



SIMSA Virtual Round-table: Potash Operations

Larry Long
SVP Operations, Potash

June 25th, 2020

Forward-Looking Statements Advisory



Certain statements and other information included in this document constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements") under applicable securities laws (such statements are often accompanied by words such as "anticipate", "forecast", "expect", "believe", "may", "will", "should", "estimate", "intend" or other similar words). All statements in this document, other than those relating to historical information or current conditions, are forward-looking statements, including, but not limited to: expected 2020 adjusted EBITDA and Retail EBITDA and margin estimates; estimated adjusted EBITDA fertilizer price sensitivity, capital spending expectations for 2020; expectations regarding performance of our operating segments in 2020; our operating segment market outlooks and expected market conditions for 2020, including crop and fertilizer prices, volumes and demand; and acquisitions, including the timing thereof. These forward-looking statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from such forward-looking statements. As such, undue reliance should not be placed on these forward-looking statements.

All of the forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements, including the assumptions referred to below and elsewhere in this document. Although we believe that these assumptions are reasonable, this list is not exhaustive of the factors that may affect any of the forward-looking statements and the reader should not place an undue reliance on these assumptions and such forward-looking statements. The additional key assumptions that have been made include, among other things, assumptions with respect to our ability to successfully complete, integrate and realize the anticipated benefits of our already completed and future acquisitions, and that we will be able to implement our standards, controls, procedures and policies at any acquired businesses to realize the expected synergies; that future business, regulatory and industry conditions will be within the parameters expected by us, including with respect to prices, margins, demand, supply, product availability, supplier agreements, availability and cost of labor and interest, exchange and effective tax rates; the completion of our expansion projects on schedule, as planned and on budget; assumptions with respect to global economic conditions and the accuracy of our market outlook expectations for 2020 and in the future; our expectations regarding the impacts, direct and indirect, of COVID-19; the adequacy of our cash generated from operations and our ability to access our credit facilities or capital markets for additional sources of financing; our ability to identify suitable candidates for acquisitions and divestitures and negotiate acceptable terms; our ability to maintain investment grade ratings and achieve our performance targets; and the receipt, on time, of all necessary permits, utilities and project approvals with respect to our expansion projects and that we will have the resources necessary to meet the projects' approach.

Events or circumstances that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: general global economic, market and business conditions; failure to complete announced and future acquisitions or divestitures at all or on the expected terms and within the expected timeline; climate change and weather conditions, including impacts from regional flooding and/or drought conditions; crop planted acreage, yield and prices; the supply and demand and price levels for our products; governmental and regulatory requirements and actions by governmental authorities, including changes in government policy (including tariffs, trade restrictions and climate change initiatives), government ownership requirements, changes in environmental, tax and other laws or regulations and the interpretation thereof; political risks, including civil unrest, actions by armed groups or conflict and malicious acts including terrorism; the occurrence of a major environmental or safety incident; innovation and cybersecurity risks to our systems, including our costs of addressing or mitigating such risks; regional natural gas supply restrictions; counterparty and sovereign risk; delays in completion of turnarounds at our major facilities; gas supply interruptions; any significant impairment of the carrying value of certain assets; risks related to reputational loss; certain complications that may arise in our mining processes; the ability to attract, engage and retain skilled employees and strikes or other forms of work stoppages; the COVID-19 pandemic and resulting effects; and other risk factors detailed from time to time in Nutrien reports, including our 2019 annual report dated February 19, 2020, our annual information form dated February 19, 2020 for the year ended December 31, 2019 and our first quarter 2020 interim report dated May 6, 2020, filed with the Canadian securities regulators and the Securities and Exchange Commission in the United States.

The purpose of our expected 2020 adjusted EBITDA and Retail EBITDA estimates and the estimated adjusted EBITDA fertilizer price sensitivity are to assist readers in understanding our expected and targeted financial results, and this information may not be appropriate for other purposes. Nutrien disclaims any intention or obligation to update or revise any forward-looking statements in this document as a result of new information or future events, except as may be required under applicable Canadian securities legislation or applicable US federal securities laws.

Non-IFRS Financial Measures Advisory

This document contains certain non-IFRS measures including adjusted EBITDA guidance. We consider non-IFRS financial measures to provide useful information to both management and investors in measuring our financial performance and financial condition. Refer to the disclosure under the heading "Appendix B – Non-IFRS Financial Measures" included in our annual report dated February 19, 2020 and in our first quarter 2020 interim report dated May 6, 2020, each as filed on SEDAR at www.sedar.com and EDGAR at www.sec.gov under our corporate profile. We do not provide a reconciliation of forward-looking adjusted EBITDA guidance to the most directly comparable financial measures calculated and presented in accordance with IFRS due to unknown variables and the uncertainty related to future results. These unknown variables may include unpredictable transactions of significant value that may be inherently difficult to determine, without unreasonable efforts. Non-IFRS financial measures are not recognized measures under IFRS and our method of calculation may not be comparable to that of other companies. These non-IFRS financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS.

