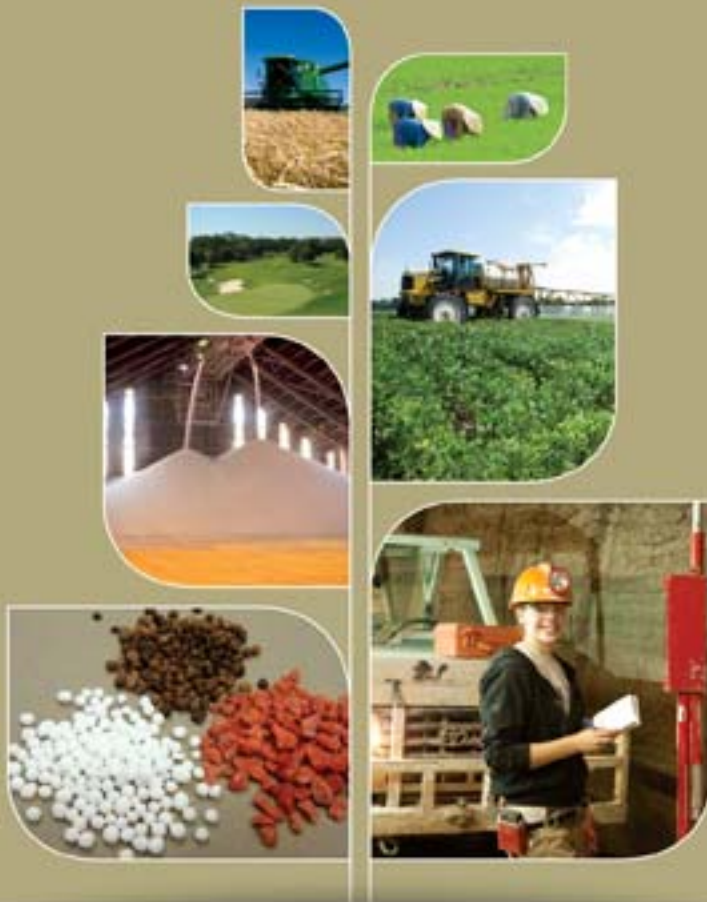




Agrium: Growing Across the Value Chain



STRENGTH THROUGH GROWTH AND DIVERSITY

May 2010

Forward-Looking Statements

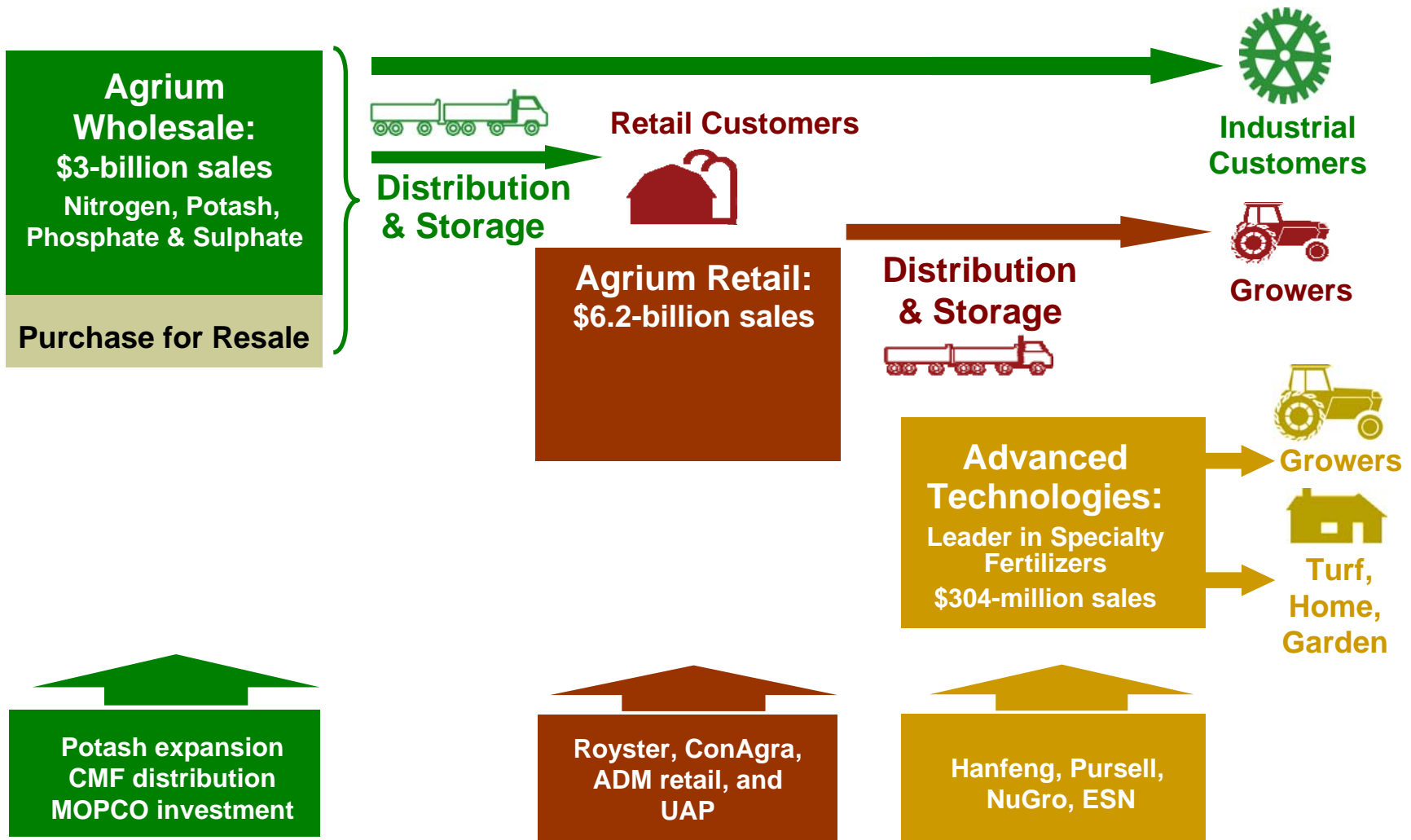


Certain statements in this presentation constitute forward-looking statements. Such forward-looking statements involve known and unknown risks and uncertainties, including those referred to in the management discussion and analysis section of the Corporation's most recent annual report to shareholders, which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

A number of factors could cause actual results to differ materially from those in the forward-looking statements, including, but not limited to, weather conditions, crop prices, the future supply, demand and price level for our major products, future gas prices and gas availability in key markets, future operating rates and production costs at Agrium's facilities, the exchange and tax rates for U.S., Canada and Argentina, domestic fertilizer consumption and any changes in government policy in key agriculture markets, including the application of price controls and tariffs on fertilizers and the availability of subsidies or changes in their amounts, the potential inability to integrate and obtain anticipated synergies for recent business acquisitions as planned or within the time predicted, changes in development plans, construction progress, political risks, including civil unrest, actions by armed groups or conflict, general economic, market and business condition, Egyptian governmental and regulatory requirements and actions by governmental authorities, including changes in government policy, changes in environmental, tax and other laws or regulations and the interpretation thereof.

Agrium disclaims any intention or obligation to update or revise any forward-looking information as a result of new information or future events.

Agrium's Growth Across the Value Chain



Agrium's Strategy: Grow Across Value Chain

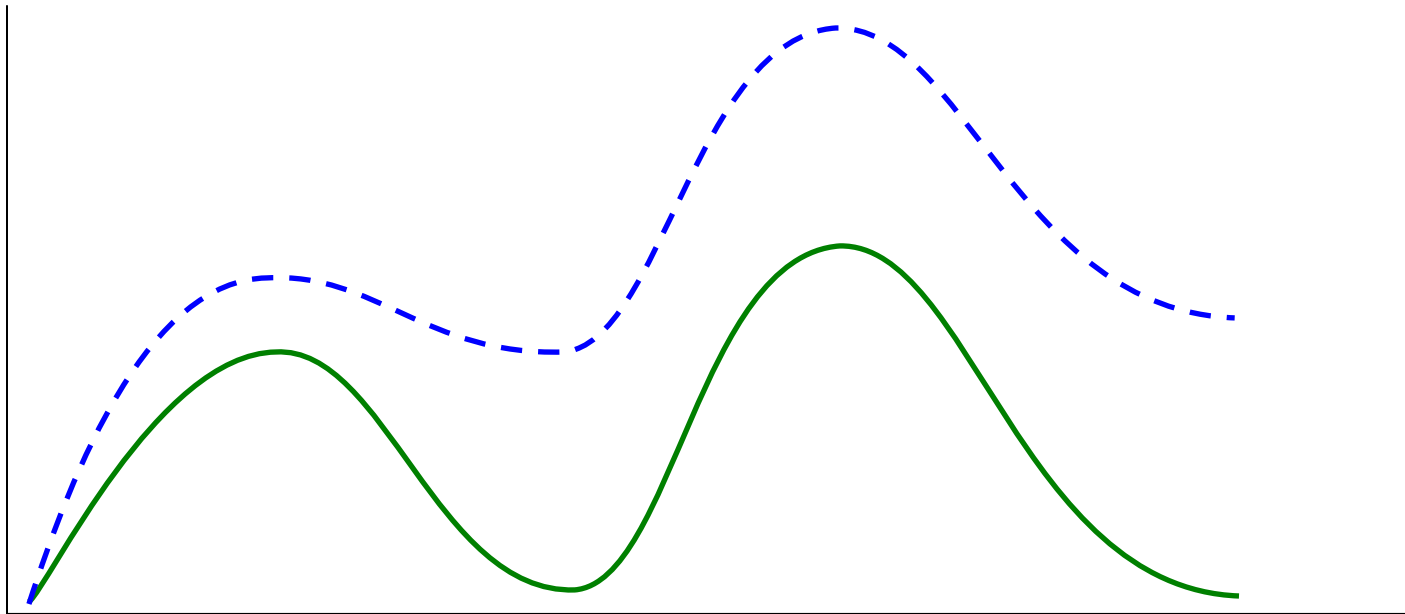


- **Excellent Agricultural Outlook & Fundamentals**
- **Solid business strategy & superior asset base and mix**
 - Fertilizer year 2008/09 use was an unprecedented anomaly
 - Demand is poised for correction in 2009/10
 - Strong growth in seed sales expected to continue
- **Agrium provides best opportunity to benefit from strong agricultural outlook**

