

Nutrien Q2 2020 UPDATE

All things look stable with Nutrien.

Financial and Strategic Highlights N / 5



Nutrien delivered compelling second quarter and first half results supported by tremendous growth in Retail Ag Solutions earnings and excellent operational performance across our Potash and Nitrogen.

RETAIL			POTASH		NITROGEN
\$971M Record 1H'20 EBITDA	+20% 1H'20 EBITDA Growth YOY	~\$1.1M EBITDA ² per US selling location	6.5Mmt Record first-half potash sales volume	\$52 Cash cost of product manufactured per tonne Q2'20	+6% Nitrogen Sales Volumes 1H'20
	>10% 1H'20 Retail EBITDA Margin	>\$700M Digital sales ¹ YTD		Fully Committed Volume into October	97% Ammonia operating rate Q2'20 ³

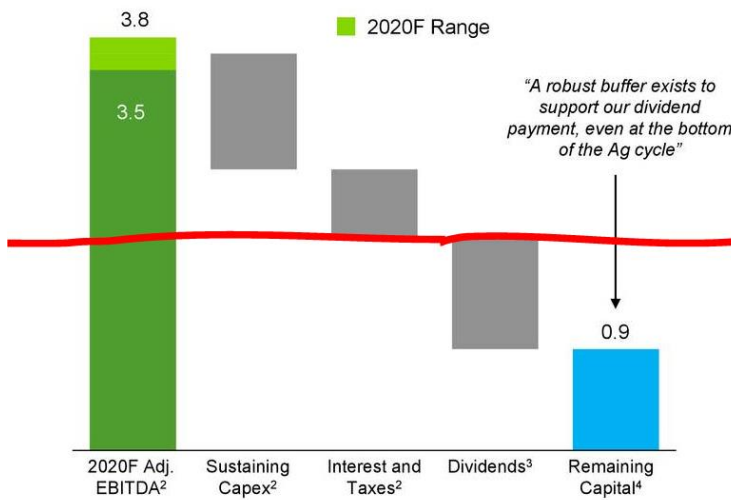
*Note: Percent changes on this page are the current period vs. the comparative period in 2019.

Free cash flows remain in line with expectations and long-term valuation at \$2 billion per year.

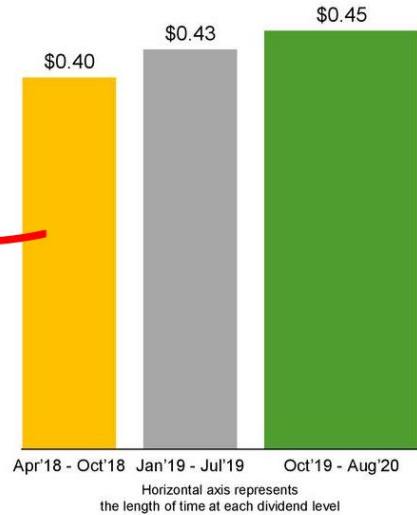
Strong Free Cash Flow And Stable & Growing Dividend

Strong free cash flow generation supports a stable & growing dividend, which at a current yield of 5.4%¹ provides a stable rate of return while shareholders wait for price recovery

2020 Capital Allocation² US\$ Billions



Dividends Paid US\$/Share

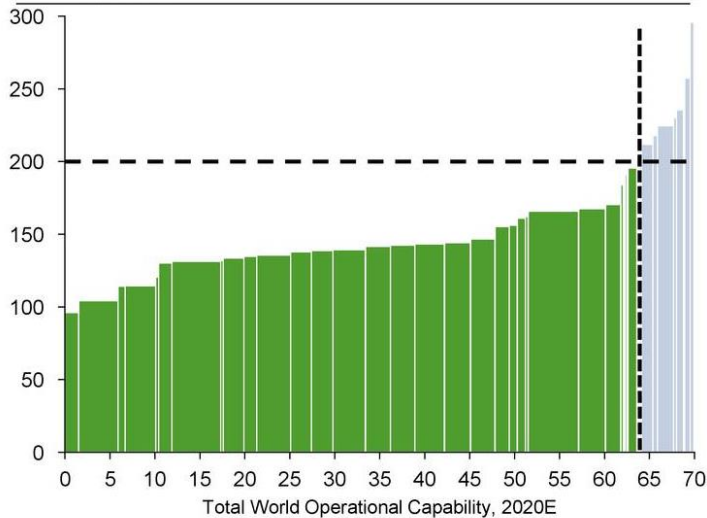


They believe there will be a recovery ahead.

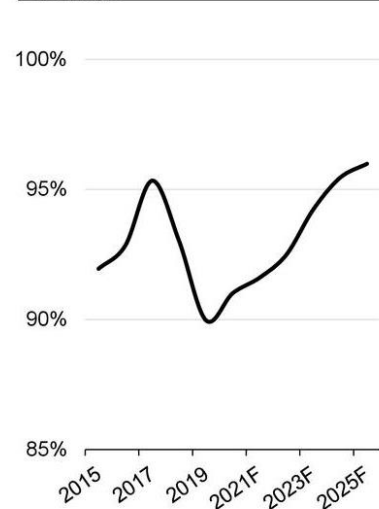
Potash Markets Are At Or Near Bottom Of The Cycle Levels

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



in the mean-time BHP has delayed again the decision with Jansen.

Given the delays and the relatively small investment considering the sunk cost, they are going to likely do it. Now, it would be stupid not to do it, no matter the market destruction likely.

Commodities | On the Move

BHP delays final decision on Jansen potash mine

Aug. 18, 2020 2:41 PM ET | About: [BHP Group \(BHP\)](#) | By: [Carl Surran](#), SA News Editor 

- BHP ([BHP -1.9%](#)) says it will [decide whether to go ahead](#) with its long-delayed Jansen potash project in Canada by mid-2021, about a decade after completing the feasibility study for the operation.
- The company had wanted to make an investment decision in February 2021, but delays related to initial challenges with the placement of shaft lining, since corrected, as well as the coronavirus have pushed out the date by a few months.
- BHP says the project is 86% complete, adding it has earmarked \$2.7B to finish excavation and lining of the production and service shafts, part of a previously disclosed \$4B investment.
- Jansen is expected to produce 8M metric tons/year of potash, or nearly 15% of the world's total over an estimated 70-year mine life.

All in all nothing new with Nutrin, the price is a bit higher but situation equal.