First Quarter 2020 Results

June 25, 2020

Q1 2020 Financial and Strategic Highlights



- Nutrien announced a net loss of \$35 million (\$0.06¹ diluted net loss per share) in Q1 2020. First-quarter adjusted net loss was \$0.12 per share and adjusted EBITDA was \$508 million.
- COVID-19 has had limited direct impact on Nutrien's operations or crop input demand, and the company remains in an excellent financial position with a strong balance sheet and free cash flow, a stable dividend and ample liquidity.
- Retail Q1 EBITDA increased by \$33 million quarter-over-quarter due primarily to stronger results in the US and Australia. Stronger sales and stable-to-improving margins in the three largest sales categories were supported by improved application conditions and the acquisition of Ruralco. There was significant year-over-year adoption and use of our digital platform, providing a safe and efficient conduit for our agronomists and customers to conduct business.
- Potash EBITDA was lower compared to 2019 due to lower net realized selling prices. Volumes were similar as a reduction in offshore sales volumes was largely offset by higher North American sales volumes.
- Nitrogen EBITDA decreased in Q1 2020 due to lower net realized selling prices which more than offset higher sales volumes and lower per tonne costs.
- Nutrien declared its second quarterly dividend in 2020 maintaining a payout rate of \$0.45 per share (\$1.80 annualized). We expect this to be in line with our target of returning 40-60 percent of annual free cash flow.
- Nutrien enhanced its liquidity position by increasing short-term debt facilities and drawing upon available credit lines to bolster its cash position, providing additional resources in times of increased market volatility.
- Nutrien full-year 2020 adjusted net earnings per share and adjusted EBITDA guidance was lowered to \$1.50 to \$2.10 per share and \$3.5 billion to \$3.9 billion, respectively. First-half 2020 guidance is provided at \$1.20 to \$1.40 adjusted net earnings per share.

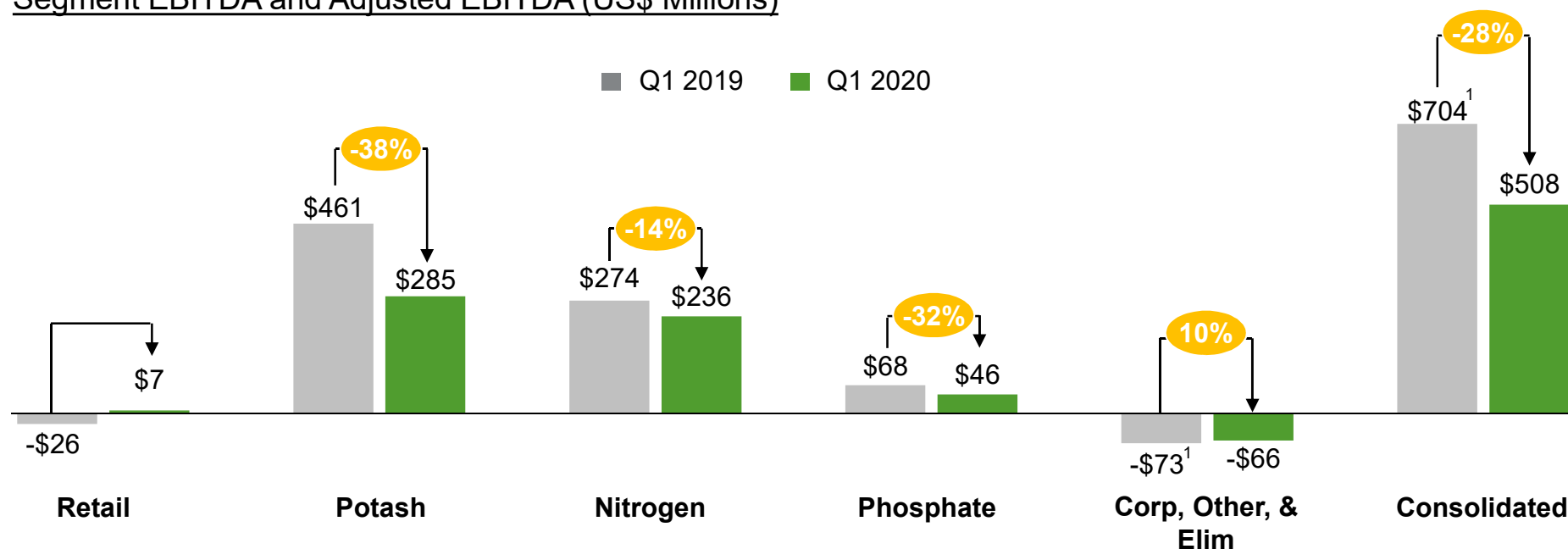
1. All references to per-share amounts pertain to diluted net earnings/loss per share.

Nutrien Q1 2020: Adjusted EBITDA¹ Comparison



Adjusted EBITDA decreased primarily due to lower prices across fertilizer product categories. Retail EBITDA increased due to stronger sales and stable-to-improving margins in the three largest sales categories.

Segment EBITDA and Adjusted EBITDA (US\$ Millions)

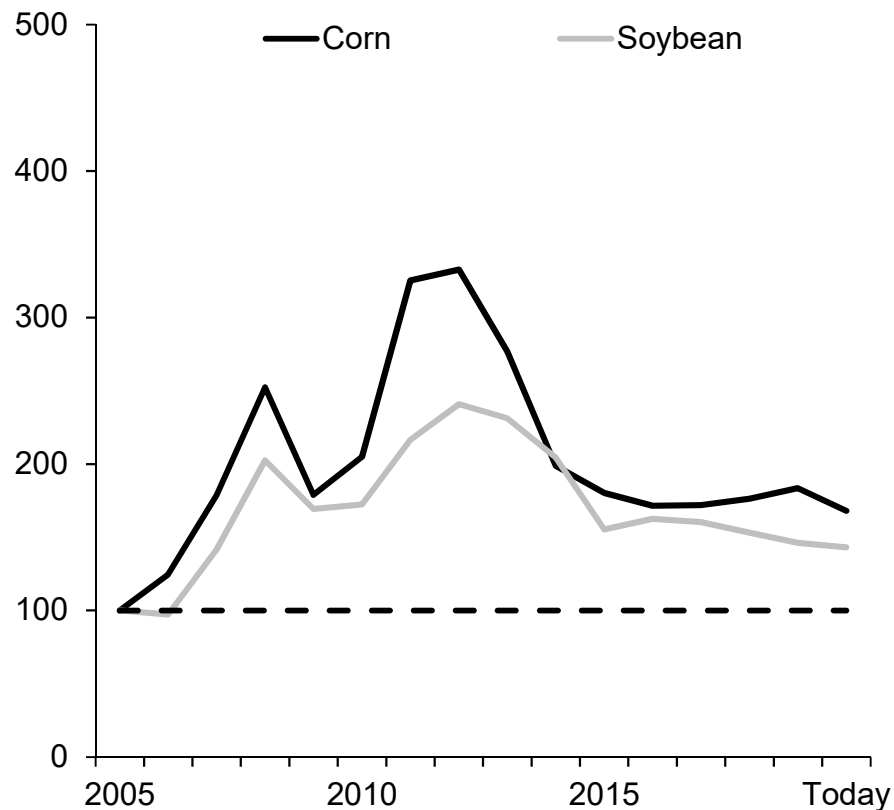


1. Adjustments to EBITDA are exclusively captured in Corporate and Others. In Q4 2019, we amended our calculations to exclude the impact of certain foreign exchange gain/loss (net of related derivatives). We restated the comparative period to reflect this change resulting in an increase of \$7 in Corporate and Others adjusted EBITDA.

