Mark Davis
President & CEO

Good morning, ladies and gentlemen.
I’m pleased that you can join us today.
As you can imagine, we remain very excited about our recent acquisition of General Chemical. We want to take the majority of our time this morning to describe the “new” Chemtrade now that the acquisition is complete including a review of our business model and how our newly acquired businesses fit.

Following my remarks, Rohit will briefly review last year’s financial results. For those interested in our first quarter results that were released yesterday, we encourage you to listen to the webcast of this morning’s conference call accessible through our website.
Since Chemtrade’s inception in 2001, our key goal has been to provide above-average growth and yield for our unitholders.
In building Chemtrade we have followed a clear, four-pronged strategy. All of our key initiatives, and particularly acquisitions, have aligned with this strategy.
After years of growth Chemtrade is now a provider of a broad portfolio of industrial, water treatment and specialty chemicals and a range of critical but non-core services to industrial users or producers of chemicals.

We have significant market shares in most of our products and specific competitive advantages in the niche or specialized portion of our portfolio.

A cornerstone of Chemtrade’s success is our business model that seeks to mitigate typical commodity chemical risks and enables us to deliver reliable and sustainable distributions to our unitholders.
We have now completed six significant acquisitions since our IPO in mid-2001, with our most recent acquisition being the purchase of General Chemical.

Each acquisition diversified our product portfolio, increased our geographic reach, enhanced the quality of our earnings, and supported our ability to sustain distributions and maintain balance sheet strength. The General Chemical acquisition was no different. General added significant size, scale and scope to our operations, and further diversified our sources of earnings. In the chemical industry size, scale and scope are important. They provide the basis for spreading fixed costs, attracting quality human resources and developing centres of excellence and best practices.
As you can see from this slide, these acquisitions, together with organic initiatives have resulted in significant growth for Chemtrade over the years.

The General Chemical acquisition, based on September 2013 numbers, almost doubles EBITDA.
This strategy has delivered superior returns for unitholders.

This chart shows the total return Chemtrade has generated for unitholders since the IPO in 2001 to the end of March, 2014. A unitholder who purchased units at the time of the IPO would have enjoyed a compound annual return of 18.3% versus 7.6% posted by the S&P TSX Composite Total Return Index during the same period.
As I mentioned earlier, a cornerstone of delivering reliable distributions to our unitholders is our business model that mitigates typical commodity risks. There are a number of elements to our business model that protect our strong cash flow from commodity risks...
Risk Mitigating Business Model

Protecting Our Cash Flow From Commodity Risks

- Diversity of customers, industries and products
- Fee-based and risk-sharing contracts with customers, suppliers
- Competitive positioning
- Service and product differentiation

...including:

- Diversity of customers, industries and products;
- Fee-based and risk-sharing contracts;
- Competitive positioning; and
- Service and product differentiation
With the addition in January of the General Chemical businesses, we re-categorized the structure of our operations. We still have three operating segments but have reorganized some of our products into the appropriate segments.

**Sulphur Products and Performance Chemicals (or SPPC)** incorporates most of our sulphur-based chemicals, including sulphuric acid and regen as well as other refinery operations.

**Water Solutions & Specialty Chemicals (or WSSC)** segment includes our greatly expanded water solutions business and our various specialty businesses, including the former Pulp Chemicals operations in Prince George, British Columbia.

**International** segment remains unchanged.

I will discuss how the business model works in the SPPC and WSSC segments in a minute, but first I want to discuss the model with respect to Chemtrade in aggregate.
Chemtrade has significant diversity of both end markets and sources of earnings. By spreading our risk among different end markets, geographies, and products and services, we reduce the likelihood that a downturn in any one industry or product could have an undue effect on our earnings.

Looking at the end markets we serve, the General Chemical acquisition substantially increased our end markets. In particular, it increased our access to the water treatment market and proportionately reduced our exposure to the pulp and paper industry.
Even within that **water treatment** market we have further diversified. Municipal water treatment is a significant new market for us, and the geographic coverage of the industrial water treatment market we previously served has been greatly enhanced. Our expanded water solutions business should now represent about 14% of our revenue.

