

NEWS RELEASE

CHEMTRADE LOGISTICS INCOME FUND ANNOUNCES RECORD FIRST QUARTER RESULTS

**INCREASES 2023 ADJUSTED EBITDA GUIDANCE, TO BE AT OR ABOVE 2022's RECORD LEVEL
ALSO ANNOUNCES THE REDEMPTION OF THE REMAINDER OF 2024 DEBENTURES (\$101.1 million)**

TORONTO, Ontario, May 10, 2023 – Chemtrade Logistics Income Fund (TSX: CHE.UN) (“Chemtrade” or the “Fund”) today announced results for the three months ended March 31, 2023. The financial statements and MD&A will be available on Chemtrade’s website at www.chemtradelogistics.com and on SEDAR at www.sedar.com.

First Quarter 2023 Highlights

- Revenue of \$471.2 million, an increase of \$80.9 million or 21% year-over-year, reflecting strong double-digit growth in both operating segments.
- Net earnings of \$79.5 million, an increase of \$68.8 million year-over-year.
- Adjusted EBITDA⁽¹⁾ of \$131.7 million, an increase of \$23.8 million or 22% year-over-year, primarily owing to increased revenue.
- Cash flows from operating activities of \$54.4 million, an increase of \$17.2 million or 46% year-over-year.
- Distributable cash after maintenance capital expenditures⁽¹⁾ of \$87.6 million, an increase of \$24.3 million or 38% year-over-year, with a distribution Payout ratio⁽¹⁾ of 28% for the twelve months ended March 31, 2023.
- Continued balance sheet improvement, as demonstrated by a Net debt to Adjusted EBITDA⁽¹⁾ ratio of 2.2x at March, 31, 2023, as compared to 3.5x at March 31, 2022. Also announced a reduction in the amount of convertible debentures outstanding by roughly \$91 million (~18%) compared to December 31, 2022.
- Increased 2023 Adjusted EBITDA guidance to be at or above 2022's record earnings level of \$430.9 million previously, primarily reflecting Chemtrade's strong start to 2023 and improved outlook for the remainder of 2023.

Scott Rook, President and CEO of Chemtrade, commented on the first quarter 2023 results, “We are very pleased that we have started 2023 by building on 2022’s positive momentum. Adjusted EBITDA of \$131.7 million represents the strongest first quarter in our history. Impressively, these results came despite significant maintenance turnaround activity in our Regen acid business. These outstanding results can be attributed to the strength of our diversified business model and our ongoing focus on operational reliability. We continue to capitalize on strong market fundamentals across much of our portfolio and continue to see multi-year tailwinds across many of our key products. Notably, in the first quarter of 2023, we saw unprecedented improvement in realized sodium chlorate pricing, improving water solutions product margins, and higher merchant acid pricing. We also continued to benefit from strong chlor-alkali fundamentals and higher Metric Electrical Chemical Unit (“MECU”) pricing, with our access to low-cost, renewable hydroelectric power an ongoing competitive advantage.”

“Given our very strong start to the year and our positive outlook for the balance of 2023, we are increasing our full-year 2023 guidance and expect 2023 Adjusted EBITDA to be at or above 2022’s record achievement,” Mr. Rook continued. “Furthermore, as we continue to progress on our two previously announced Ultrapure acid projects, we are of the view that 2023 will be a successful year for Chemtrade, not only financially, but also operationally and strategically. The initiatives we are undertaking are expected to further strengthen our business in the coming years, ultimately generating incremental value for our

(1) Adjusted EBITDA is a Total of Segments measure, Distributable cash after maintenance capital expenditures is a non-IFRS measure and Distributable cash after maintenance capital expenditures per Unit, Payout ratio and Net debt to Adjusted EBITDA are Non-IFRS ratios. Please see Non-IFRS and Other Financial Measures for more information.

unitholders. Meanwhile, our balanced approach to capital allocation has enabled Chemtrade to maintain a strong balance sheet, while investing in our high-return organic growth projects and continuing to reward our unitholders with a steady monthly cash distribution.”