Crop Prices Have Weakened But Improving Market Conditions Expected To Lend Support

Crop Prices

Index: 2005 = 100



We see a number of positive Ag developments emerging:

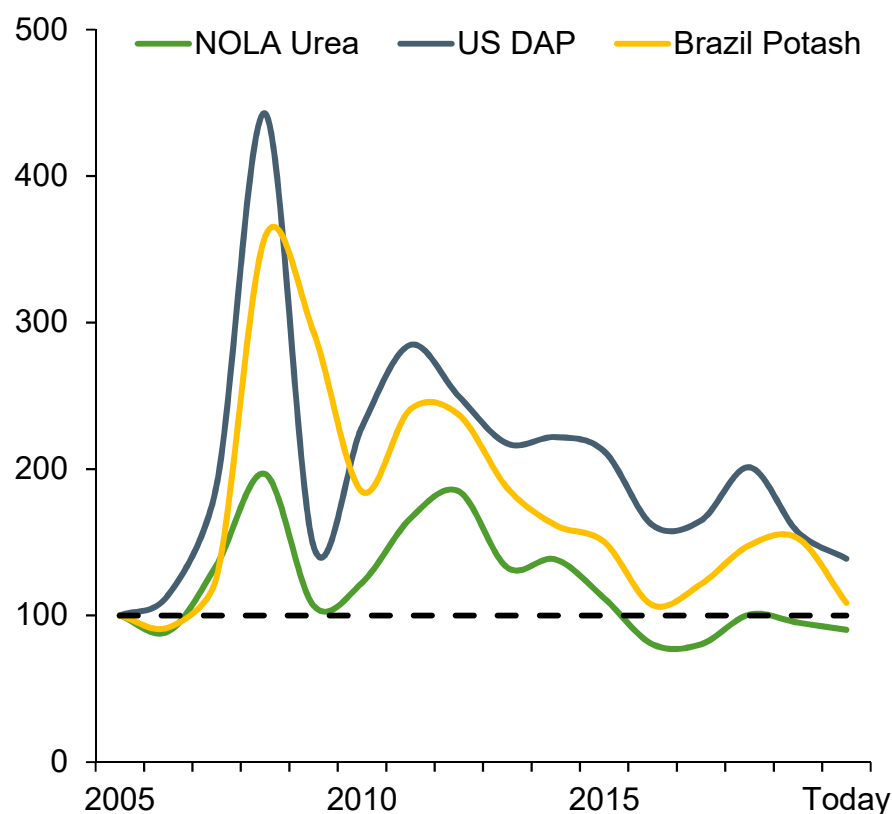
- US corn planted acreage likely to be **well below** USDA forecast 97M acres.
- Recent improvement in ethanol blending margins.
- Tightening Chinese crop S/D balance & protein shortage.
- US farm support programs expected to add \$0.36/bu for corn and \$0.45/bu for soybeans.

Fertilizer Prices Near Historical Lows With Multiple Catalyst Emerging That Could Lead To Recovery



Fertilizer Prices

Index: 2005 = 100



A number of positive fertilizer developments are emerging:

- New potash spot markets are higher over past few weeks. Canpotex fully allocated through July.
- Majority of new potash capacity is now online and being absorbed in the market. No significant new nameplate capacity expected in near-term.
- Urea prices trading below historical Chinese exporter costs floor; industrial ammonia demand expected to strengthen with 'restart of economy.'

June 25, 2020

Source: CRU, Bloomberg Nutrien

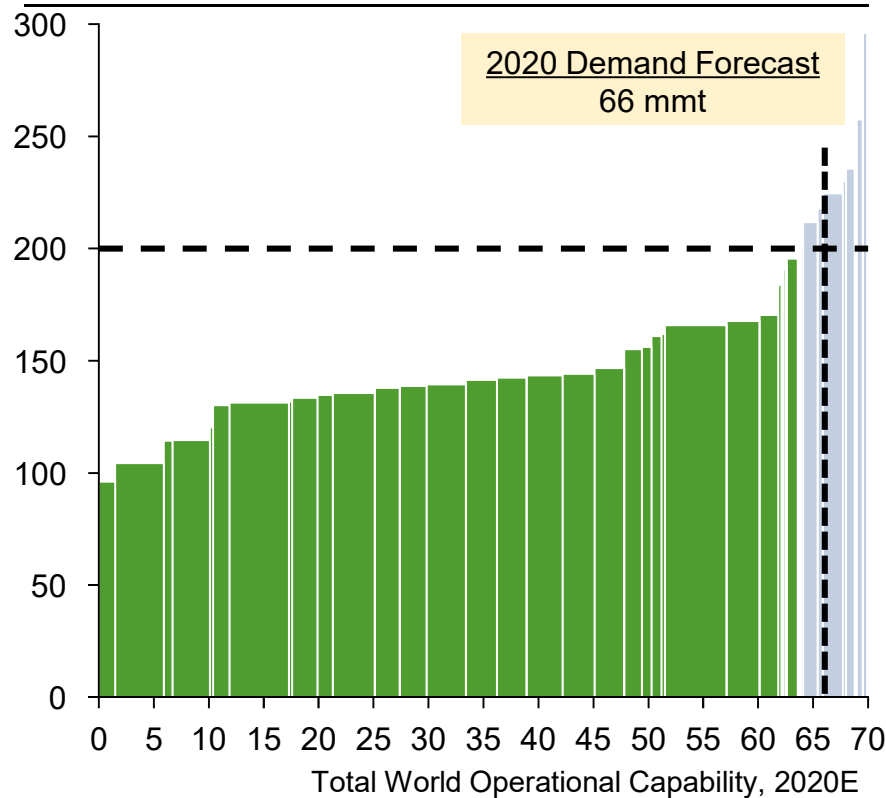
Multiple Indicators Support Our Belief That Potash Markets Are At Or Near Bottom Of The Cycle Levels



