BUSINESS UPDATE

RELIABLE OPERATIONS. RELIABLE DISTRIBUTIONS.

CHEMTRADE

BUSINESS UPDATE

JANUARY 2018

RELIABLE OPERATIONS. RELIABLE DISTRIBUTIONS.
Certain statements contained in this presentation constitute forward-looking statements within the meaning of certain securities laws, including the Securities Act (Ontario). Forward-looking statements can be generally identified by the use of words such as “anticipate”, “continue”, “estimate”, “expect”, “expected”, “intend”, “may”, “will”, “project”, “plan”, “should”, “believe” and similar expressions.

Forward-looking statements in this presentation describe the expectations of Chemtrade Logistics Income Fund (“Chemtrade”) and its subsidiaries as of the date hereof. These statements are based on assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements for a variety of reasons, including without limitation the risks and uncertainties detailed under the “RISK FACTORS” section of Chemtrade’s latest Annual Information Form and the “RISKS AND UNCERTAINTIES” section of Chemtrade’s most recent Management’s Discussion & Analysis. Although Chemtrade believes the expectations reflected in these forward-looking statements and the assumptions upon which they are based are reasonable, no assurance can be given that actual results will be consistent with such forward-looking statements, and they should not be unduly relied upon. Except as required by law, Chemtrade does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or for any other reason. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. Further information can be found in the disclosure documents filed by Chemtrade with the securities regulatory authorities, available on www.sedar.com.
Unique portfolio providing growth and yield
Worldwide provider of industrial chemicals and services

- Primarily industrial inorganic chemicals
- Electrochemicals
- Water and specialty chemicals
- Critical but non-core services to industrial users or producers of chemicals

Significant market shares; competitive advantages in niche specialty chemicals

Business model mitigates typical commodity risks
CHEMTRADE LOCATIONS
4 PRONGED STRATEGY

1. **Growth**
   Increased size, scale and diversity of earnings

2. **Business Model**
   Mitigates Commodity Risks

3. **Operational Excellence**
   Ensures sustainable earnings through improved operations, assets and people

4. **Financial Prudence**
   Maintains distributions and balance sheet strength
CHEMTRADE’S M&A TRACK RECORD
CHEMTRADE’S DEMONSTRATED ABILITY TO SUCCESSFULLY COMPLETE ACQUISITIONS

CREATING A STRONGER, MORE RESILIENT BUSINESS

- **SHS Operation**: Leading North American supplier of Sodium Hydrosulphite (2002 Dec)
- **Pulp Chemicals**: Leading regional supplier of sodium chlorate, toll processor of CTO (2003 Aug)
- **Peak Chemicals**: Expanded sulphuric acid business, diversified end markets (2005 Aug)
- **Marsulex**: Increased presence in core products, expanded geographic reach and enhanced quality of earnings (2011 Jun)
- **General Chemical**: Further strengthened and expanded Chemtrade’s platform (2014 Jan)
- **Canexus**: Expands sodium chlorate capabilities, diversification through chlor-alkali product portfolio and Brazilian platform (2017 Mar)
SIGNIFICANT EBITDA* GROWTH
($ Millions)

* Excludes acquisition related costs and foreign exchange gains / losses
** Includes Canexus (excluding synergies)
*** Includes Canexus from March 11, 2017
DELIVERING SUPERIOR RETURNS
CHEMTRADE RELATIVE TO S&P / TSX COMPOSITE (IPO – DECEMBER 31, 2017)

CAGR 14.9%
Since IPO

$989.1
CHE.UN

$322.2
S&P TSX Composite

Jul-01
$0
$100
$200
$300
$400
$500
$600
$700
$800
$900
$1,000
SPPC
- Sulphuric Acid (regen, ultra pure, merchant) and other sulphur products

WSSC
- Water Solution Chemicals (alum, PACl, ACH)
- Certain Specialties (KCl, sodium nitrite, P₂S₅)

EC
- Sodium Chlorate and Chlor-alkali (caustic soda, HCl, chlorine)
CANEXUS

ACQUISITION
(March 2017)

SIZE AND SCALE

Increased revenues by approx. 50% on a pro forma basis

EBITDA

Increased by approx. 50% on a pro forma basis
Significantly increased existing sodium chlorate revenue, added new chlor-alkali and South American product segments.
Added substantial capacity

Brandon, Manitoba plant is considered one of the largest and lowest cost sodium chlorate facilities in the world

Now a significant North American supplier of sodium chlorate due to combined facilities of Brandon, Manitoba; Prince George, British Columbia and Beauharnois, Quebec
Added new chlor-alkali products to our North American portfolio