“We take great pride in the track-record of performance and dependability that we have established in recent quarters, and we are committed to continue building upon this success in the coming years. With the talented team that we have in place and the tremendous opportunities that lie ahead, we remain confident in Chemtrade’s future,” concluded Mr. Rook.

Consolidated Financial Summary of Q1 2023

Revenue for the first quarter of 2023 was \$471.2 million, compared to \$390.3 million in the first quarter of 2022. The increase in revenue for the first quarter of 2023 was primarily due to: (i) higher selling prices of chlor-alkali products and sodium chlorate in the Electrochemicals (“EC”) segment; and (ii) higher selling prices of water solutions products, sodium nitrite, Regen acid, and merchant acid in the Sulphur and Water Chemicals (“SWC”) segment.

Adjusted EBITDA for the first quarter of 2023 was \$131.7 million, significantly above the \$107.8 million generated in the first quarter of 2022. The year-over-year increase in Adjusted EBITDA primarily reflects increased gross profit for sodium chlorate and chlor-alkali products in the EC segment. In the SWC segment, improved results for water were more than offset by higher costs and reduced sales due to higher maintenance turnaround activity for acid products.

Distributable cash after maintenance capital expenditures for the first quarter of 2023 was \$87.6 million or \$0.76 per unit, compared to \$63.3 million or \$0.61 per unit in the first quarter of 2022. This increase primarily reflects growth in Adjusted EBITDA, as noted above. Chemtrade’s distribution Payout ratio for the three months and twelve months ended March 31, 2023 was 20% and 28%, respectively.

Chemtrade maintained a strong balance sheet through the first quarter of 2023. As of March 31, 2023, Chemtrade’s Net debt to Adjusted EBITDA ratio was 2.2x, compared to 3.5x as of March 31, 2022. This balance sheet improvement on a year-over-year basis reflects a combination of cash generation, Adjusted EBITDA growth, an \$86.5 million equity financing completed in the third quarter of 2022, and the sale of an idled sulphuric acid plant during the second quarter of 2022. At the end of the first quarter of 2023, Chemtrade had US\$393.1 million undrawn on its revolving credit facilities, in addition to \$132.7 million of cash on hand.

Segmented Financial Summary of Q1 2023

The SWC segmented reported revenue of \$262.5 million for the first quarter of 2023, compared to \$229.0 million for the first quarter of 2022. Adjusted EBITDA in the SWC segment was \$55.4 million for the first quarter of 2023, compared to \$62.5 million for the first quarter of 2022.

The increase in SWC revenue was primarily due to higher selling prices of water solutions products, sodium nitrite, Regen acid, and merchant acid. A partial offset to revenue growth was lower Regen acid volumes and lower selling prices of sulphur products. SWC Adjusted EBITDA declined on a year-over-year basis, with higher revenue more than offset by lower demand for Regen acid as several key customers completed significant maintenance turnarounds. We also incurred higher costs related to the maintenance turnarounds at the Beaumont and Richmond plants during Q1 2023.

The EC segment reported revenue of \$208.7 million in the first quarter of 2023, compared to \$161.4 million in the first quarter of 2022. Adjusted EBITDA in the EC segment was \$99.9 million in the first quarter of 2023, compared to \$65.6 million in the first quarter of 2022.

The increase in EC revenue and Adjusted EBITDA is reflective of higher selling prices for all three of Chemtrade’s chlor-alkali products – chlorine, hydrochloric acid, and caustic soda. Realized MECU netbacks (i.e., selling price less freight) were approximately \$550 higher in the first quarter of 2023 as compared to the prior year period, with approximately 20% of the increase attributable to the stronger U.S. dollar relative to the Canadian dollar. Approximately 60% of the higher realized MECU netbacks was due to higher realized prices for chlorine and hydrochloric acid, with the balance due to higher realized prices for caustic

soda. Chlorine benefited from reduced supply in the industry. Demand for hydrochloric acid was strong due to increased fracking activity in North America. Asian caustic soda fundamentals, which drives Chemtrade's selling price, were supported by reduced supply in Europe due to very high costs for electricity, the main input cost for chlor-alkali. EC revenue and Adjusted EBITDA also increased as a result of a significant increase in selling prices for sodium chlorate, which reflect the significant energy cost advantage in Canada relative to most parts of the world resulting in high operating rates. Higher revenue in Brazil also contributed to results.