We believe ~6Mmt of operational capability is cash negative at prices below \$200/mt CFR; operational rates are poised for a recovery

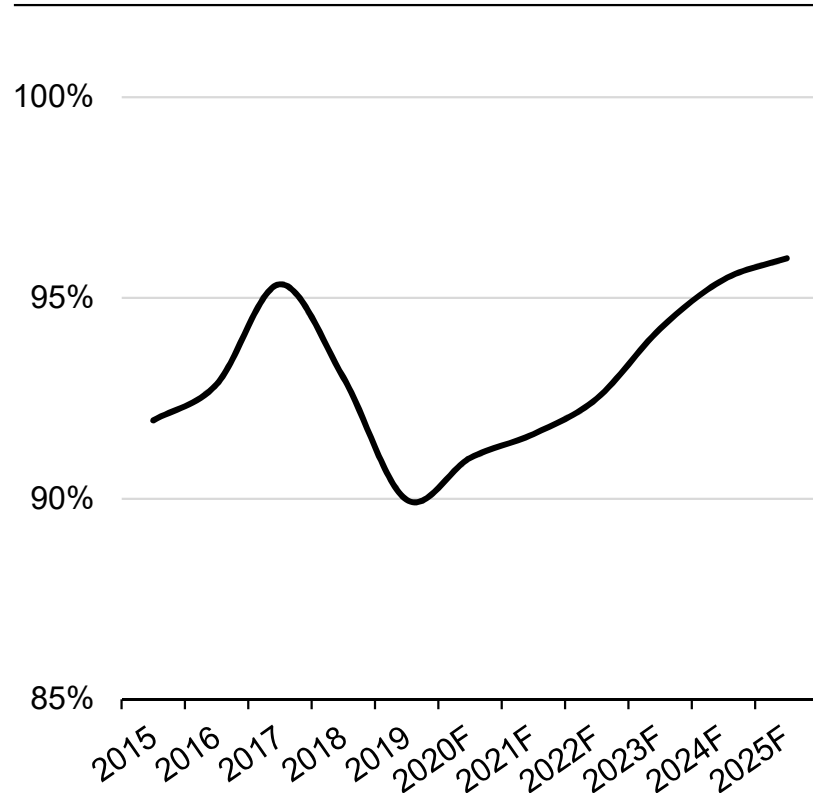
Potash Cost Curve, Cash Cost¹

USD per mt CFR



Global Potash Utilization (operational capability)²

Percentage



1. The cost curve uses a theoretical prices for delivery of MOP to Brazil port for comparability purposes.
2. Global potash utilization rates excluding Nutrien, periods 2020 to 2025 are Nutrien's projections.

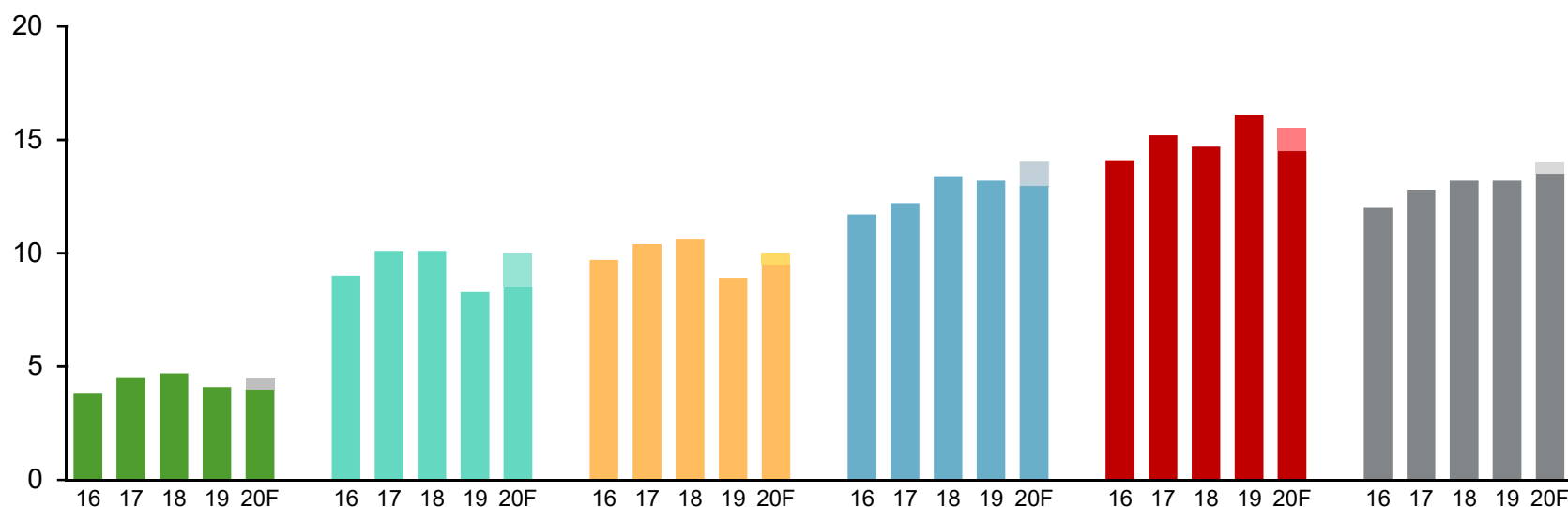
June 25, 2020

Source: CRU, Fertecon, Industry Publications, Nutrien

Global Potash Deliveries By Region

We project improved global potash demand of 65 to 67 million tonnes in 2020, up from ~64 million tonnes in 2019