Further, in the **Industrial & Manufacturing** end markets, we have increased the diversification of our earnings base with the addition of several sub-sectors within the category such as paints & dyes and plastics & fibres. This diversification of industries across the broad North American industrial base has always been a key focus of our strategy for generating stable earnings.
Secondly, as you can see from this chart, we generate earnings from a variety of different products and services. While we still derive a large portion of our earnings from sulphuric acid, there are a number of other significant contributors such as our water & specialty products. Again, we see that diversity, this time of products, serves to mitigate risks and deliver stable earnings.
Turning to the SPPC and WSSC segments, each segment adheres to Chemtrade’s business model in different ways. As a general statement, SPPC seeks to mitigate typical commodity risks through risk shared contracts, while the WSSC segment, which does have some products that benefit from risk shared contracts, primarily relies on niche competitive advantages and diversity of sources of earnings.
Within the SPPC segment, the centerpiece of our business model is the contracts we have with our customers and suppliers. In this segment, in a large part due to the critical nature of our relationships with industrial customers, Chemtrade is able to reduce its exposure to commodity price risks through risk-shared contracts. In our terminology, risk-shared contracts mitigate, but do not eliminate, typical industrial chemical risks such as changes in price and volume.
Each risk mitigating contract is unique. However, they can be generalized into two main groups.

Where Chemtrade is **not** the producer of the product we market, we seek to enter into contracts with the product supplier where the risk or benefit of movements in market price (and sometimes volume) is shared between the producer and Chemtrade.

Where Chemtrade **is** the producer of the product, we seek to enter into contracts with our customers where they share the risk with us of changing input costs with us. While each risk mitigating contract is unique, they all possess some risk mitigating provisions.
In addition to our previous sulphur products businesses, the sulphuric acid business we acquired with General provides regen and related services to customers on the US West coast. The business also provides sulphuric acid over-the-fence to a dedicated consumer of merchant sulphuric acid in Georgia. From a business model perspective, this business is most like our legacy business. The regen contracts are generally multi-year and contain provisions for passing through changes in natural gas costs, which is the major production cost for these plants. Some major customers also have take-or-pay provisions in their contracts. Our over-the-fence acid plant in Georgia supplies its customer under a long term “cost plus” contract that also has minimum volume requirements.
In our Water Solutions & Specialty Chemicals segment our business model enhances the quality of our earnings in other ways.

The Water Treatment business builds on our footprint in Western Canada and transforms Chemtrade into the largest supplier of inorganic coagulants for water treatment in the U.S. Not only is the size of this business greatly enhanced, but this acquisition also added new products to our water treatment product portfolio. This business serves a broad customer base through a geographically diverse plant network providing a great diversity in the source of earnings. Furthermore, water treatment needs are largely non-discretionary – in other words, the need for cities and municipalities to treat their drinking water does not change much no matter how well or poorly the economy may be doing. This factor contributes to the sustainability of our earnings.

Our specialty chemicals businesses produce niche products with unique barriers to entry.
The Water Treatment business provides municipal and industrial customers with a number of water treatment chemicals, primarily aluminum- and iron-based inorganic coagulants, as well as alkali and disinfectant products. The addition of this business greatly expands our existing aluminum sulphate (or “alum”) operations such that they now extend across most of the United States and Canada. The addition of General Chemical’s 39 facilities, located primarily in the United States, means that our coagulants manufacturing footprint has approximately three times the number of facilities as the next largest competitor.

The facilities are strategically located in close proximity to customers, providing the business with a freight cost advantage over its competitors.
From a business model perspective, the number of individual plants, diverse customers and freight cost logistics provide a stabilizing effect on earnings. No one plant or one customer represents a large part of this segment’s earnings; thus a loss of any particular customer or competitive pressures at any one plant will not unduly affect the earnings of this segment as a whole. This aspect of the Water Treatment business is particularly appealing as it dovetails with Chemtrade’s overall strategy of risk mitigation.
The Specialty Chemicals business expands Chemtrade into new high margin product categories, serving a new and diverse set of customers and markets.

These products provide a nice entry point into the specialty chemical sphere as these products serve niche applications and have certain barriers to entry. Today I will touch on two of these businesses and comment on their fit with our business model.

