

Solid Assets Great Potential

About Us

CEO Philosophy & Mandate



1

Stabilize

Optimize performance at NATO

2

Strategize

Develop a clear focus & direction for the company

3

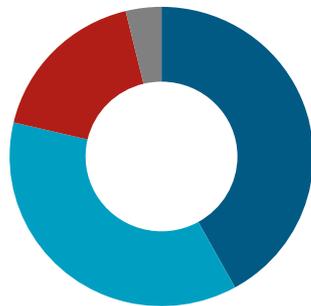
Energize

Execute the plan; build a culture of performance & success

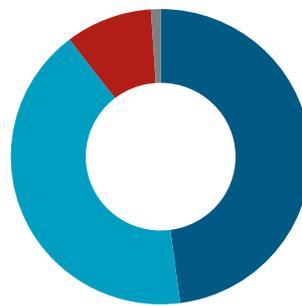
“To succeed, a company must have a clear and focused strategic plan accompanied by flawless execution.”

Low-Cost Chemical Plants & Crude-by-Rail Terminal

Sales Revenue



Gross Profit



■ NA Sodium Chlorate ■ NA Chor-alkli ■ South America ■ NATO



1. Low-Cost Chemical Plants

- ◆ Produce sodium chlorate and chlor-alkali
 - Used in pulp & paper, oil & gas and water treatment industries
- ◆ 4 plants in Canada and 2 in Brazil
 - Reliable, low-cost, strategically located
- ◆ Committed to Responsible Care®

2. Crude-by-Rail Terminal

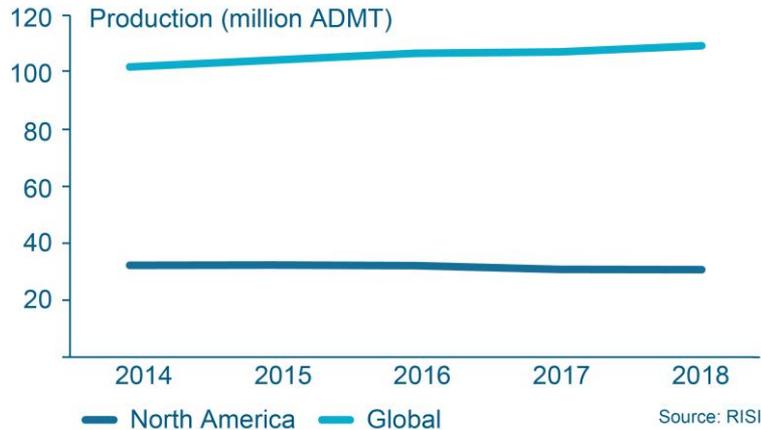
- ◆ NATO (North American Terminal Operations)
 - Provides fee-for-service/take-or-pay hydrocarbon transloading services in Alberta to the oil industry

Leveraging Market Dynamics

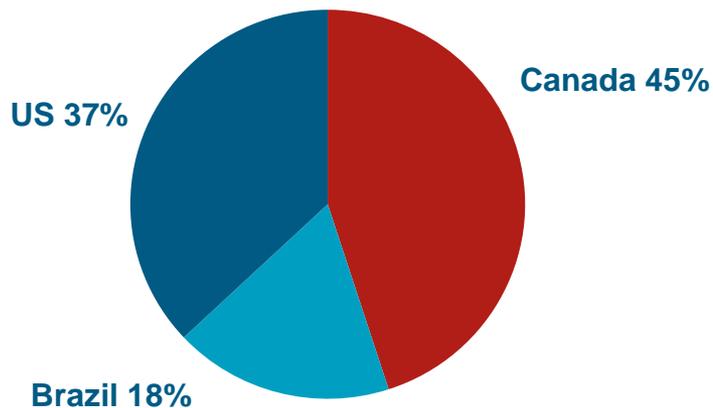
Pulp & Paper



Global Bleached Pulp Production



Global Sales



Product Focus

- ◆ While demand in North America for pulp and paper has declined, demand globally is increasing due to a growing, higher income population
- ◆ Canexus is focusing on segments within the pulp and paper market that are growing, such as:
 - Packaging
 - Tissue