Million Tonnes KCl



2020
Forecast

India	Other Asia	North America	Latin America	China	Other
4.0 – 4.5Mmt	8.5 – 10.0Mmt	9.5 – 10.0Mmt	13.0 – 14.0Mmt	14.5 – 15.5Mmt	13.5 – 14.0Mmt
<ul style="list-style-type: none"> Expect increased shipments supported by normal monsoon rains in 2020 and increased minimum support prices and production for key crops 	<ul style="list-style-type: none"> Despite volatile palm oil prices, we expect improved affordability and supportive prices for a wide range of other crops, such as rice to support increased demand 	<ul style="list-style-type: none"> Rebound in corn and soybean acreage combined with more normal application weather expected to support a rebound in potash consumption 	<ul style="list-style-type: none"> Strong corn and soybean fundamentals and record-high grower margins, combined with lower inland potash inventory, expected to support demand 	<ul style="list-style-type: none"> Expect reduced shipments driven by inventory build in 2019, while domestic consumption remains supported by tightened crop supplies and government subsidies 	<ul style="list-style-type: none"> Improved affordability and growing demand for NPK fertilizers, particularly in Africa and FSU countries, are expected to boost potash demand

June 25, 2020

Source: CRU, Fertecon, IFA, Nutrien

What does this mean for SIMSA?



Nutrien is committed to SIMSA and it's member companies and organizations.



Investment (Opportunity) and Sustaining Budgets have been reduced for 2020.





Thank You!

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SIMSA Virtual Round-table: Capital Program