Corporate costs for the first quarter of 2023 were \$23.7 million, compared to \$20.2 million in the first quarter of 2022. The increase was primarily due to: (i) a realized foreign exchange loss of \$0.6 million in the first quarter of 2023, as compared to a realized foreign exchange gain of \$2.1 million in the first quarter of 2022; and (ii) \$1.6 million of higher short-term incentive compensation costs as compared to the prior year period. A partial offset to the year-over-year increase in corporate costs was \$0.8 million of reserves for legal proceedings recorded in the first quarter of 2022.

2023 Guidance

Chemtrade is updating its 2023 guidance, as set out below, which was previously issued in January 2023. Given the strong results reported for the first quarter of 2023 and improved outlook for the year, Chemtrade has raised its full-year Adjusted EBITDA guidance for 2023. We now expect 2023's Adjusted EBITDA to be at or above the level achieved in 2022.

(\$ million)	Revised 2023 Guidance	Prior 2023 Guidance	2022 Actual	Three months ended	
				March 31, 2023	March 31, 2022
Adjusted EBITDA ⁽¹⁾	At or above 2022 Actual	\$360.0 - \$400.0	\$430.9	\$131.7	\$107.8
Maintenance capital	\$80.0 - \$105.0	\$80.0 - \$105.0	\$99.8	\$17.5	\$14.2
Growth capital	\$110.0 - \$140.0	\$110.0 - \$140.0	\$21.6	\$10.4	\$2.0
Lease payments	\$50.0 - \$60.0	\$50.0 - \$60.0	\$52.4	\$14.1	\$12.9
Cash interest ⁽¹⁾	\$50.0 - \$55.0	\$50.0 - \$55.0	\$51.7	\$10.9	\$13.8
Cash tax ⁽¹⁾	\$10.0 - \$20.0	\$10.0 - \$20.0	\$12.0	\$1.6	\$3.7

(1) Adjusted EBITDA is a Total of Segments measure. Maintenance capital expenditures, Cash interest and Cash tax are supplementary financial measures. Growth capital expenditures is a Non-IFRS financial measure. See Non-IFRS And Other Financial Measures.

Chemtrade's guidance is based on numerous assumptions. Certain key assumptions that underpin the 2023 guidance are as follows:

- There will be no significant lockdowns or stay-at-home orders issued in North America due to a resurgence of COVID-19 during 2023.
- None of the principal manufacturing facilities (as set out in Chemtrade's AIF) incurs significant unplanned downtime.
- No labour disruptions at any of our principal manufacturing facilities (as set out in our AIF).

Key Assumptions	Updated 2023 Assumption	Prior 2023 Assumption	2022 Actual
Approximate North American MECU sales volumes	185,000	170,000	184,000
2023 average MECU Netback being lower than 2022 average per MECU	CAD \$60	CAD \$340	N/A
2023 average CMA ⁽¹⁾ NE Asia caustic spot price index being lower per tonne than the 2022 average	US\$185 ⁽²⁾	US\$185	N/A
Approximate North American production volumes of sodium chlorate (MTs)	285,000	310,000	343,000
USD to CAD average foreign exchange rate	1.330	1.280	1.302
LTIP ⁽³⁾ costs (in millions)	\$10.0 - \$20.0	\$10.0 - \$15.0	\$21.0

(1) Chemical Market Analytics (CMA) by OPIS, A Dow Jones Company, formerly IHS Markit Base Chemical.

(2) Implies that the index pricing H2 2023 will be approximately US\$390 per tonne

(3) Long Term Incentive Plan.