Agrium's Strategy: Grow Across Value Chain



- **Build base businesses to raise earnings in trough periods & provides funds for countercyclical investment opportunities**
- **Expand Wholesale operations to further optimize earnings through the cycle**

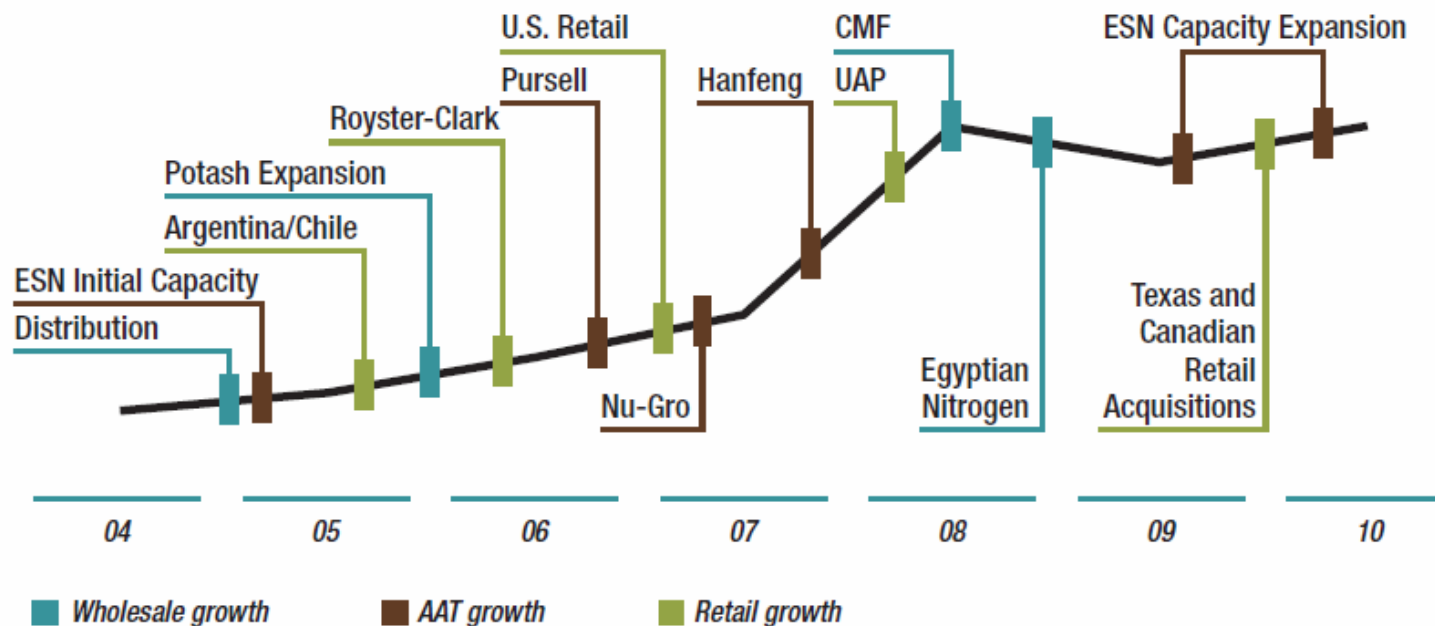


Strength Through Growth and Diversity



- Through a great team effort over the past 5 years, we delivered on our promise of diverse growth and remained true to our vision
- 9 acquisitions (\$3.5-billion invested) and other growth initiatives (Potash expansion, ESN expansion, Egypt) in past 5 years

Agrium's growth across the value chain
(revenue)



Agrium's 5-year Growth Objectives

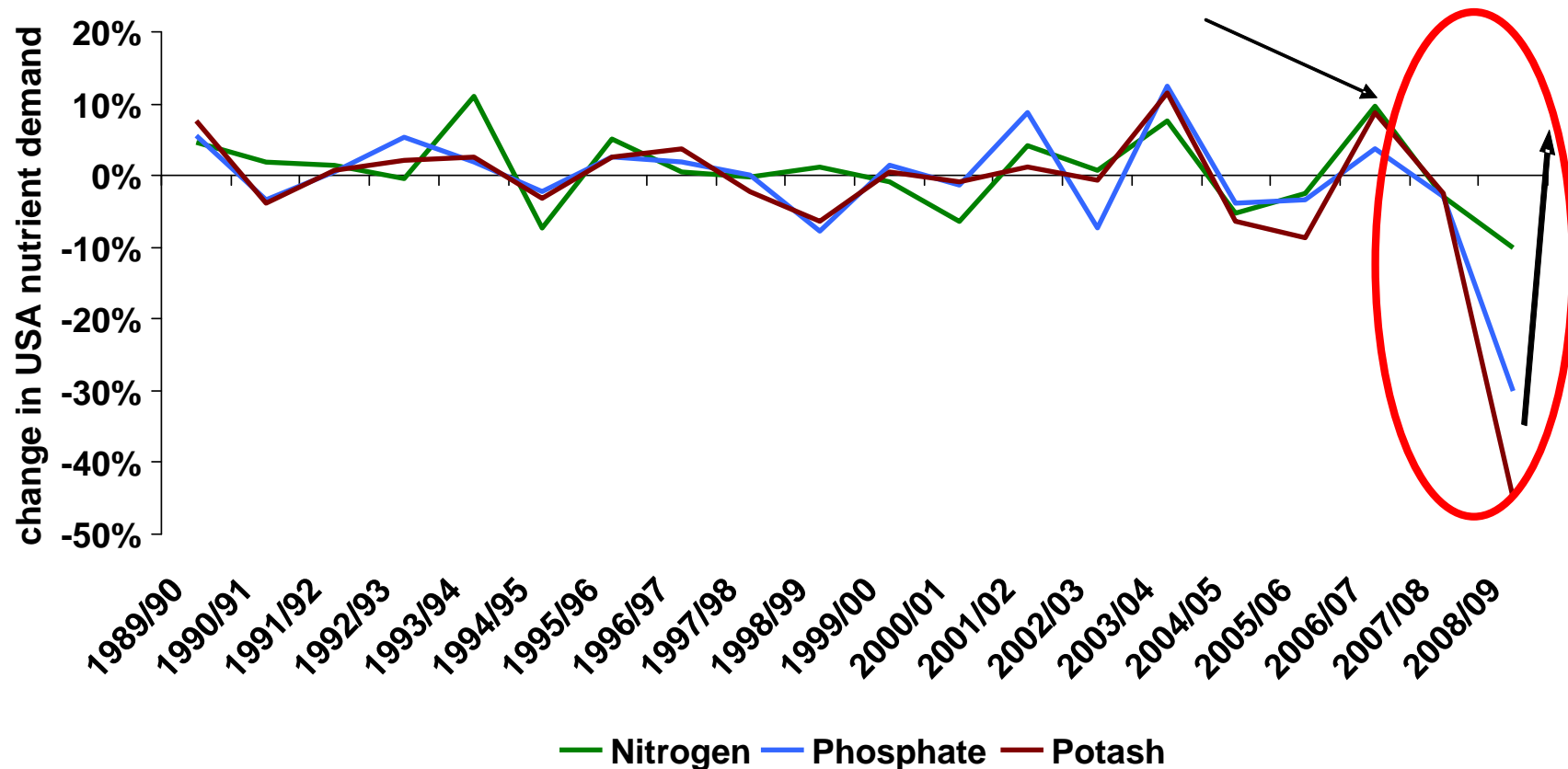


- **Strategic acquisitions and other expansion/growth initiatives across the agricultural value chain**
 - Acquisitions, capacity expansions, & optimizing base business
- **Double Retail EBITDA through:**
 - Acquisitions, market share expansion
 - Broaden private label product offering and penetration
 - Continued growth in seed business
- **Potash & Nitrogen Expansions**
 - Brownfield, 40% increase in capacity by 2013/2014
 - Triple size of Egyptian Nitrogen facility by 2012
- **Double earnings from Advanced Technologies**
 - ESN growth
 - Global expansion of controlled release products