Jeff Wagner, P. Eng. PMP
Director, Capital and Technology

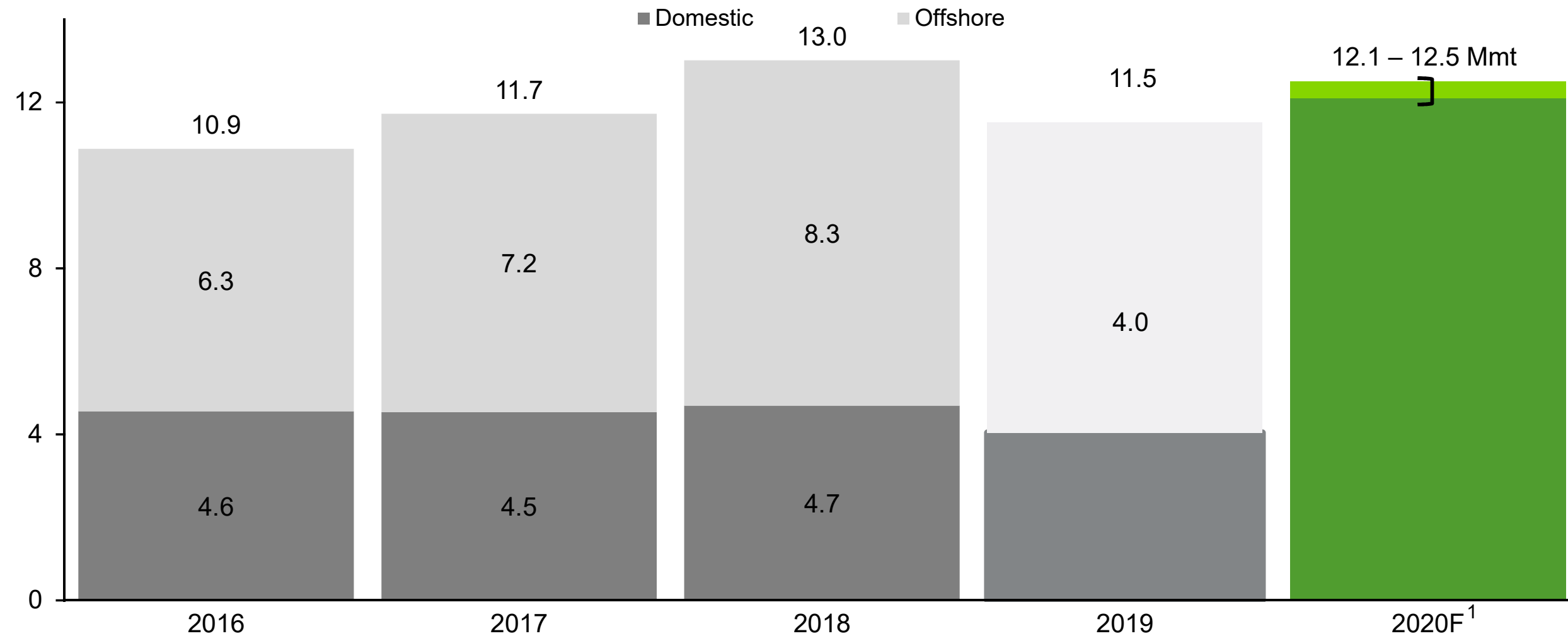


25 June 2020

Potash sales have grown by over 2Mmt over the last two years

Nutrien Potash Sales Volume

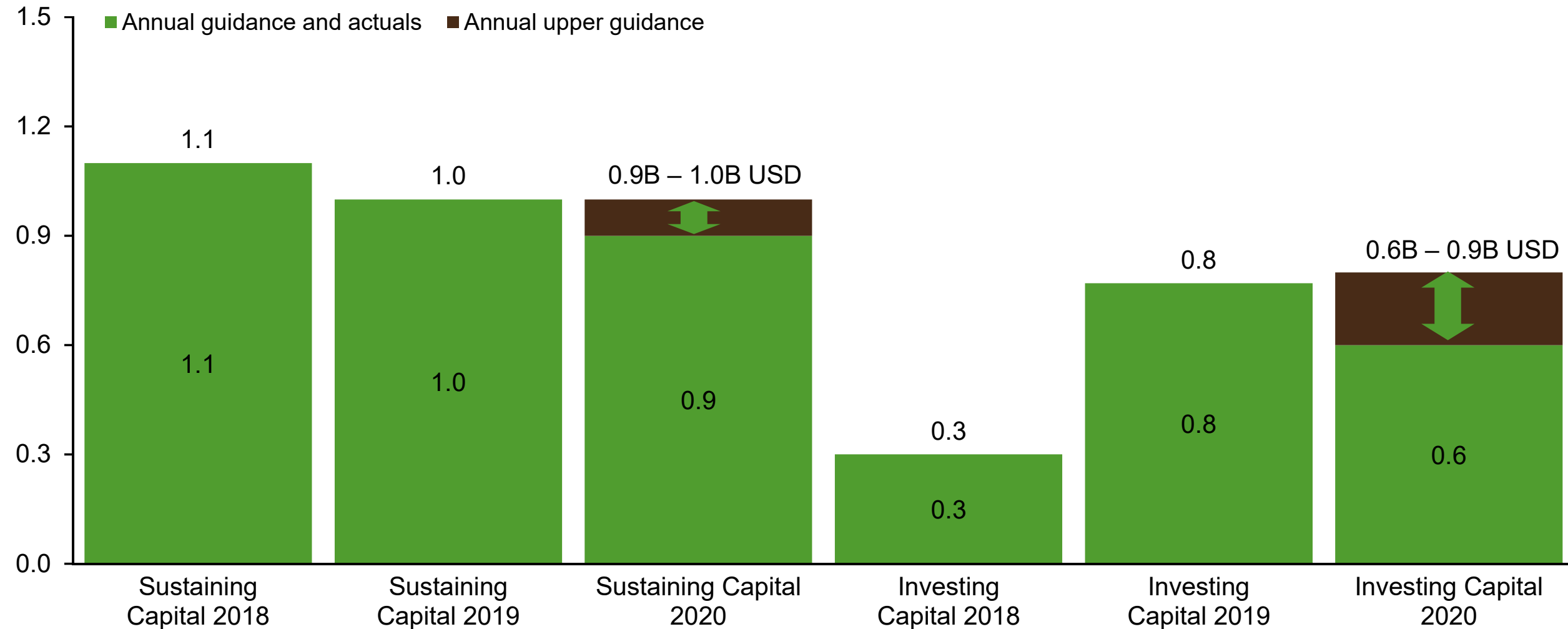
Million Tonnes KCl



Annual sustaining capital in excess of \$1 billion across Nutrien

2020 Guidance and 2019 Actual Capital Expenditures

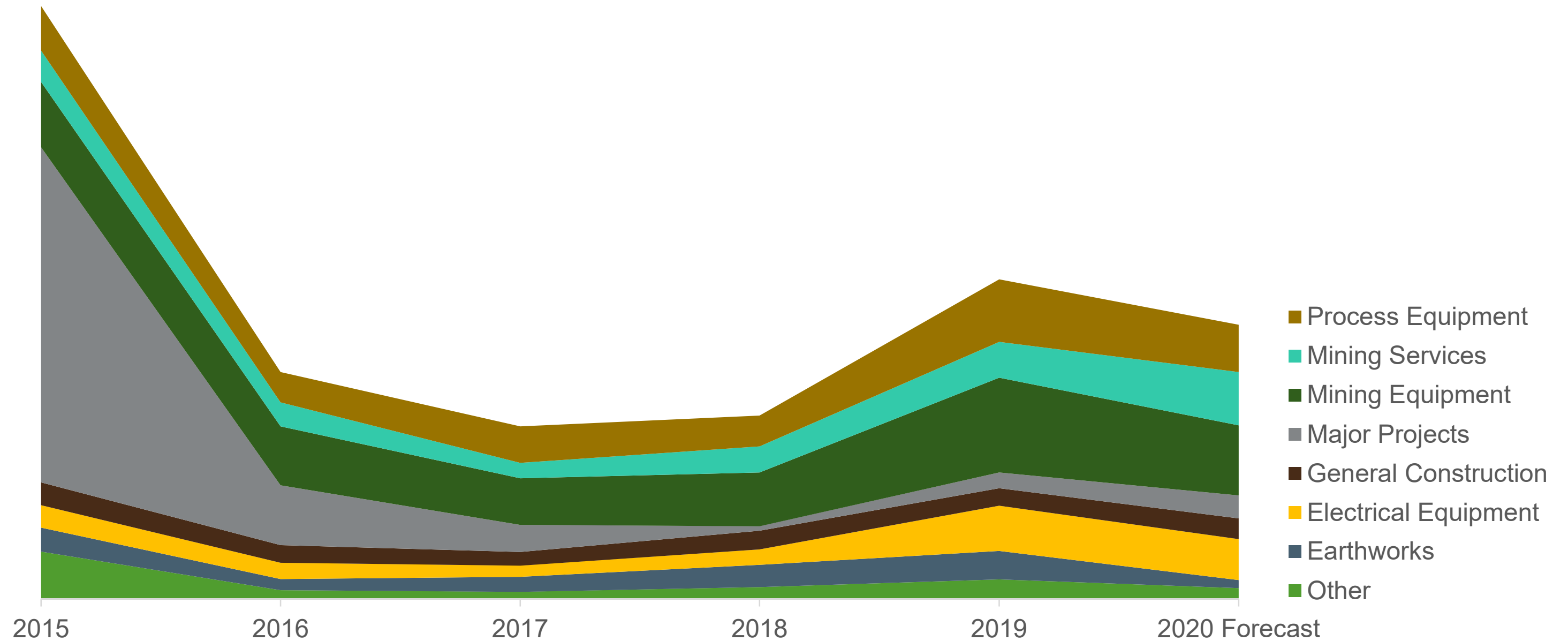
\$US Billions



Summary View of Potash Capital Portfolio Spend Profile



4



Rocanville Mill 1 Refurbishment

