

August 30, 2013

Ms. Sara Eyckmans
International coordinator
Western Sahara Resource Watch
coordinator@wsrw.org

Dear Ms. Eyckmans,

Thank you for your interest in Agrium's phosphate business. We apologize for not responding sooner to your original inquiry.

Agrium entered into the supply agreement with OCP in an effort to maintain our phosphate operations, including the associated jobs, at our Redwater, Alberta, Canada facility as our primary phosphate rock supply was reaching its end of life.

We understand the concerns raised by some stakeholders with respect to this matter; however, on issues related to disputed territorial claims, Agrium looks to guidance from the Canadian and US governments before entering into any agreement which may be related to the territory. Agrium's agreement with OCP complies with the respective trade and customs laws of these jurisdictions.

Agrium's influence is limited to the sites that are under commercial agreements to provide products or services. This would include ensuring, through our due diligence and ongoing evaluation efforts, that the sites from which we source rock operate in a responsible manner and in compliance with our corporate responsibility practices. We believe this approach supports ongoing improvement and long term sustainability.

Agrium does conduct a due diligence assessment of any major commercial agreements of this type. This includes an assessment of the business we are sourcing product from and a legal assessment of our ability to conduct business. Agrium had performed its own legal evaluation and also sought and received third party legal advice under international, Canadian and US law that we are in compliance with the law regarding the importation of phosphate fertilizer from the region in question. We also sought and received from OCP a variety of information on their business, including key performance indicators on their environmental performance, community investment and labour profile, etc.

Agrium has also made site visits to OCP's operations including sending over a multi functional team during the supply discussions and another very recently with senior level officials from Agrium. Through this and other engagements with OCP, we continue to encourage them to enhance their public disclosure of their key performance indicators of their business operations and their impacts and investments in the communities in which they do business along with providing advice on what further things they may wish to consider doing, including greater outreach with stakeholders. They have recently made further public disclosures on their key performance indicators and I would encourage you to visit their website or contact them directly to discuss this.

With respect to your question regarding volumes and imports, there have been some limited shipments from OCP to supplement our rock supplies at the Redwater, Alberta facility. However, at the moment the large majority of rock is still supplied from our Ontario (Kapuskasing) based mine. This is because our Ontario mine had a slightly better run than expected as they approached their end of life. We do

expect that by the end of the third quarter a much larger proportion of the rock will be supplied by OCP. As you can appreciate, due to our commercial agreement with OCP, we cannot get into specifics of the agreement, including volumes.

As part of our sustainability efforts, we do engage many parties to help us evaluate and advise on our efforts and we would be happy to hear your thoughts going forward.

With an ever increasing global population, Agrium is committed to helping to feed the world responsibly. As part of that, Agrium has recently been working with other interested parties to develop science based 4R (Right source, at the Right rate, at the Right time and in the Right place) nutrient stewardship systems for smallholder farmers in Africa to further increase local sustainability efforts. We hope to expand the system to smallholder farmers globally through private/public partnerships.

Again, I wish to thank you for your interest in Agrium's operations.

Sincerely,

A handwritten signature in black ink, appearing to read 'R Downey', with a stylized flourish at the end.

Richard Downey
Vice President, Investor/Corporate Relations and Market Research