North Vancouver plant produces caustic soda, chlorine, and hydrochloric acid

Much of the product is sold to new industries and end markets, further diversifying our earnings
Produces both sodium chlorate and chlor-alkali at one facility

Further diversifies earnings through new geographies and customers

Majority of earnings derived from long-term fixed US$ margin earnings contract
BUSINESS MODEL FIT

SULPHUR PRODUCTS AND PERFORMANCE CHEMICALS (SPPC)

- Approx 60% of revenue based on risk shared contracts

WATER SOLUTIONS AND SPECIALTY CHEMICALS (WSSC)

- Wide diversity of sources of earnings
- Includes specialty chemicals with distinct barriers to entry

ELECTROCHEMICALS (EC)

- Three sources of earnings:
  - NA sodium chlorate
  - SA sodium chlorate and chlor-alkali
  - NA chlor-alkali
**LISTED ON TSX (CHE.UN)**

**BALANCE SHEET**

(As at September 30, 2017)*

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EQUITY (92.6M units)</strong></td>
<td><strong>C $1.8B</strong></td>
</tr>
<tr>
<td><strong>SENIOR SECURED CREDIT</strong></td>
<td></td>
</tr>
<tr>
<td>(March 2022 maturity)</td>
<td></td>
</tr>
<tr>
<td>5 year term loan <em>(fully drawn)</em></td>
<td><strong>US $325M</strong></td>
</tr>
<tr>
<td><strong>REVOLVING CREDIT FACILITY</strong></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td><strong>US $525M</strong></td>
</tr>
<tr>
<td>Available</td>
<td>~ <strong>US $380M</strong></td>
</tr>
<tr>
<td><strong>CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES</strong></td>
<td></td>
</tr>
<tr>
<td>Three series</td>
<td><strong>C $472M</strong></td>
</tr>
<tr>
<td>(Jun. 2021, Aug. 2023, Apr. 2024)</td>
<td></td>
</tr>
<tr>
<td><strong>CANEXUS DEBT:</strong></td>
<td></td>
</tr>
<tr>
<td>Two series of convertible debentures</td>
<td><strong>C $158.5M</strong></td>
</tr>
<tr>
<td>High yield notes <em>(Sept. 2023)</em></td>
<td><strong>C $71.5M</strong></td>
</tr>
</tbody>
</table>

*As adjusted for May debenture issuance and redemptions*
DEBT MATURITY

C$M

- Electrochem High Yield Notes
- Electrochem Deb
- CHE Deb
- Bank

Since our IPO we have:

- Diversified our product portfolio
- Increased our geographic reach
- Enhanced quality of earnings
- Sustained distributions
- Maintained balance sheet strength
BUSINESS ENVIRONMENT UPDATE

CHEMTRADE
In Q3 2017 we estimated that aggregate SPPC / WSSC results for Q4 2017 would be similar to Q4 2016

We recently updated our guidance as we expect aggregate EBITDA for these two segments will be about 20% below Q4 2016 levels

We had expected strength in WSSC to offset some SPPC weakness, but that strength did not materialize:

- ACH issues from earlier in 2017 persisted
- Higher demand for KCL, sodium nitrite and P$_2$S$_5$ did not come through (timing issue)
BUSINESS ENVIRONMENT UPDATE

- **Product Demand for all Core Products is Firm**
  - Chlor-alkali ++
    - Can sell as much caustic as we can make; market looks firm for many years
  - Regen Acid ++
    - Industry running at high utilization rates
  - Ultra Pure Acid ++
    - Can sell as much ultra pure as we can make; opportunity for expansion
  - Merchant Acid +
    - Pricing adjusting to reduced supply
  - Sodium Chlorate +
    - Industry producing at high utilization rates
  - Water +
    - Increasing demand for ACH / PACI
2018 CHEMTRADE FACTORS

SULPHURIC ACID

- Increase in our acid plant turnarounds (18 in 2018 vs. 13 in 2017)
- Vale Product Supply
  - 2018 < half historical product supply (approx. 350K MT)
  - 2019 forward expect 400K MT
- Reduction of 25% essentially EBITDA neutral; this larger increase should, in time, be offset by pricing increase but not instantaneous
- Important Vancouver turnaround in April
- Can sell as much caustic as the plant can make
- Chlorate industry will run at high utilization rates
- Starting Capex Spend to improve Brandon
Need to line out ACH / PACI investments

- Market there; need to realize on it
- Some margin squeeze as raw materials (like acid) are up in price and some annual contracts prevent pass-through
SUMMARY

- Business is solid and 2018 will be very good EBITDA year
- Re-organizing time / resources and capital on Core Businesses (Acid, EC, Water and Select Specialties)
- Pricing on Core Products should continue to improve as supply / demand facts work their way through the market