Balanced Customer Portfolio

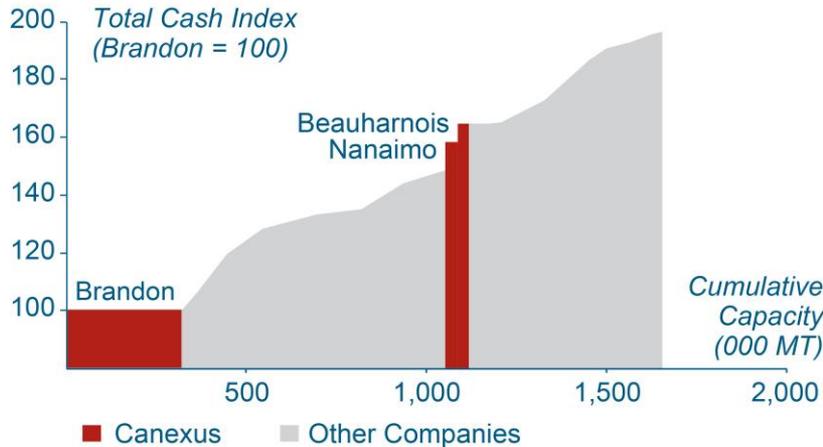
- ◆ Fluctuations in Canadian dollar are offset by a diversified customer base
- ◆ Approximately 55% of our sales revenue comes from outside of Canada (37% from the US)

North America Sodium Chlorate

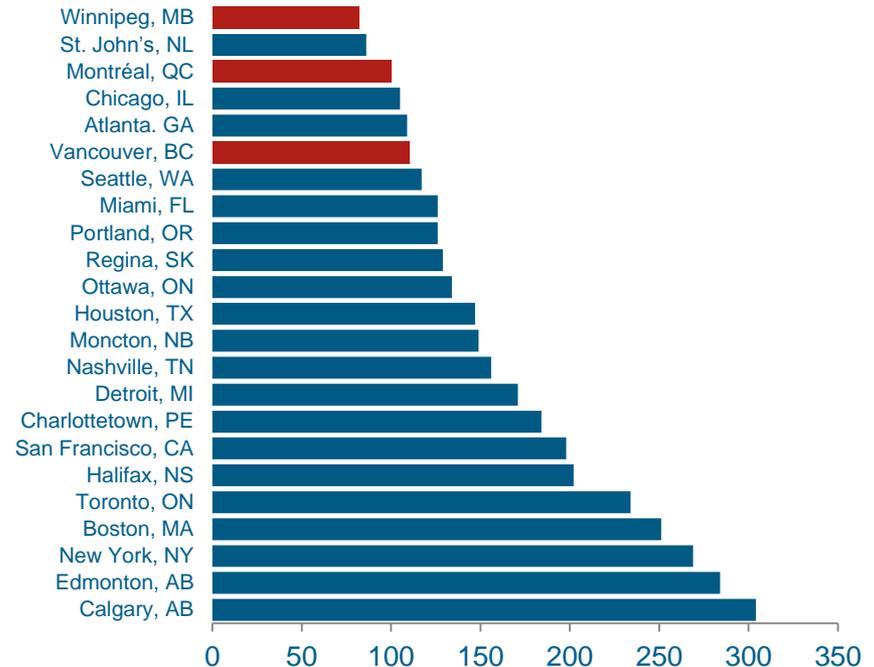
Unrivaled Advantage at Brandon



2014 North American Chlorate Cash Cost Curve



Relative Electricity Price Index



Low-Cost Advantage

- ◆ Brandon is the largest facility in the world
 - Significant economies of scale
- ◆ Located in low-cost electricity jurisdiction
 - Manitoba is the lowest cost electricity jurisdiction in North America
 - Electricity ~70-80% of variable costs
- ◆ Believe we can deliver at the lowest-cost to >50% of NA pulp producers

End-Use Markets

- ◆ Pulp & Paper Industry
 - Bleaching of chemical pulp used in tissue, packaging and printing and writing papers

North America Chlor-Alkali

Positioned for Growth



Competitive Advantages

- ◆ Low-cost regional supplier – cash costs & logistical advantages
- ◆ Region is net importer of caustic soda (about 300,000 MT/year)
- ◆ Well positioned for growth in hydrochloric acid

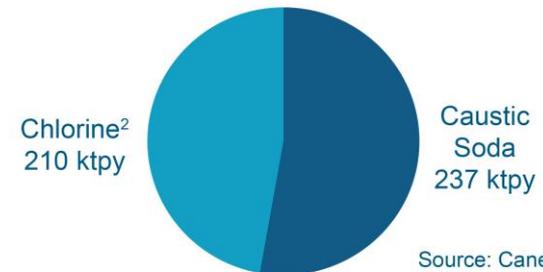
Growth Opportunities

- ◆ Significant hydrochloric acid capacity
 - Recently increased capacity almost 120% to 370,000 WMT/year
 - Long-term demand growth from oil and gas industry
 - Netbacks significantly higher when converting low-value chlorine into hydrochloric acid
 - Western Canada market focus with ~45% market share

