,794		205.83	277,900		221.38	232,900		220.20	814,274		208.03	786,357		206.70	750,000		201.80	705,000		198.35	3,056,131		203.92
PSTD	57,704		197.28	35,118		200.97	27,052		199.38	25,032		203.83	35,000		210.69	87,202		201.30	137,000		200.09	67,500		194.82	130,000		192.48	421,702		197.15
WSTD	47,695		222.45	12,862		211.66	42,068		223.66	30,608		243.54	21,822		228.43	85,538		228.97	86,322		227.88	116,484		206.82	84,500		204.48	372,844		216.25
WFSS	76,210		205.51	73,578		203.90	100,686		205.12	69,113		208.90	138,500		220.67	243,377		205.82	291,100		212.45	122,000		201.35	221,500		199.99	877,977		205.93
RFSS	20,702		189.17	28,368		184.78	8,900		241.13	16,300		247.89	3,500		264.26	53,568		213.34	23,200		219.77	30,300		209.31	35,700		205.75	142,768		211.63
PRM_P	753,693	\$	232.34	364,086	\$	217.39	549,839	\$	241.49	531,401	\$	236.48	613,050	\$	245.87	1,445,326	\$	233.58	1,781,018	\$	231.59	2,283,481	\$	230.33	1,799,850	\$	224.97	7,309,675	\$	229.96
AGRN	-		-	-		-	7,737		199.99	-		-	-		-	7,737		199.99	22,000		234.23	65,000		237.72	12,000		234.61	106,737		233.92
PGRN	88,695		229.74	20,596		192.98	75,250		229.29	83,605		222.76	171,150		234.80	179,451		222.08	294,850		223.79	214,700		221.01	192,650		218.21	881,651		221.55
CGRN	93,177		199.05	-		-	39,855		199.99	81,320		188.11	41,000		201.34	121,175		192.02	164,000		198.45	123,000		192.86	123,000		193.99	531,175		194.65
5GRN	-		-	-		-	4,100		256.12	5,000		252.93	-		-	9,100		254.36	4,500		213.72	5,000		217.55	5,000		212.26	23,600		229.89
2GRN	13,505		236.34	-		-	10,761		223.19	-		-	-		-	10,761		223.19	6,000		218.11	22,000		220.47	6,000		219.96	44,761		220.74
7GRN	427,006		238.92	285,539		218.59	296,970		246.21	285,440		242.28	318,300		251.04	867,949		235.83	1,105,000		235.36	1,618,181		233.08	1,261,300		227.78	4,852,430		232.71
G5I5	-		-	-		-	7,000		291.51	-		-	6,500		303.71	7,000		291.51	6,500		303.71	9,000		274.02	9,000		272.05	31,500		283.47
C2I5	3,136		289.41	-		-	-		-	-		-	-		-	-		-	-		-	-		-	-		-	-		-
F2I5	43,905		236.64	-		-	30,082		258.32	28,000		257.27	19,100		266.13	58,082		257.81	39,100		241.97	70,000		228.66	66,800		219.22	233,982		235.43
G6I1	4,239		274.03	17,081		221.02	47,184		225.17	-		-	18,500		253.65	64,265		224.07	49,500		242.64	17,000		231.75	23,000		227.08	153,765		231.34
F1I1	30,512		231.86	20,682		203.66	7,500		299.43	7,000		296.40	8,500		286.73	35,182		242.53	13,500		279.13	22,000		264.99	8,500		265.06	79,182		257.43
G1I1	49,518		231.04	20,188		236.25	23,400		288.88	41,000		293.03	30,000		273.17	84,588		278.33	75,968		251.86	117,500		237.49	92,500		236.44	370,556		249.50
CWIC	-		-	-		-	-		-	36		817.64	-		-	36		817.64	100		818.40	100		818.32	100		818.42	336		818.30