Update on Organic Growth Projects

Chemtrade's objective is to deliver sustained earnings growth and generate value for investors over the long-term. To accomplish this, Chemtrade has identified a number of organic growth projects, including two large ultrapure sulphuric acid growth expansion projects in Cairo, Ohio and Casa Grande, Arizona. With respect to the Casa Grande project, the Front-End Engineering Design ("FEED") study is now complete and is currently being analyzed. Not surprisingly, we are seeing the same inflationary pressures on capital equipment and commercial construction as being experienced at a macro-level in the U.S. and Chemtrade now expects the aggregate capital costs to be significantly higher than the top end of the previously estimated range (US\$ 175-250 Million). As previously communicated, Chemtrade expects to provide an update on this project towards the middle of 2023. The project in Cairo continues to progress on schedule and on budget, with construction completion expected in the first quarter of 2024 and commissioning and start-up expected later in 2024.

Chemtrade is targeting to achieve an incremental \$45 million in Adjusted EBITDA growth by year-end 2025 and \$75 million in Adjusted EBITDA by year-end 2027 as a result of its organic growth projects. In 2023, Chemtrade plans to allocate \$110 million - \$140 million for Growth capital expenditures to support these organic growth projects. Additional details on Chemtrade's growth projects can be found in the disclosure documents filed by Chemtrade with the securities regulatory authorities, available on www.sedar.com and on Chemtrade's investor page at www.chemtradelogistics.com/investors.

2024 Convertible Debenture Redemption

Chemtrade issued \$110 million of debentures in the first quarter of 2023. The proceeds of this debenture financing were used to partially redeem the debentures coming due in May 2024. Chemtrade will redeem the remainder of the May 2024 debentures (\$101.1 million) using a combination of cash and liquidity from the revolving credit facilities. Following the full redemption of the 2024 debentures, the overall principal amount of outstanding convertible debentures will be approximately \$426.2 million, which is roughly \$91 million (18%) lower than on December 31, 2022.

Mr. Rohit Bhardwaj, Chemtrade's Chief Financial Officer commented on the redemption, "We are pleased that we have generated a significant amount of surplus free cash and have sufficiently reduced our senior leverage such that we are able to reduce the amount of convertible debentures outstanding on our balance sheet by roughly \$91 million."

Superior Lawsuit Judgment

In December 2022, Chemtrade received a judgment in its favour related to a \$25.0 million lawsuit against Superior Plus Corporation (“Superior”). The lawsuit involved the failed attempt by Superior to acquire Canexus Corporation (“Canexus”), prior to Chemtrade’s 2017 acquisition of Canexus. During the first quarter of 2023, Chemtrade received a payment of \$27.7 million, including interest. However, Superior has filed an appeal against the judgment. Chemtrade has established a provision of \$27.7 million due to uncertainty associated with the outcome of the appeal.

Distributions & Distribution Reinvestment Plan (“DRIP”)

Distributions declared in the first quarter of 2023 totaled \$0.15 per unit, comprised of monthly distributions of \$0.05 per unit. Chemtrade offers a DRIP that provides a way for unitholders to accumulate additional Chemtrade units without fees and currently includes a 3% bonus distribution.

About Chemtrade

Chemtrade operates a diversified business providing industrial chemicals and services to customers in North America and around the world. Chemtrade is one of North America’s largest suppliers of sulphuric acid, spent acid processing services, inorganic coagulants for water treatment, sodium chlorate, sodium nitrite, sodium hydrosulphite and phosphorus pentasulphide. Chemtrade is also the largest producer of high purity sulphuric acid for the semiconductor industry in North America. Chemtrade is a leading regional supplier of sulphur, chlor-alkali products, liquid sulphur dioxide, and zinc oxide. Additionally, Chemtrade provides industrial services such as processing by-products and waste streams.