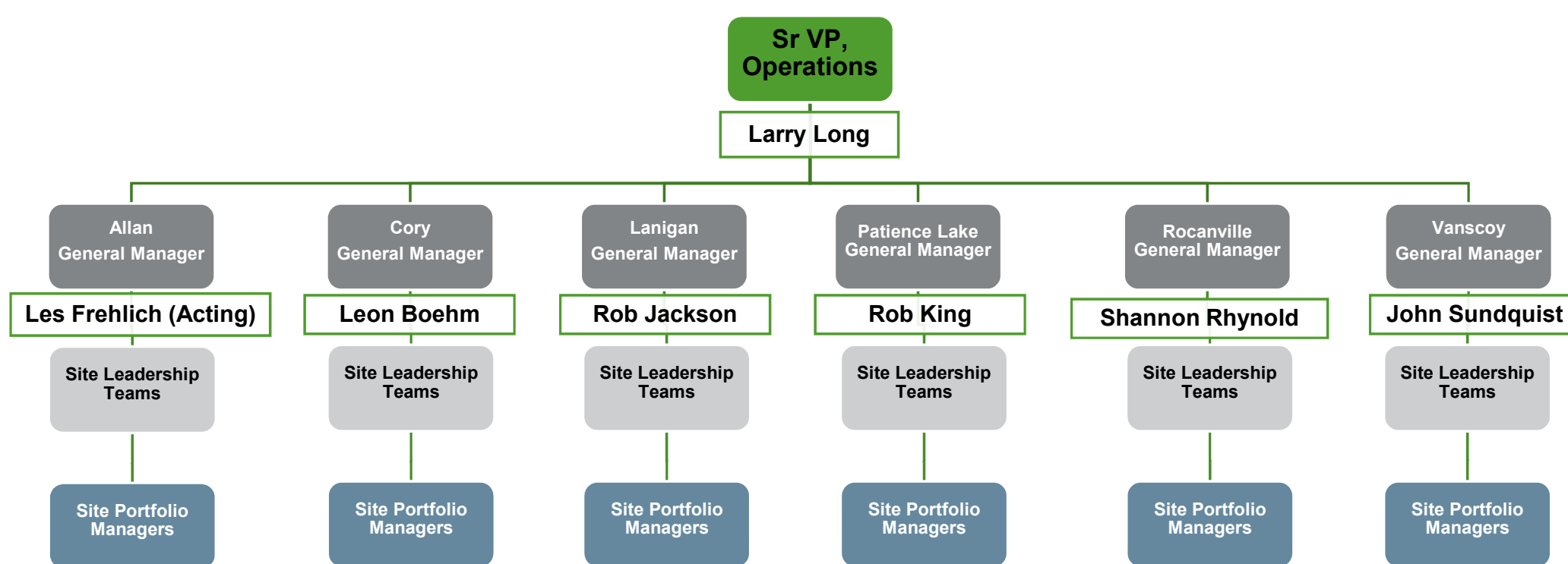
- Large scale capital program to address an aging asset and ensure the long term viability

Potash Next Generation Program

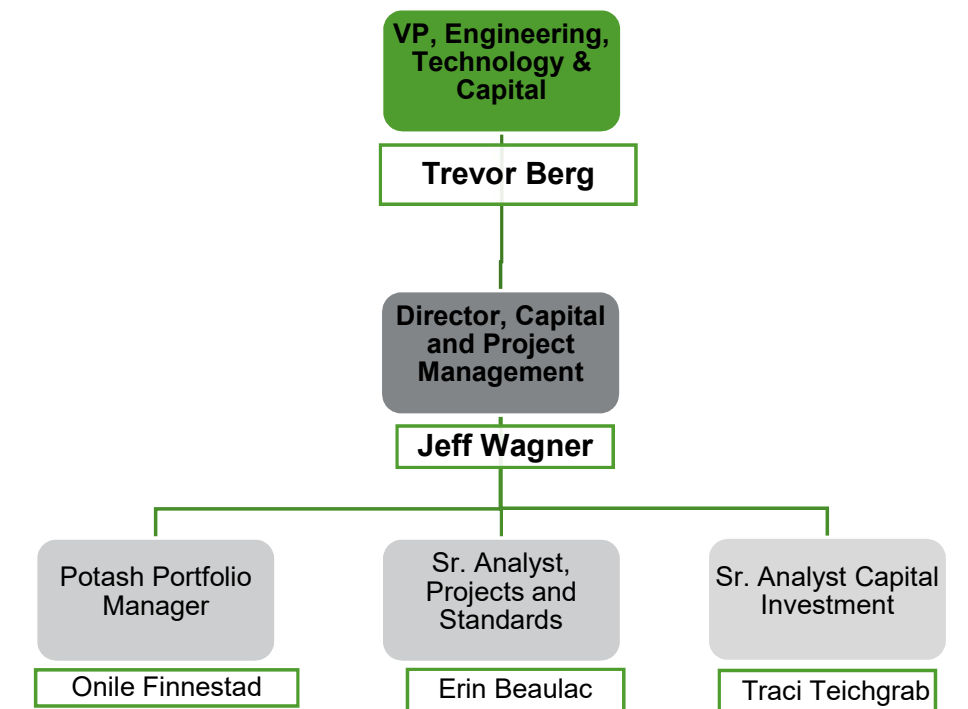
- Will drive a step change in safety, productivity, lower cost, and increase flexibility across our operations network in Saskatchewan.
- Establishes the digital operations strategy for Potash and will leverage data, advanced analytics, automation and many other new technologies to accelerate results.



