

February 19, 2016

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

Dear Ms. Eyckmans,

Thank you for your letter and continued interest in Agrium's phosphate business.

As you know, 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 Canadian phosphate rock supply was reaching its end of life. Agrium continues to evaluate various rock supply sources. A number of technical issues always need to be addressed when looking at various sources, quality and composition of phosphate rock.

Agrium does not take a political position on issues related to disputed territorial claims. Rather, Agrium looks to guidance from the Canadian and US governments before entering into any agreement which may be related to the relevant territory. We hope that all parties involved will work together to find a mutually acceptable political solution to the region in dispute.

Through our due diligence and ongoing evaluation efforts, Agrium is satisfied that OCP operates in compliance with our Supplier Code of Conduct, which is based on the UN Guiding Principles on Business and Human Rights. We sought and received a variety of information from OCP on their business, including key performance indicators on their environmental performance, community investment, labour profile, etc. Using our influence as a supplier, we have encouraged OCP to make public some of this information which they have since done. We continue to encourage them to go even further with these disclosures and ensuring that such information is updated regularly. Senior Agrium personnel have also conducted several site visits to OCP's operations and will continue to do so periodically.

In fact, the UN Guiding Principles on Business and Human Rights recognizes the limitations upon which corporations can apply leverage in such a supply agreement. Agrium believes it is exercising its leverage and that we have been a positive influence to date.

As we have stated in previous correspondence, we are unable to discuss specific shipments, locations and volumes due to the confidentiality provisions of our agreement with OCP. It should be noted that this is not an unusual provision or requirement of any significant commercial supply arrangement.

Thank you again for your continued interest in Agrium's business.

Sincerely,

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