Two Year Liftings Forecast, by Grade - Nutrien

2019 Forecasted Liftings (MT)													
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	
All_Grades	722,517	683,264	741,578	776,266	754,099	784,000	762,150	793,300	794,500	688,500	646,290	472,599	
STD_P	364,915	285,099	271,377	353,980	344,500	313,000	290,150	373,300	380,500	317,500	303,200	238,343	3,835,863
IFSS	21,225	-	-	41,000	-	20,000	20,000	20,000	20,000	-	22,000	20,000	184,225
ISTD	49,164	52,785	52,785	83,360	52,000	35,000	70,150	70,000	87,500	70,000	35,000	17,500	675,244
PSTD	17,557	-	17,595	44,500	50,000	-	-	35,000	35,000	7,500	17,500	-	224,652
RFSS	8,899	4,451	7,452	6,620	8,000	10,500	-	16,300	6,000	8,000	17,200	10,500	103,921
RSST	-	-	-	-	32,000	-	-	32,000	32,000	32,000	32,000	-	160,000
RSTD	268,070	227,863	193,545	178,500	202,500	247,500	200,000	200,000	200,000	200,000	179,500	190,343	2,487,820
PRM_P	357,603	398,166	470,201	422,286	409,599	471,000	472,000	420,000	414,000	371,000	343,090	234,257	4,783,200
5GRN	4,095	5,072	-	-	-	5,000	-	5,000	-	-	5,000	-	24,167
7GRN	233,581	235,774	319,091	236,700	220,000	260,000	255,000	230,000	208,000	208,000	197,000	110,424	2,713,569
CWIC	-	-	-	-	-	-	3,000	-	-	-	-	-	3,000
F1I1	53,703	8,383	13,455	20,286	32,599	23,000	23,000	20,000	18,000	18,000	26,090	10,000	266,516
F2I5	13,503	41,504	26,910	15,300	27,000	23,000	26,000	23,000	26,000	25,000	25,000	26,000	298,217
PGRN	52,721	107,433	110,745	150,000	130,000	160,000	165,000	142,000	162,000	120,000	90,000	87,833	1,477,732

Two Year Liftings Forecast, by Grade - Nutrien

2020 Forecasted Liftings (MT)													
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	
All_Grades	647,424	723,229	782,922	775,000	754,099	784,000	762,150	793,300	794,500	722,320	666,290	665,131	
STD_P	285,142	340,645	311,922	349,000	344,500	313,000	290,150	373,300	380,500	317,500	296,200	238,343	3,840,201
IFSS	-	20,000	-	21,000	-	20,000	20,000	20,000	20,000	-	22,000	20,000	163,000
ISTD	35,190	75,000	70,000	80,000	52,000	35,000	70,150	70,000	87,500	70,000	35,000	17,500	697,340
PSTD	17,595	17,500	17,500	44,500	50,000	-	-	35,000	35,000	7,500	17,500	-	242,095
RFSS	15,525	4,500	20,800	3,500	8,000	10,500	-	16,300	6,000	8,000	17,200	10,500	120,825
RSST	-	-	-	-	32,000	-	-	32,000	32,000	32,000	32,000	-	160,000
RSTD	216,832	223,645	203,622	200,000	202,500	247,500	200,000	200,000	200,000	200,000	172,500	190,343	2,456,941
PRM_P	362,282	382,584	471,000	426,000	409,599	471,000	472,000	420,000	414,000	404,820	370,090	426,789	5,030,163
5GRN	5,000	-	5,000	-	-	5,000	-	5,000	-	-	5,000	-	25,000
7GRN	162,702	170,872	250,000	230,000	220,000	260,000	255,000	230,000	208,000	241,820	224,000	225,300	2,677,693
CWIC	-	-	-	-	-	-	3,000	-	-	-	-	-	3,000
F1I1	26,910	26,000	20,000	23,000	32,599	23,000	23,000	20,000	18,000	18,000	26,090	10,000	266,599
F2I5	26,910	22,090	26,000	23,000	27,000	23,000	26,000	23,000	26,000	25,000	25,000	26,000	299,000
PGRN	140,760	163,622	170,000	150,000	130,000	160,000	165,000	142,000	162,000	120,000	90,000	165,489	1,758,871

Two Year Liftings Forecast, by Grade - Nutrien

2021 Forecasted Liftings (MT)													
	Jan-21	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	
All_Grades	647,424												
STD_P	285,142												
IFSS	-												
ISTD	35,190												
PSTD	17,595												
RFSS	15,525												
RSST	-												
RSTD	216,832												
PRM_P	362,282												
5GRN	5,000												
7GRN	162,702												
CWIC	-												
F1I1	26,910												
F2I5	26,910												
PGRN	140,760												