Unprecedented Decline in U.S. Nutrient Demand in 2008/09



- Input pipeline from dealers to soils depleted in 2008/09
- Significant increase in wholesale P and K deliveries indicated in 2H 2009
- Farm-level fertilizer demand weighted to 1H 2010 due to delayed harvest



Source: IFA, Agrium

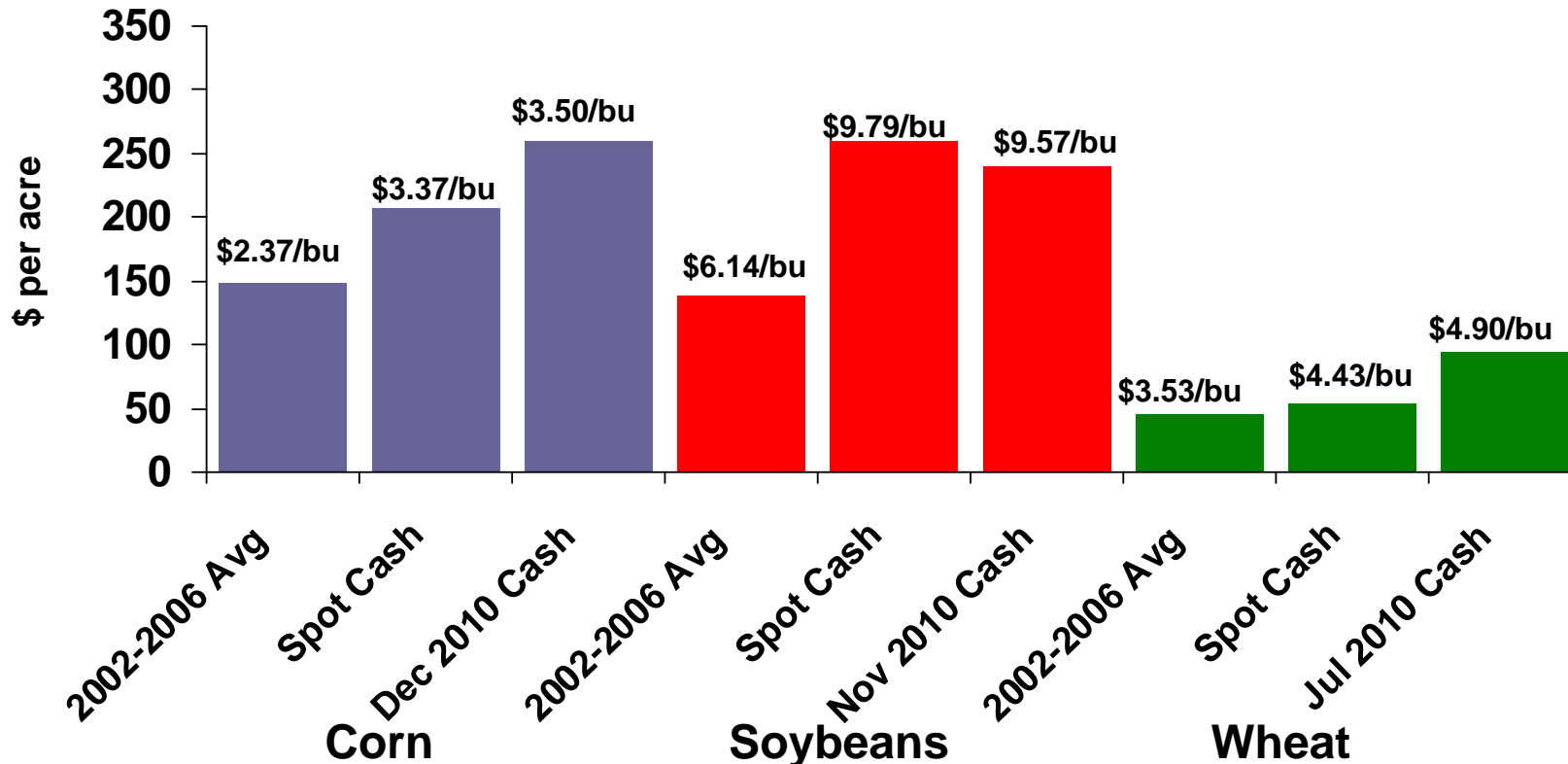
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Strong Grower Cash Margins in 2010



Cash Margin per Acre

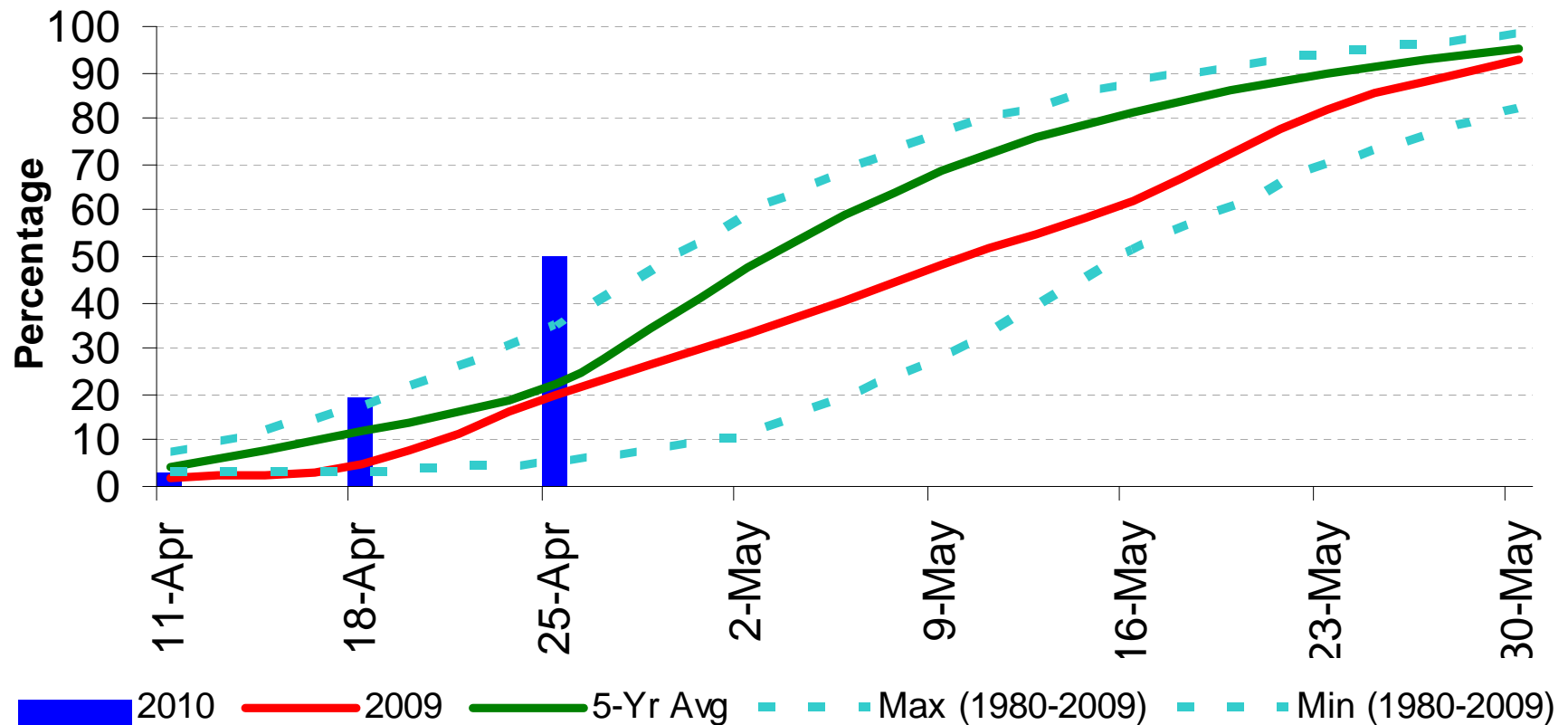


9 Source: USDA, Doane Advisory Services, Agrium



Record corn planting progress

- **50% complete as of April 25**



Source: USDA NASS

Corn Planting Progress – April 25



	<u>Percent Planted</u>	
	<u>2010</u>	<u>2009</u>
Illinois	73	4
Iowa	68	41
Indiana	56	2
Minnesota	63	34
Ohio	45	4
Top 18 States (92%of acres)	50	20