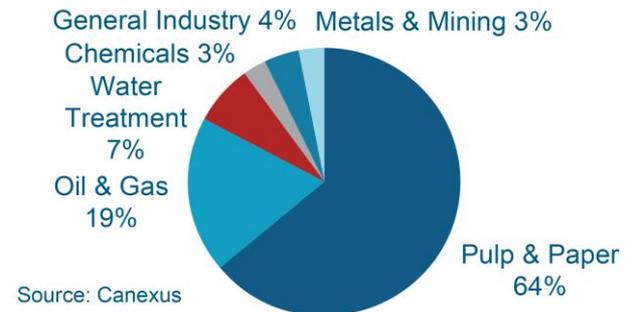
Canexus Chlor-Alkali Capacity

(North Vancouver, BC)

210,000 MECU¹ (Metric Electrochemical Unit) per year



Canexus End-Use Markets



¹ Conversion: 1 MT Chlorine (Pure or Hydrochloric Acid) + 1.128 MT Caustic Soda

² Can use 132,000 mtpy of capacity to produce 370,000 wmtpy of Hydrochloric Acid

Brazil

Stable & Sustainable Cash Flow



Our Business Advantage

- ◆ Stable and sustainable cash flow
- ◆ 27-year supply contract (est. 1999)
- ◆ Option to extend 10 years
- ◆ Fixed USD margin per tonne of product

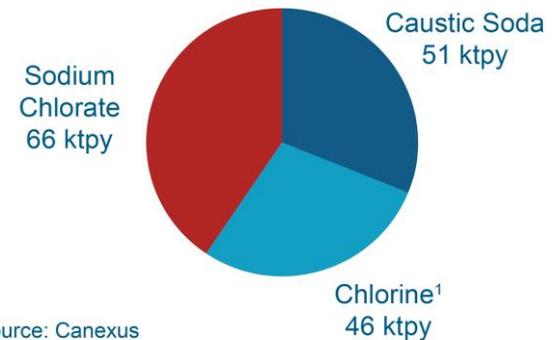
Principal Customer

- ◆ Fibria Celulose S.A., world's largest Eucalyptus pulp producer
- ◆ Canexus' plant is strategically located
- ◆ Aracruz pulp mill is among the lowest cost in the world

Products and Facilities

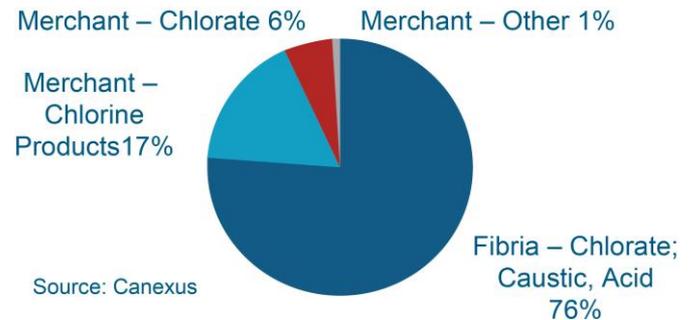
- ◆ Two facilities (same site)
 - Sodium Chlorate (66,000 mtpy)
 - Chlor-Alkali (46,000 MECU/yr)