NON-IFRS AND OTHER FINANCIAL MEASURES

Non-IFRS financial measures and non-IFRS ratios

Non-IFRS financial measures are financial measures disclosed by an entity that (a) depict historical or expected future financial performance, financial position or cash flow of an entity, (b) with respect to their composition, exclude amounts that are included in, or include amounts that are excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity, (c) are not disclosed in the financial statements of the entity and (d) are not a ratio, fraction, percentage or similar representation. Non-IFRS ratios are financial measures disclosed by an entity that are in the form of a ratio, fraction, percentage, or similar representation that has a non-IFRS financial measure as one or more of its components, and that are not disclosed in the financial statements of the entity.

These non-IFRS financial measures and non-IFRS ratios are not standardized financial measures under IFRS and, therefore, are unlikely to be comparable to similar financial measures presented by other entities. Management believes these non-IFRS financial measures and non-IFRS ratios provide transparent and useful supplemental information to help investors evaluate Chemtrade’s financial performance, financial condition and liquidity using the same measures as management. These non-IFRS financial measures and non-IFRS ratios should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS.

The following section outlines our non-IFRS financial measures and non-IFRS ratios, their compositions, and why management uses each measure. It includes reconciliations to the most directly comparable IFRS measures. Except as otherwise described herein, our non-IFRS financial measures and non-IFRS ratios are calculated on a consistent basis from period to period and are adjusted for specific items in each period, as applicable.

Distributable cash after maintenance capital expenditures

Most directly comparable IFRS financial measure: Cash flows from operating activities

Definition: Distributable cash after maintenance capital expenditures is calculated as cash flow from operating activities less lease payments net of sub-lease receipts, Maintenance capital expenditures and adjusting for Cash interest and current taxes, and before decreases or increases in working capital.

Why we use the measure and why it is useful to investors: It provides useful information related to our cash flows including the amount of cash available for distribution to Unitholders, repayment of debt and other investing activities.

Distributable cash after maintenance capital expenditures per unit

Definition: Distributable cash after maintenance capital expenditures per unit is calculated as Distributable cash after maintenance capital expenditures divided by the weighted average number of units outstanding.

Why we use the measure and why it is useful to investors: It provides useful information related to our cash flows including the amount of cash available for distribution to Unitholders, repayment of debt and other investing activities.

Payout ratio

Definition: Payout ratio is calculated as Distributions declared per unit divided by Distributable cash after maintenance capital expenditures per unit.

Why we use the measure and why it is useful to investors: It provides useful information related to our cash flows including our ability to pay distributions to Unitholders.

(\$'000, except per unit metrics and ratios)	<u>Three months ended</u>		<u>Twelve months ended</u>
	March 31, 2023	March 31, 2022	March 31, 2023
Cash flows from operating activities	\$54,372	\$37,133	\$386,430
Add (Less):			
Lease payments net of sub-lease receipts	(14,083)	(12,856)	(53,587)
Increase (Decrease) in working capital	45,174	57,751	(18,566)
Changes in other items ⁽¹⁾	19,643	(4,567)	28,246
Maintenance capital expenditures ⁽²⁾	(17,531)	(14,192)	(103,105)
Distributable cash after maintenance capital expenditures	\$87,575	\$63,269	\$239,418
Divided by:			
Weighted average number of units outstanding	115,657,409	104,347,274	111,234,533
Distributable cash after maintenance capital expenditures per unit	\$0.76	\$0.61	\$2.15
Distributions declared per unit ⁽³⁾	\$0.15	\$0.15	\$0.60
Payout ratio (%)	20%	25%	28%

(1) Changes in other items relate to Cash interest and current taxes.

(2) Maintenance capital expenditures are a Supplementary financial measure. See "Supplementary financial measures" for more information.

(3) Based on actual number of units outstanding on record date.

Net debt

Most directly comparable IFRS financial measure: Total long-term debt, Debentures, lease liabilities, and long-term lease liabilities, less cash and cash equivalents.

Definition: Net debt is calculated as the total of long-term debt, the principal value of Debentures, lease liabilities and long-term lease liabilities, less cash and cash equivalents.

Why we use the measure and why is it useful to investors: It provides useful information related to our aggregate debt balances.