Source: USDA

11

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Positive Factors in 2010

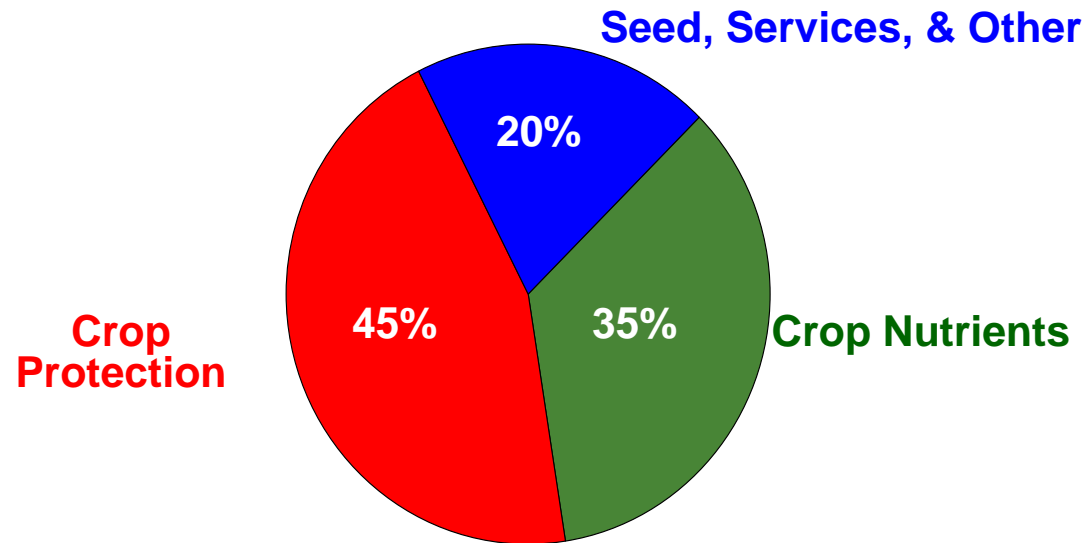
- 1) Corn acres second highest ever**
- 2) Cotton acres up about 1.5 million**
- 3) Input prices at pre-2008 levels**
- 4) Crop prices above historical averages**
- 5) Fertilizer inventory costs below market**
- 6) Ethanol blend percent may be up**
- 7) Grower mood is positive**
- 8) Good start on the season**

Largest North American Agricultural Retailer



- UAP acquisition boosts net sales to over \$6-billion
- Well balanced portfolio of seed, fertilizer, crop protection products, and application services
- 2009 EBITDA was \$266-million (2008: \$560-million; 2007: \$210-million)
- Almost 850 North American retail centers today

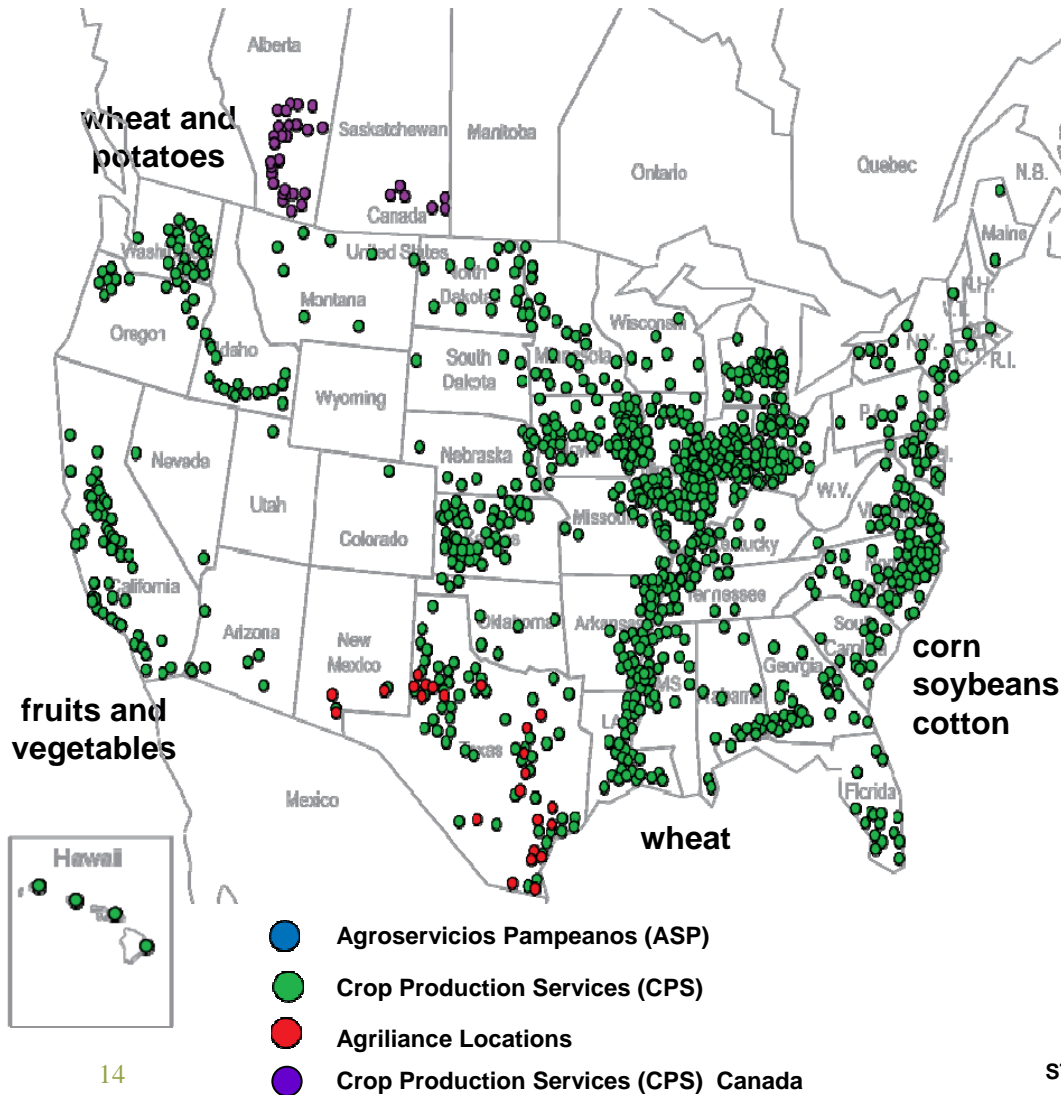
2007 - 2009 Average Agrium Retail Gross Profit



Agrium Retail Has Significant Geographic Diversity and Scale



North America



South America



- Addition of approximately 380 UAP locations nearly doubled Agrium's retail business
- Increased geographic presence in Texas and New Mexico with acquisition of 24 Agrilience centers in late 2009
- Added 33 locations in Western Canada in late 2009/early 2010.
- Further geographic, crop and product diversity

Significant UAP Synergies



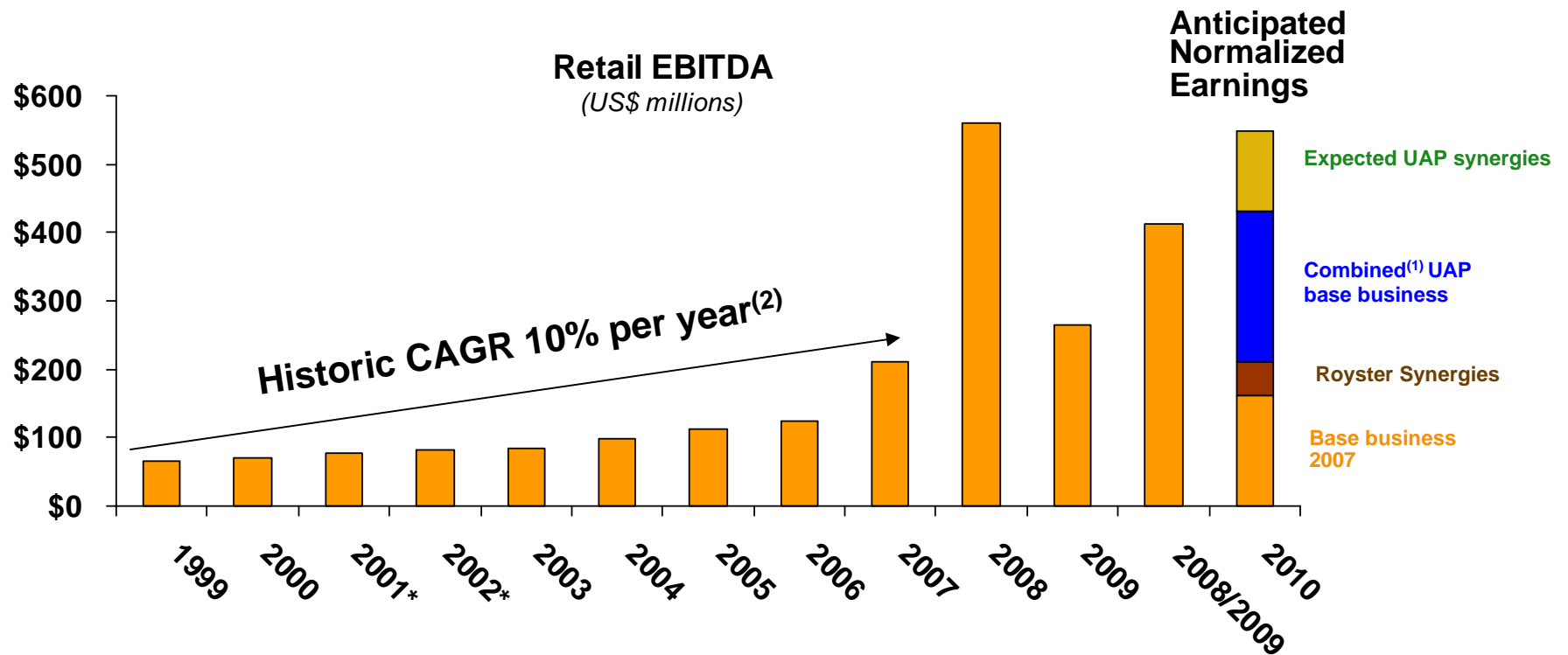
- **Anticipate annual synergies of approximately \$115-million within 2010**
- **Synergies achieved through**
 - Benefit from UAP's expertise on crop protection procurement
 - Procurement of crop nutrients and combining seed business
 - Significantly expand private label crop protection lines at Agrium
 - Reduction in SG&A expenses