Canexus Brazil Capacity



Source: Canexus

Canexus End-Use Markets



Source: Canexus

¹ Capacity can be used to produce 162,500 wmtpy of Hydrochloric Acid

NATO

Well Positioned Operation



Business Advantages

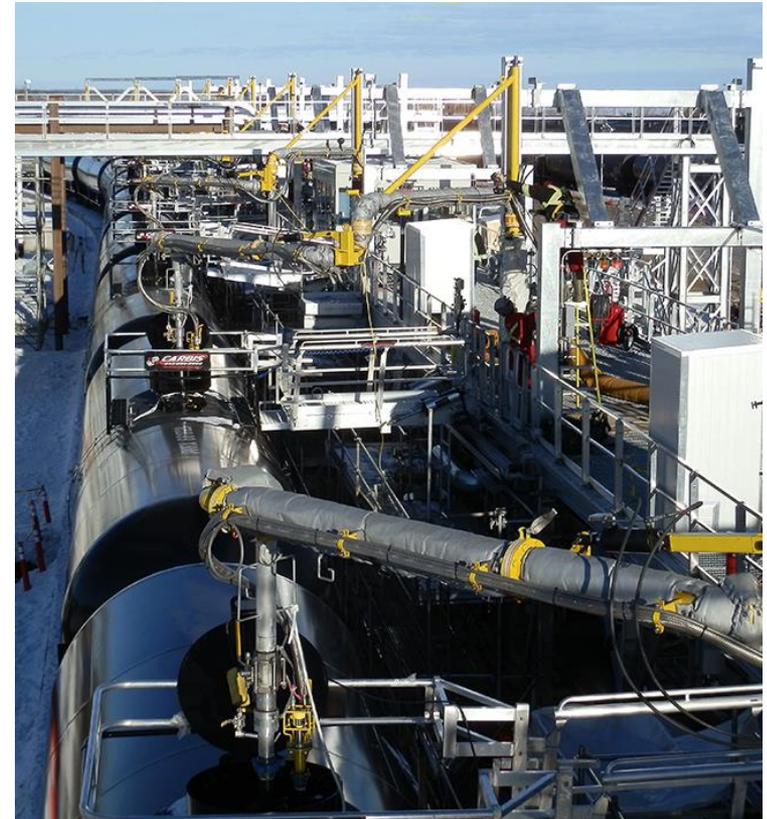
- ◆ First unit train operation in Alberta
- ◆ Railroad serviced by both CN and CP
- ◆ High demand for transport options in Western Canada
- ◆ Fee-for-service/take-or-pay contracts lower risk
- ◆ Long-term and multi-year agreements improve stability
- ◆ Manifest operation with ability to build unit trains given significant rail car storage

Growth Opportunities

- ◆ 480-acre site with multiple growth opportunities
 - Storage caverns
 - Diluent recovery unit
 - Condensate

Sales Process Update

- ◆ Currently in negotiations for the sale of NATO



Canexus

Looking Forward



Continue to focus on creating shareholder value

- ◆ Ramp-up operations at NATO and optimize performance, reach conclusion on the sale process
- ◆ Efficient execution of our chemical business as a foundation for growth
- ◆ Review portfolio optimization opportunities
- ◆ Organic Growth
 - Hydrochloric acid
 - Brazil greenfield
 - Brandon debottleneck
- ◆ Look for acquisitions that fit strategically, leverage our core competencies, provide accretive growth or are synergistic



In Summary

Investment Considerations



Solid Assets with Great Potential

Low-cost plants are the foundation of our long-term business

Brazil's 27-year contract provides stable & reliable cash flow

Potential sale of NATO de-levers balance sheet

A period of transition as we stabilize, strategize and energize

Forward-looking Statements



This presentation contains forward-looking statements and information relating to expected future events relating to Canexus and its subsidiaries, including with respect to: timing of commencement and completion of tie-in activities and the commissioning and start-up of pipeline system and expected ramp up of contracted capacity; expectations regarding the ability to unlock shareholder value, strengthen Canexus' balance sheet and develop a clear strategy and vision; expectations for the impact of regulatory changes on railroad service levels; the ability to assess expected operation performance of the unit train terminal; new and anticipated changes to the regulatory environment for crude-by-rail and the impact thereof on operations of the unit train terminal; North American sodium chlorate and Brazil business unit performance; operating rates for the North American sodium chlorate business; expectations for sodium chlorate, caustic soda, hydrochloric acid and chlorine pricing; and expectations for market conditions for the chlor-alkali business. The use of the words "expects", "anticipates", "continue", "estimates", "projects", "should", "believe", "plans", "intends", "may", "will" or similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements for a variety of reasons, including market and general economic conditions, future costs, treatment under governmental regulatory, tax and environmental regimes and the other risks and uncertainties detailed under "Risk Factors" in the Corporation's Annual Information Form filed on the Corporation's SEDAR profile at www.sedar.com. Management believes the expectations reflected in these forward-looking statements are currently reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Due to the potential impact of these factors, Canexus disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law. Financial outlook information contained in this presentation about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available. Such financial outlook information should not be used for purposes other than those for which it is disclosed herein.

All dollar amounts are in Canadian dollars, except as otherwise noted



Trading Symbol	CUS: TSX	Market Capitalization	\$447 million
Share Price (January 15, 2015)	\$2.43	Annual Dividend	\$0.4/share
Shares Outstanding (Q4 2014 Basic)	184 million	Current Yield	16%
Shares Traded Daily (Q4 2014)	979,019		

TSX: CUS; CUS.DB.A; CUS.DB.B; CUS.DB.C; CUS.DB.D