Sodium Nitrite is used in a broad array of applications, including corrosion prevention, dyes, pigments, printing, food processing, and some emerging oil and gas applications. The competitive advantage is obvious as Chemtrade is the sole North American manufacturer.
Another specialty chemical we now manufacture and sell is High-purity Potassium Chloride. This product is used as an ingredient in custom pharmaceutical formulations. It is specified by a number of customers for time-release applications, for use in food as a salt alternative, for certain vitamin applications as a potassium replacement, and for other industrial uses. We have a strong market position. Our products are also protected in that some customers have included the product in their end product specifications. Finally, we are the only North American manufacturer of rounded potassium chloride crystals for active pharmaceutical ingredient applications.
In summary, we are very pleased with the General Chemical acquisition and how its addition strengthens our overall portfolio of businesses. We added talented employees to the Chemtrade team, who will, when combined with our legacy employees, continue delivering value to our unitholders. The second quarter this year will be the first full fiscal period that includes the newly acquired businesses, and we’re confident the benefits of the acquisition will be clearly apparent then and for the quarters to come.
Now Rohit will briefly review Chemtrade’s financial performance for 2013.
Rohit Bhardwaj

Thank you, Mark and good morning everyone.
Throughout 2013, business conditions were relatively stable in North America. In international markets, conditions continued to be weak, with lower volumes of acid and lower sales prices. This was reflected in revenue for the year, which was $836 million compared with $919 million in 2012.
Despite the lower revenue, our operating businesses performed well in 2013 generating EBITDA of $176 million compared with $179 million in 2012.
Turning to the segmented results for the year, SPPC generated revenue of $596 million compared with $606 million in 2012.

The main reason for the decrease in revenue was lower prices of sulphur and sulphuric acid. This was partially offset by higher prices for certain other products within the segment relative to 2012. Despite the decrease in revenue, EBITDA was $154 million, which was similar to last year, demonstrating the attributes of our risk-sharing business model.
Pulp Chemicals reported revenue of $52.0 million compared with $51 million in 2012 and EBITDA of $11 million, which was the same as 2012.

The capital improvement projects at our Prince George facility that will make it a low-cost producer, are substantially complete.
International reported revenue of $187 million for the year, compared with $262 million in 2012. This significant reduction in revenue reflected the generally weak conditions for sulphuric acid and sulphur in international markets. Despite the significant reduction in revenue, EBITDA for the year was $11 million, down by $1 million from 2012, once again validating our business model.
Aggregate EBITDA, i.e., including the Corporate segment, for 2013 was $12 million lower than 2012, primarily because of higher accruals for the long-term incentive plan (or LTIP) due to the significant appreciation in our unit price, particularly towards the end of 2013 and due to some acquisition related costs recorded towards the end of 2013.
Additionally, maintenance capex was higher than 2012 and closer to our targeted investment level. This resulted in distributable cash after maintenance capex of $1.81 per unit compared with $2.07 per unit in 2012. This was still comfortably ahead of our annual distribution rate of $1.20 per unit.
As you saw on an earlier slide, one of our core strategies is financial prudence. Our balance sheet structure changed on January 23 with the closing of the acquisition which was financed through a combination of a $345.2 million underwritten equity offering and syndicated senior secured credit facilities.

The credit facilities are comprised of a US$ 600 million five year term loan and a US$400 million revolving credit facility, both maturing in January 2019, and a $150 million accordion. The total amount drawn to finance the acquisition and refinance the existing credit facilities was approximately $833.0 million.

Our resulting capital structure preserves our balance sheet strength, and we expect that our ability to generate strong near-term cash flow will enable us to steadily reduce our leverage.
This slide shows that we have delivered on this commitment of deleveraging in the past. With the Marsulex acquisition, our senior secured leverage increased to 2.8x as of closing in Q2, 2011 and within one year we had reduced this indebtedness to 1.6x LTM EBITDA, while at the same time, delivering on our commitment to pay distributions to our unitholders of $1.20 per unit annually.

After the end of the year, in January, we of course significantly increased our leverage to finance the General Chemical acquisition. It is our intention to steadily reduce our leverage this time as well.

Further, as you may know, we just announced the sale of our Montreal business for approximately $120 million. We intend using the net proceeds from this sale to pay down our senior bank debt, which accelerates our deleveraging plan.

I’ll now hand it back to Mark.
Mark Davis

It is now almost 13 years since Chemtrade’s inception and during that time we have established a track record of growth. Our track record is evidence that our business model creates a distribution rate that is sustainable through the differing economic conditions.

We have also demonstrated our ability to continuously improve our businesses through investment in our capital assets and our people, and by adding businesses that fit our business model.

The completion of the General Chemical acquisition in January marked the beginning of an exciting new chapter in Chemtrade’s continuing growth.
We remain confident of Chemtrade’s ability to continue delivering growth and yield to our unitholders.

Thank you for your attention. We would now be pleased to answer questions.