[‡]Based on expected UAP 2008 calendar year EBITDA

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Agrium's Retail Transformation



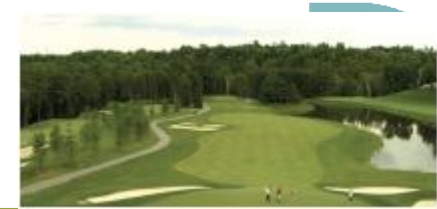
1) Last 12 month EBITDA from UAP as of February 24, 2008 as disclosed in UAP's public disclosure documents

2) Compounded Annual Growth Rate was accomplished without an increase in the number of retail centers between 1999 and 2005

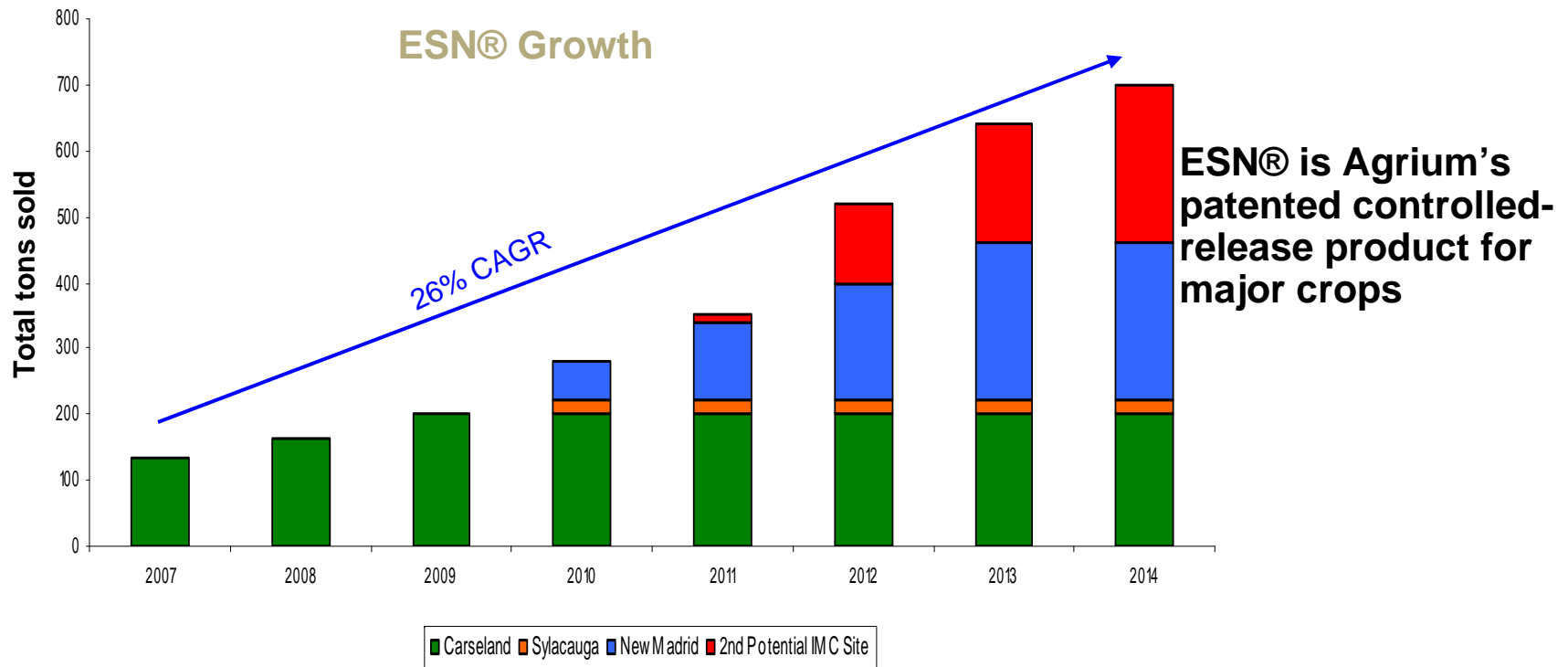
* 2001 excludes negative impact of the Argentine currency devaluation,

* 2002 excludes an estimate of one-time benefit of Argentine currency devaluation of US\$15-million

Advanced Technologies



- **Leader in environmentally friendly specialty products, broad mix of products marketed to: Turf, Ornamental, Greenhouse, High Value Specialty Crops, Lawn and Garden**



- **New ESN plant at New Madrid, MO (120,000 tons) expected to be operational by Q1 2010, brings total capacity to 360,000 tons from 3 plant locations**
- **Equity position (19.6%) in Hanfeng (HF.TO), a leading producer of value-added fertilizer in China**

Wholesale Advantages



Potash (K)



- Over 2.0 mmt of low cost production capacity
- Diverse global/NA customer base

Nitrogen (N)



- Over 5.0 mmt production capacity
- Natural gas and in-market advantages
- Diversified global production assets

Phosphate (P)



- Over 1.0 mmt production capacity
- Two integrated facilities with in-market and cost advantages

Purchase for Resale (PFR)



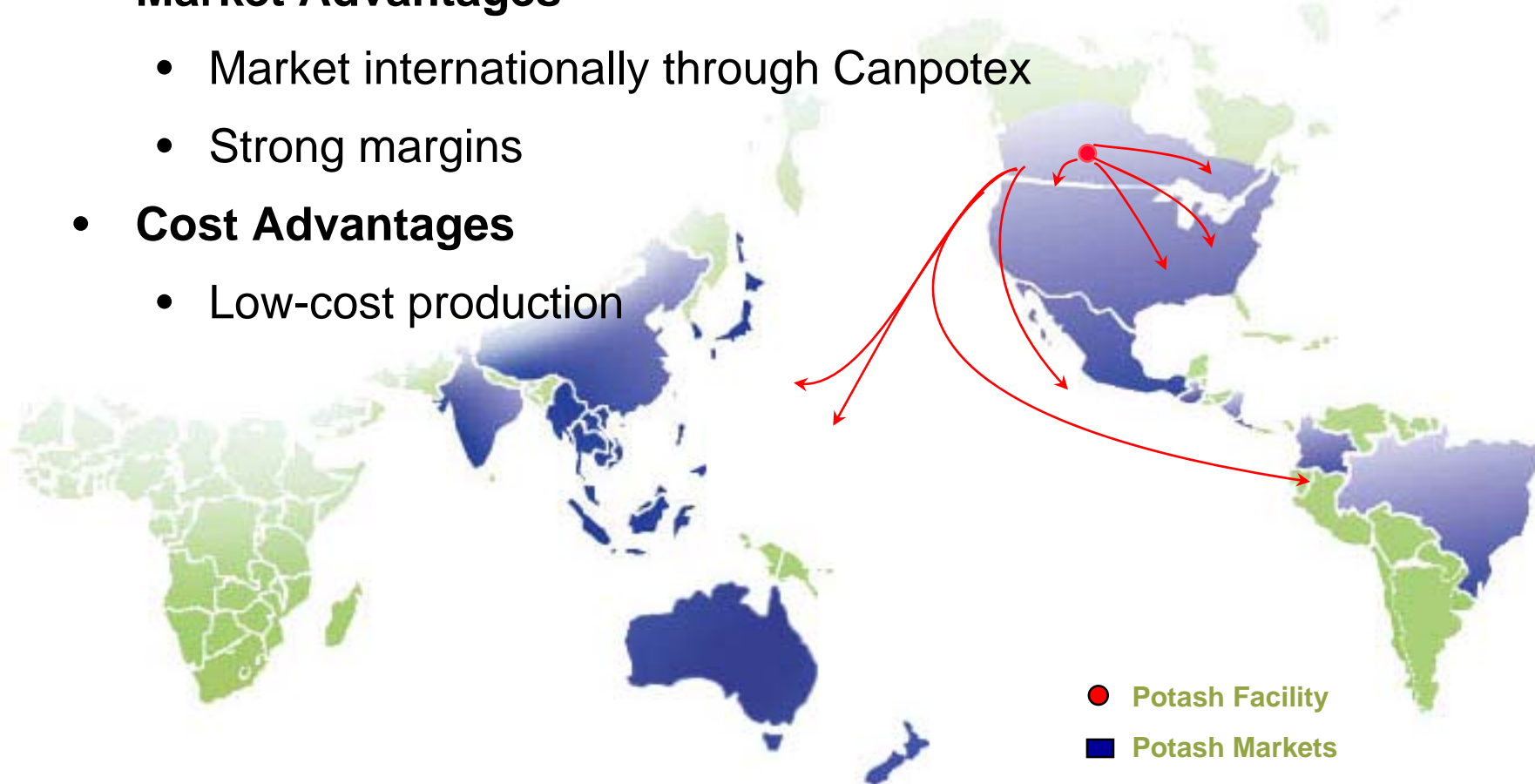
- Optimizes our extensive distribution and marketing capabilities
- CMF acquisition enhances annual PFR volumes by 2.5 mmt

Internationally Competitive Potash



- **Potash Capacity over 2.0 mmt**
- **Market Advantages**
 - Market internationally through Canpotex
 - Strong margins
- **Cost Advantages**
 - Low-cost production