(\$'000)	Three months ended	
	March 31, 2023	March 31, 2022
Long-term debt ⁽¹⁾	\$327,784	\$524,065
Add (Less):		
Debentures ⁽¹⁾	627,297	517,365
Long-term lease liabilities	107,757	93,813
Lease liabilities ⁽²⁾	47,866	44,414
Cash and cash equivalents	(132,715)	(19,531)
Net debt	\$977,989	\$1,160,126

(1) Principal amount outstanding.

(2) Presented as current liabilities in the condensed consolidated interim statements of financial position.

Growth capital expenditures

Most directly comparable IFRS financial measure: Capital expenditures

Definition: Growth capital expenditures are calculated as capital expenditures less Maintenance capital expenditures, plus Investments in joint ventures.

Why we use the measure and why it is useful to investors: It provides useful information related to the capital spending and investments intended to grow earnings.

(\$'000)	Three months ended		Year ended
	March 31, 2023	March 31, 2022	December 31, 2022
Capital expenditures	\$27,903	\$16,168	\$115,440
Add (Less):			
Maintenance capital expenditures	(17,531)	(14,192)	(99,766)
Non-maintenance capital expenditures ⁽¹⁾	10,372	1,976	15,674
Investment in Joint Venture ⁽²⁾	-	-	5,931
Growth capital expenditures	\$10,372	\$1,976	\$21,605

(1) Non-maintenance capital expenditures is a Supplementary financial measure.

(2) Joint venture with KPCT Advanced Chemicals LLC ("KPCT") to build an ultrapure sulphuric acid facility in Arizona

Capital management measures

Capital management measures are financial measures disclosed by an entity that (a) are intended to enable an individual to evaluate an entity's objectives, policies and processes for managing the entity's capital, (b) are not a component of a line item disclosed in the primary financial statements of the entity, (c) are

disclosed in the notes of the financial statements of the entity, and (d) are not disclosed in the primary financial statements of the entity.

Net debt to Adjusted EBITDA

Definition: Net debt to Adjusted EBITDA is calculated as Net debt divided by LTM Adjusted EBITDA. LTM Adjusted EBITDA represents the last twelve months Adjusted EBITDA and is calculated from Adjusted EBITDA reported in the MD&A.

Why we use the measure and why it is useful to investors: It provides useful information related to our debt leverage and our ability to service debt. We monitor Net debt to Adjusted EBITDA as a part of liquidity management to sustain future investment in the growth of the business and make decisions about capital.

(\$'000)	Three months ended	
	March 31, 2023	March 31, 2022
Net debt	\$977,989	\$1,160,126
LTM Adjusted EBITDA ⁽¹⁾	\$454,705	\$332,784
Net debt to Adjusted EBITDA	2.15x	3.49x

(1) LTM Adjusted EBITDA represents the last twelve months Adjusted EBITDA.

Total of segments measures

Total of segments measures are financial measures disclosed by an entity that (a) are a subtotal of two or more reportable segments, (b) are not a component of a line item disclosed in the primary financial statements of the entity, (c) are disclosed in the notes of the financial statements of the entity, and (d) are not disclosed in the primary financial statements of the entity.

The following section provides an explanation of the composition of the Total of segments measures.

Adjusted EBITDA

Most directly comparable IFRS financial measure: Net earnings (loss)