Our Capital Project Structure



Site Portfolio Planning & Project Execution



Capital Oversight & Potash Portfolio Planning



Thank You!

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 youtube.com/nutrien



SIMSA Virtual Round-table: Procurement

Josh Dodd, P. Eng.
Director, Procurement - Potash



25 June 2020

Thanks!



Thank you for...

- Taking the time to give us insights on your perspective with questions in advance
- Continuing discussing the challenges and opportunities facing our industry

The last 3 months...

What's changed? What hasn't changed? What's next?



“When borders closed and factories went into lockdown, those miners reliant on transient workforces, minimal inventories and low diversification struggled the most.”

“...may need to consider an alternative approach: improved inventory management combined with globally diversified or locally sourced and financially viable resources...but also help develop and build resilience in local communities.”

- PwC Mine 2020, Resilient and Resourceful; June 2020

- In Potash, we have a predominantly local and diverse supply base who successfully partnered with us to develop, and quickly implement, site protocols allowing continued safe production
- As with the rest of the world, we experienced significant constraints on critical PPE availability and found creative ways to supply the products needed at the sites, balancing community needs
- Warehousing and inventory management optimization was on our priority “to-do” list before COVID-19, and we continue working on it today

Our Priorities Roadmap – continue transforming...



Tactical and Manual Processing

- Virtually every order for a widget requires multiple manual interventions

~70% of our time today is spent managing requests, confirmations, changes to quotes, pricing, delivery, specs, freight, expediting, errors, invoicing, payments, etc.

Supplier and Spend Management

- Consistent and aligned approach
- MRO/commodity continuity in data
- MSA development
- ISNetworld

Systemization (Ariba S2C and P2P)

- Self-serve requests and “lights out” commodity fulfillment
- Optimized buying channels
- Source-to-Contract (S2C)
- Procure-to-Pay (P2P)

Capex/Opex Stakeholder Collaboration

- Leveraged Data
- Consolidated RFP viewpoint
- Active supplier performance management
- Equipment lifecycle opportunities

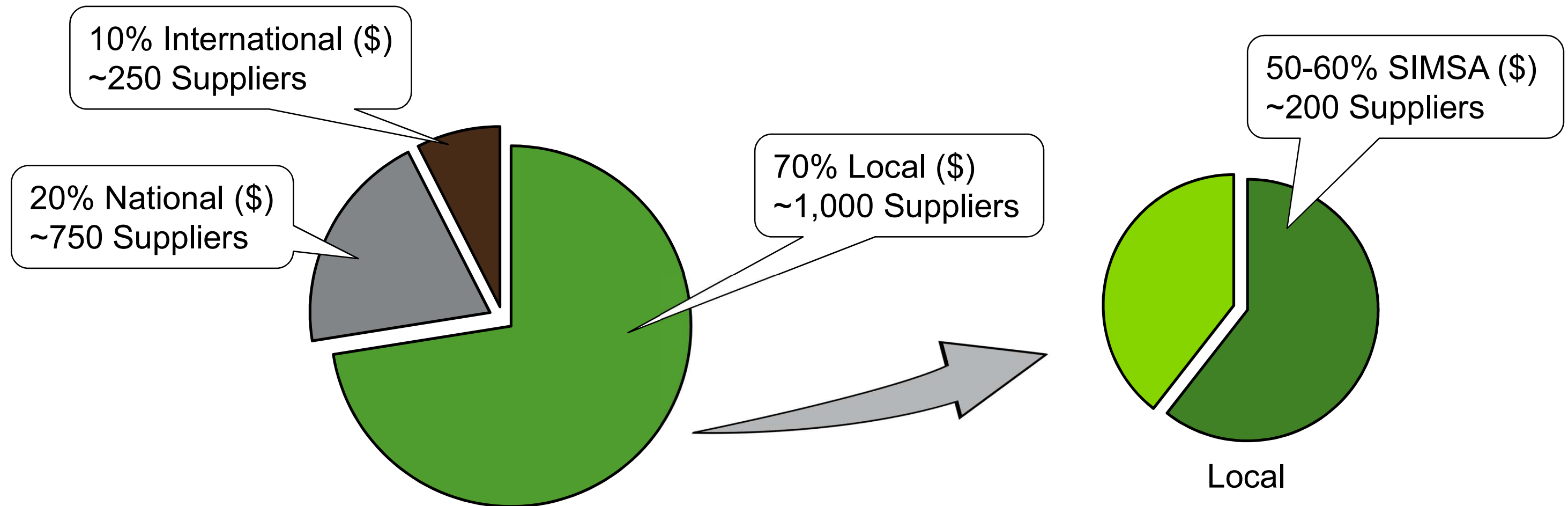
Warehouse and Inventory Optimization

- Leveraged data
- Optimized on/off site volumes and suppliers
- Consistent specs and standards
- Resources for value-add services

Freeing up people's time to be Strategic, Thoughtful, and High Value-add, leading to better conversations with internal and external stakeholders

Typical Potash BU Geo-spend Profile (Procurable)

Excludes taxes, royalties, utilities, wages, etc.



Our SIMSA partnership drives:

- Direct feedback and insights for identification of opportunities and collaboration
- Continues to keep focus on our local capacities and capabilities
- Improved alignment on direction, priorities, concerns – mutual vested interest in success

What does this mean to you?



For some it could mean...

- Reduced tactical/piecemeal commodity quotes (data cleanse, system automation)
- Consolidated approach to inventory management and sourcing
- Asks for supplier managed inventory, rebuild and core exchange programs

For others, it could be...

- Increased connection and collaboration on opportunity development
- Development and execution multi-site sequenced projects
- Improved early engagement in project scope and design development

And in most cases will require mutual effort to challenge ourselves to change our approaches, have patience, and be committed to figuring it out together.

Continue challenging ourselves to focus on opportunities which allow space for people to understand the problems facing our operations, recognize potential solutions in the marketplace, and be a liaison between stakeholders to create value.

Q&A



Thank You!

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