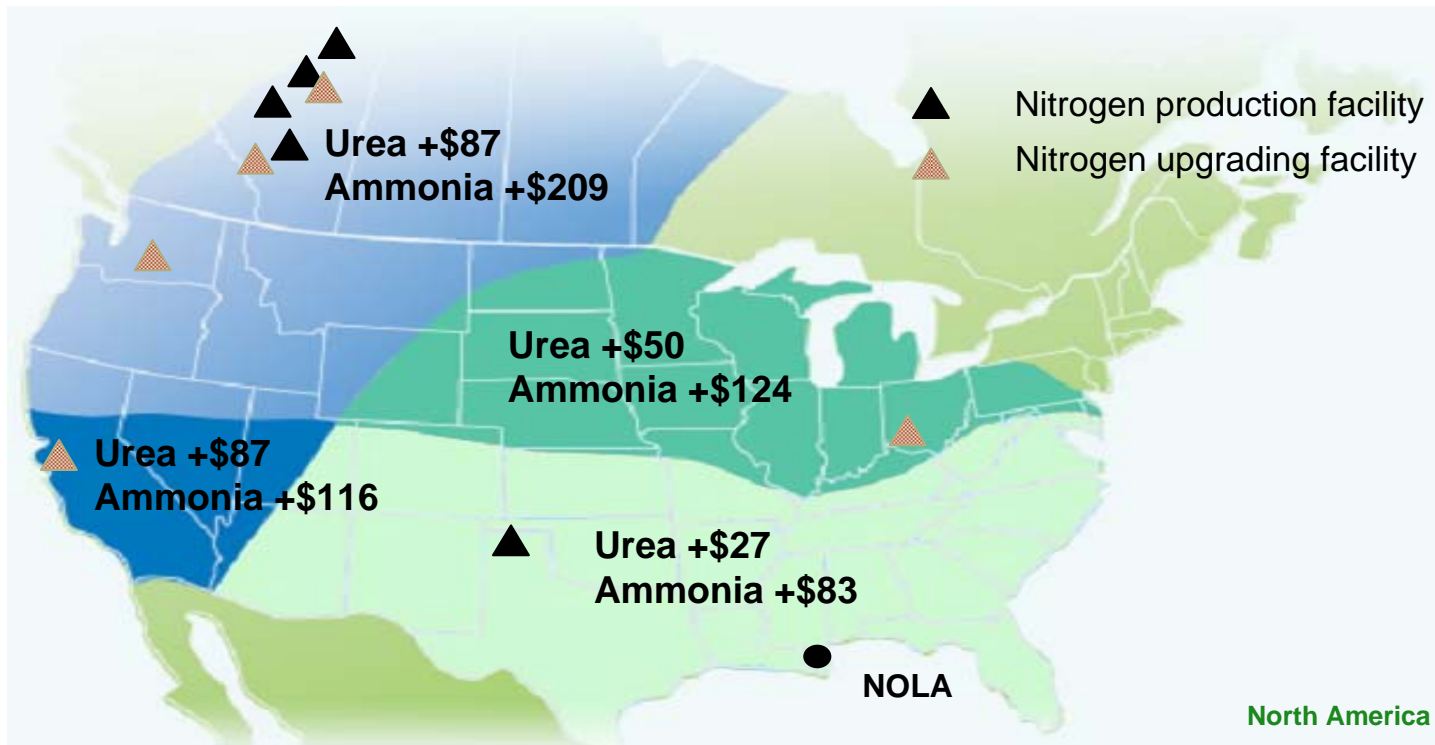
	% Sales*
NA sales	54%
International	46%



Nitrogen Competitive Advantage



- Selling price advantage over New Orleans benchmark (\$/mt)
- AECO gas advantage vis a vis NYMEX



Source: Green Markets: Spread equals regional reference price minus NOLA reference price.

Delivered prices adjusted by $-\$5/t$ for Urea and $-\$9/t$ for ammonia to estimate FOB prices. Based on a 10-year average from 2000-2009

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Regional Phosphate Advantages



- **In - Market Advantage**
 - Lower freight costs
 - Higher selling prices
- **Vertically Integrated facilities**
 - Competitive advantage on Sulphur & Ammonia costs
 - Partially offset by rock costs and FX.

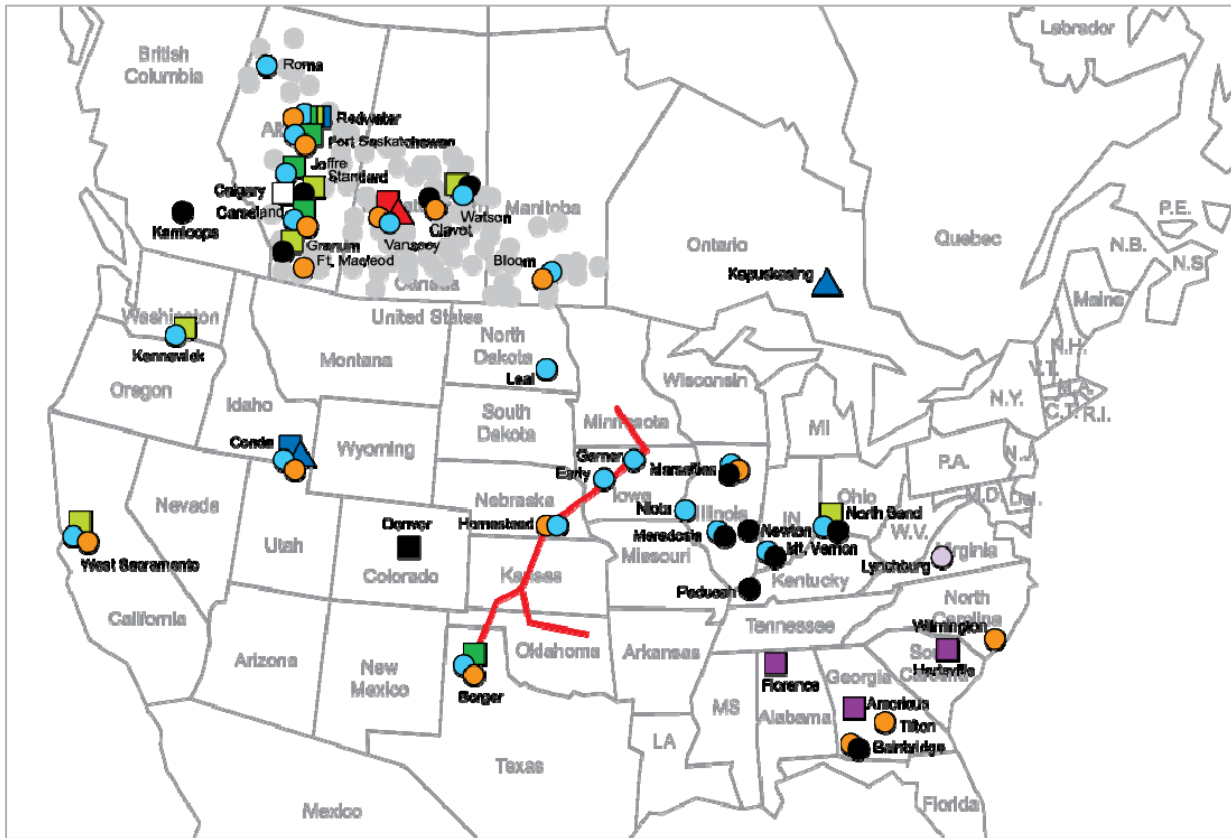


- Phosphate Facility
- Phosphate Markets

Agrium Wholesale

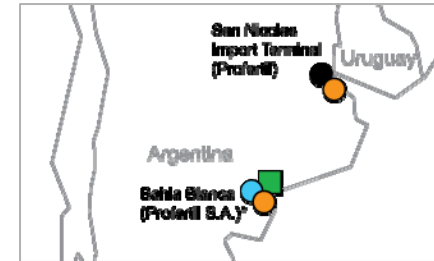
- * Profertil S.A. is 50 percent owned by Agrium Inc. and 50 percent owned by Repsol YPF, S.A. in Argentina
- ** 26 percent interest in MISR Oil Processing Company, S.A.E. (MOPCO) in Egypt.
- *** 70 percent equity position in Common Market Fertilizers S.A. (CMF) in Europe.