(\$'000)	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Net earnings (loss)	\$79.5	(\$11.7)	\$75.3	\$34.8	\$10.7	(\$180.5)	(\$20.2)	(\$14.1)
Add (less):								
Depreciation and amortization	\$52.1	\$54.9	\$56.6	\$53.2	\$52.2	\$60.1	\$56.6	\$60.6
Net finance (income) costs	(\$12.7)	\$37.2	(\$25.9)	\$9.8	\$28.8	\$56.9	\$18.7	\$19.1
Income tax expense (recovery)	\$13.9	\$32.7	\$12.9	(\$3.3)	\$17.8	\$21.9	\$8.2	(\$6.6)
Impairment of intangible assets	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$81.7	\$0.0	\$0.0
Impairment of PPE	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$48.3	\$0.0	\$0.0
Change in environmental liability	\$0.9	\$0.0	\$0.0	(\$0.1)	\$0.1	\$0.6	\$0.0	\$0.4
Net loss (gain) on disposal and write-down of PPE	\$1.8	\$2.2	\$0.9	(\$18.3)	(\$0.1)	(\$0.8)	(\$0.1)	\$0.0
(Gain) loss on disposal of assets held for sale	\$0.0	\$0.0	\$0.0	(\$0.2)	\$0.7	\$7.1	\$0.0	\$0.0
Unrealized foreign exchange (gain) loss	(\$3.8)	(\$10.9)	\$17.2	\$5.7	(\$2.4)	(\$2.7)	\$4.0	\$5.8
Adjusted EBITDA	\$131.7	\$104.3	\$137.1	\$81.7	\$107.8	\$92.5	\$67.3	\$65.2

Supplementary financial measures

Supplementary financial measures are financial measures disclosed by an entity that (a) are, or are intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position, or cash flow of an entity, (b) are not disclosed in the financial statements of the entity, (c) are not non-IFRS financial measures, and (d) are not non-IFRS ratios.

The following section provides an explanation of the composition of those Supplementary financial measures.

Maintenance capital expenditures

Represents capital expenditures that are required to sustain operations at existing levels and include major repairs and maintenance and plant turnarounds.

Non-maintenance capital expenditures

Represents capital expenditures that are (a) pre-identified or pre-funded, usually as part of a significant acquisition and related financing; (b) considered to expand the capacity of our operations; (c) significant environmental capital expenditures that are considered to be non-recurring; or (d) capital expenditures to be reimbursed by a third party.

Cash interest

Represents the interest expense on long-term debt, interest on Debentures, and pension plan interest expense, net of interest income.

Cash tax

Represents current income tax expense.

Caution Regarding Forward-Looking Statements

Certain statements contained in this news release 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. Specifically, forward-looking statements in this news release include statements respecting certain future expectations about: our expectation of continued competitive advantage from access to low-cost hydroelectric power; our positive outlook for the balance of 2023 and expectation for a successful 2023 financial, operationally and strategically; the ability of our initiatives to further strengthen our business; our commitment to build on the successful track record of performance and dependability; our confidence in Chemtrade’s future; our expectation that Adjusted EBITDA for 2023 will be at or above the level achieved in 2022; the expected 2023 range of Maintenance capital expenditures and Growth capital expenditures, lease payments, Cash interest, and Cash tax; the expected timing of an updated capital cost estimate for the Arizona ultrapure acid project; the anticipated date of construction completion for the Cairo ultrapure acid project; our expectation regarding the increase in aggregate capital costs for the Casa Grande project; our targeted incremental Adjusted EBITDA growth by 2025 and 2027 and the amounts allocated for Growth capital expenditures to support these projects. Forward-looking statements in this news release describe the expectations of the Fund 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 the Fund’s latest Annual Information Form and the “RISKS AND UNCERTAINTIES” section of the Fund’s most recent Management’s Discussion & Analysis.

Although the Fund 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. With respect to the forward-looking statements contained in this news release, the Fund has made assumptions regarding: there being no significant North American lockdowns or stay-at-home orders issued due to Covid-19; there being no significant unplanned downtime nor labour disruptions affecting Chemtrade's principal manufacturing facilities; the stated North American MECU sales volumes; the stated 2023 average CMA NE Asia caustic spot price index; the stated sodium chlorate production volumes; and the stated U.S. dollar average foreign exchange rate and the stated LTIP costs;

Except as required by law, the Fund 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 Logistics Income Fund with the securities regulatory authorities, available at www.sedar.com.

A conference call to review the first quarter 2023 results will be webcast live on Thursday, May 11, 2023 at 8:30 a.m. ET. To access the webcast [click here](#).

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