North America



- | | | | |
|---|--|---|--|
| ■ Nitrogen Production | ■ Potash Production | ● Anhydrous Ammonia Storage | ■ U.S. Sales Office |
| ■ Solution Production | ▲ Potash Mine | ● Solution Storage | Wholesale Head Office |
| ■ Phosphate Production | ■ Granulation Production | ● Dry Storage | CMF Subsidiary/Sales Office |
| ▲ Phosphate Mine | — Ammonia Pipeline System | ● Blend Storage | CMF Head Office |
| | | ● Engro Distribution | |

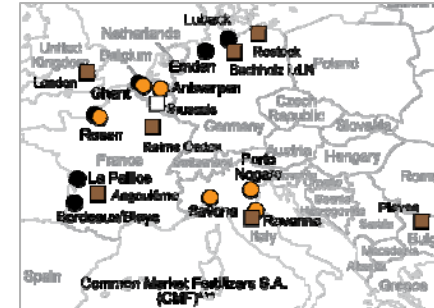
South America



Africa/Middle East



Europe



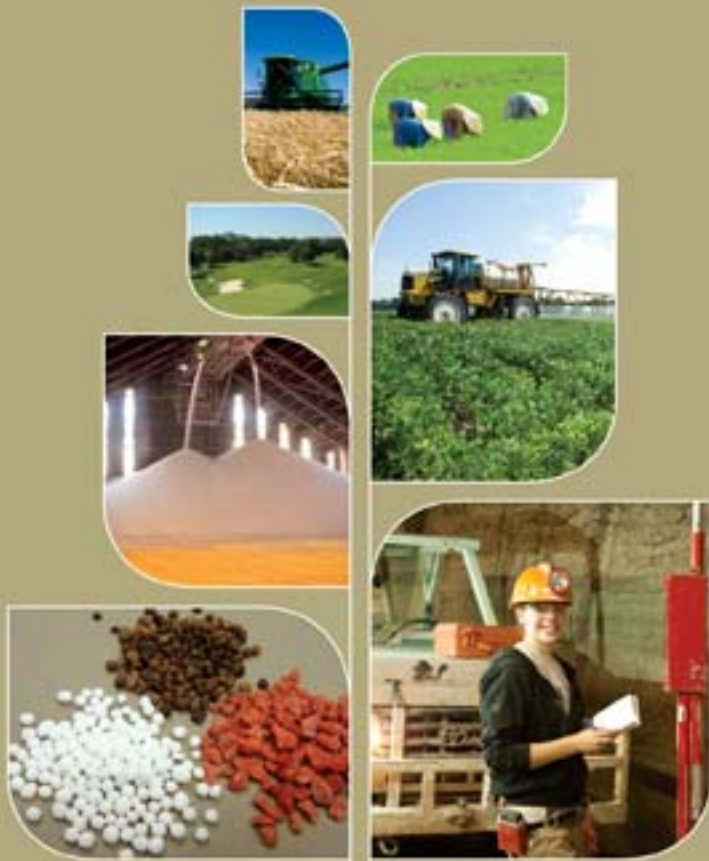
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Summary



- **Agrium continues to grow and expand across the value chain while optimizing earnings through the business cycle**
- **Agrium provides the best opportunity to benefit from positive agricultural outlook**
- **Expect a strong recovery in fertilizer use in 2010**



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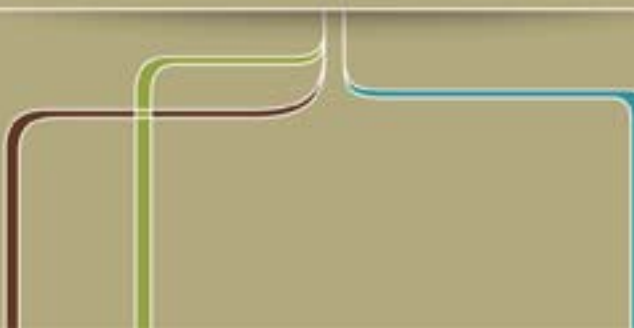
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4582 South Ulster Street, Suite 1700
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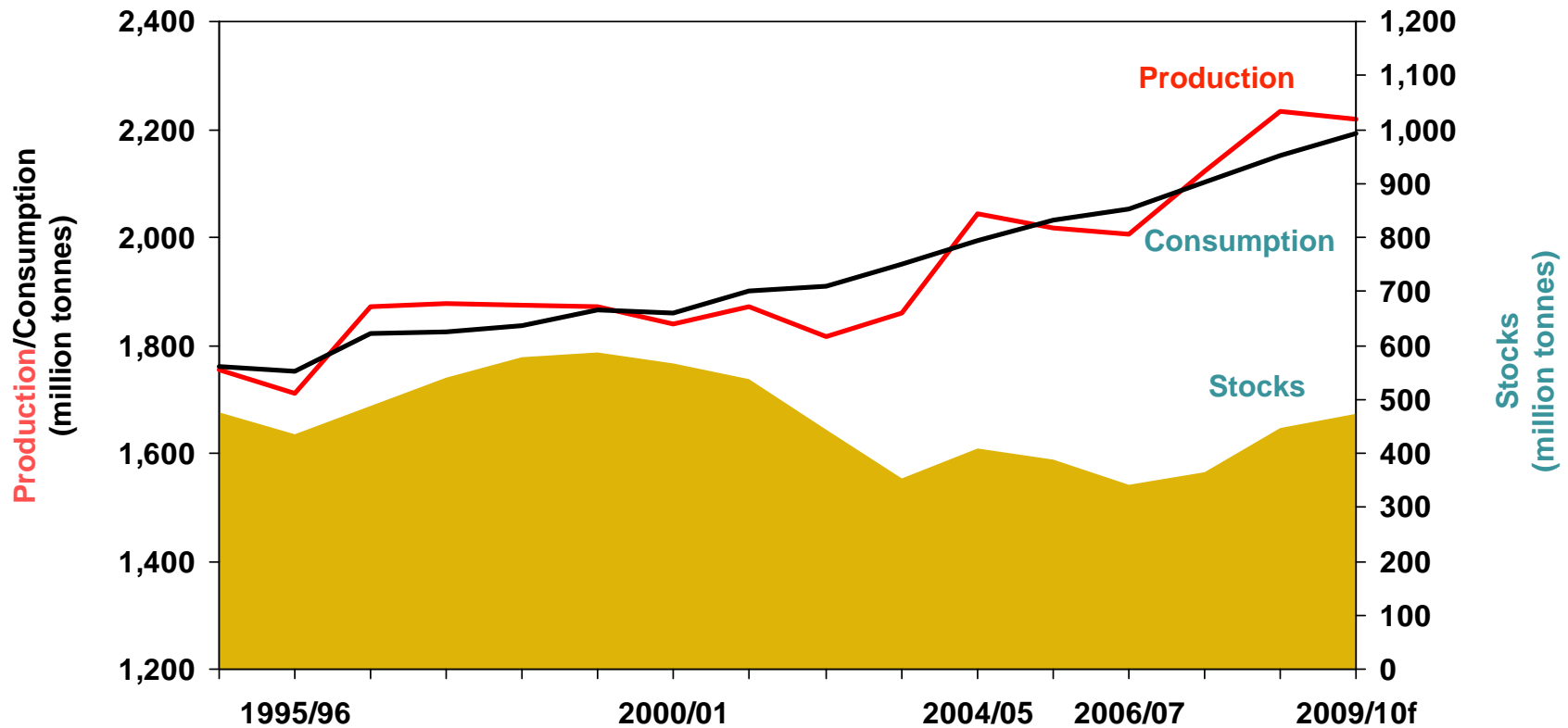
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Global grain stocks more comfortable due to record production in 2008/09



- Robust grain production in consecutive years
- Second highest grain production ever barely exceeds consumption

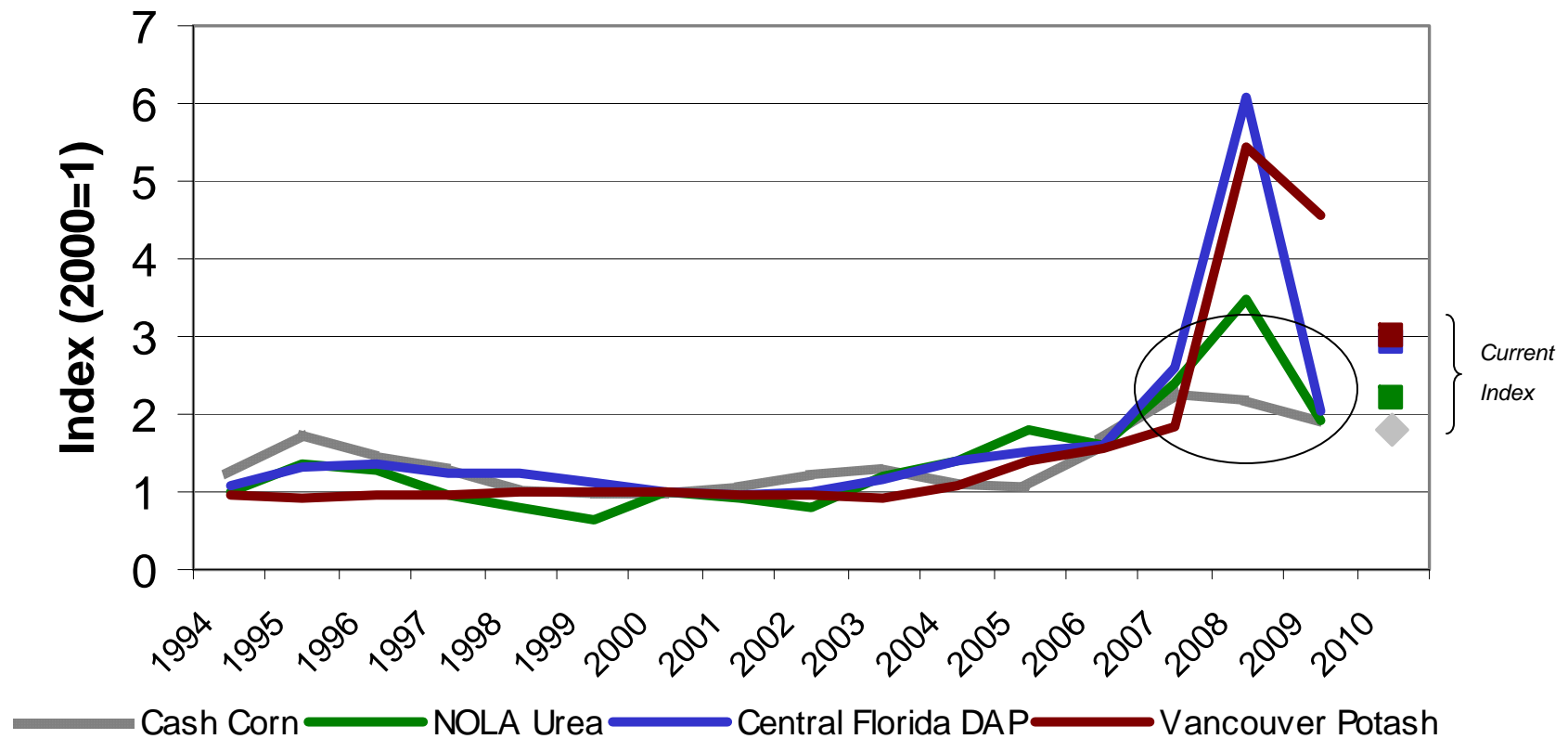


Source: USDA

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Step Change in Corn and Fertilizer Prices

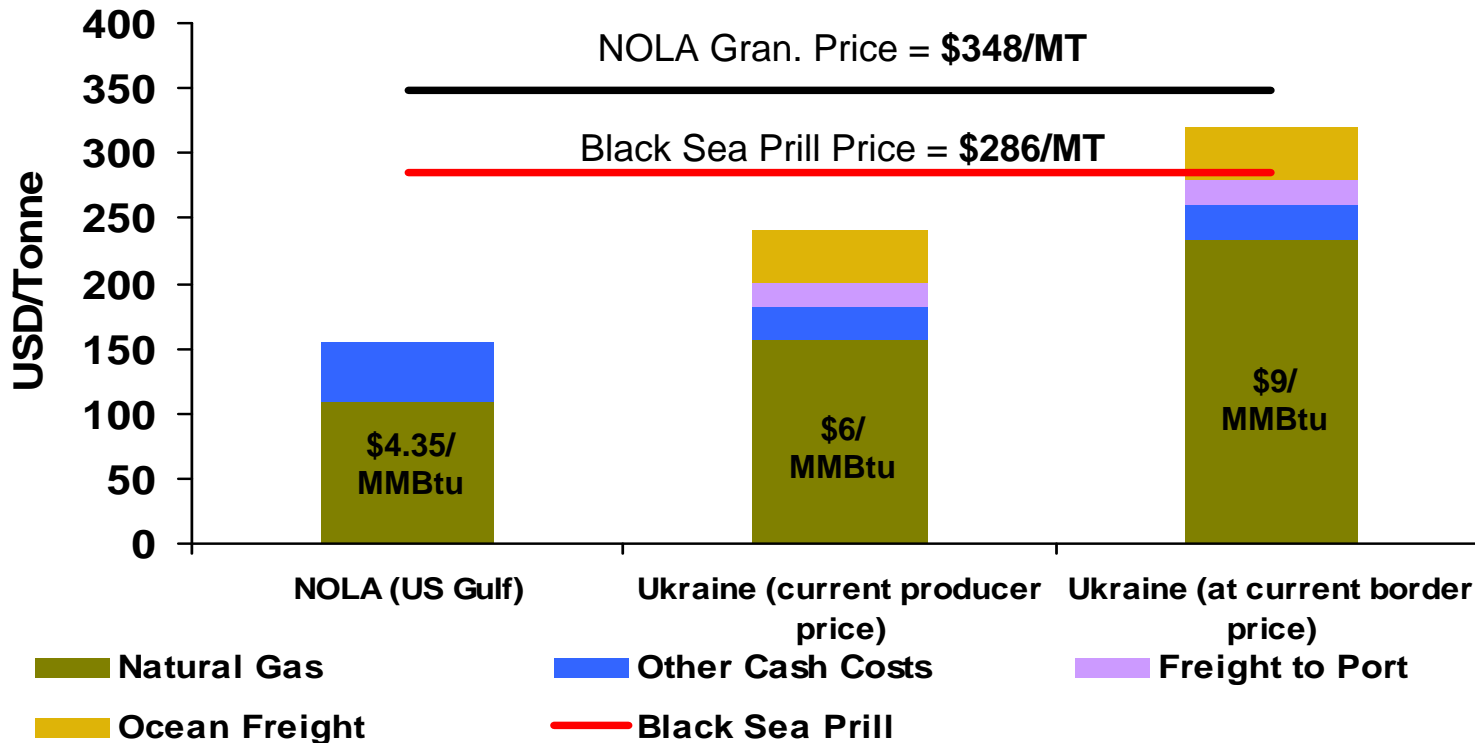


26 Source: USDA, Fertecon, and British Sulphur – Based on Annual Averages

Nitrogen production profitable at current prices



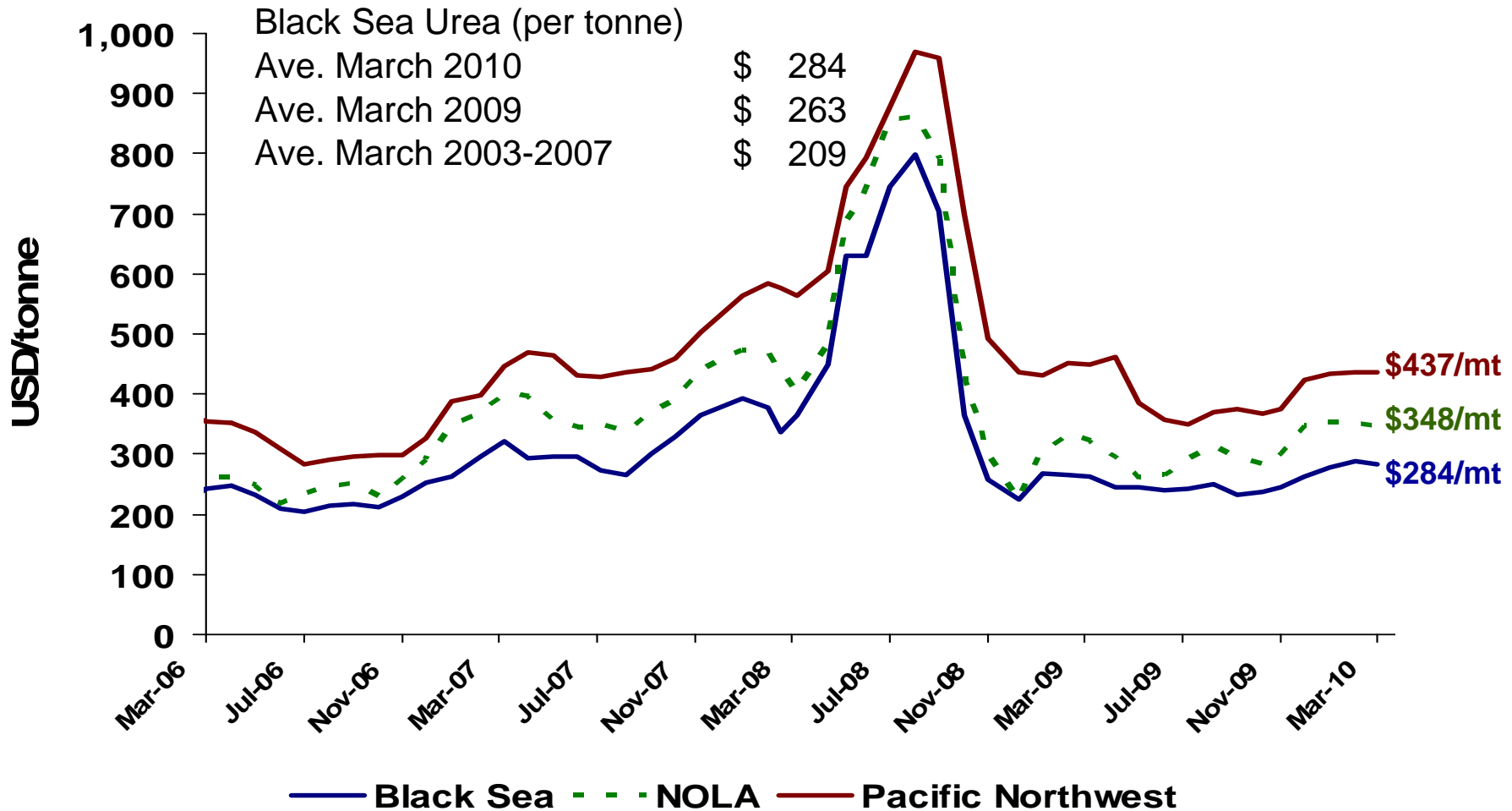
- Ukrainian producer costs currently at late-2009 levels, but border prices have increased significantly
- NYMEX and other hub-based natural gas prices trading at a discount to formula-based natural gas contracts (i.e. Ukraine)



Source: Fertecon, British Sulphur, Agrium

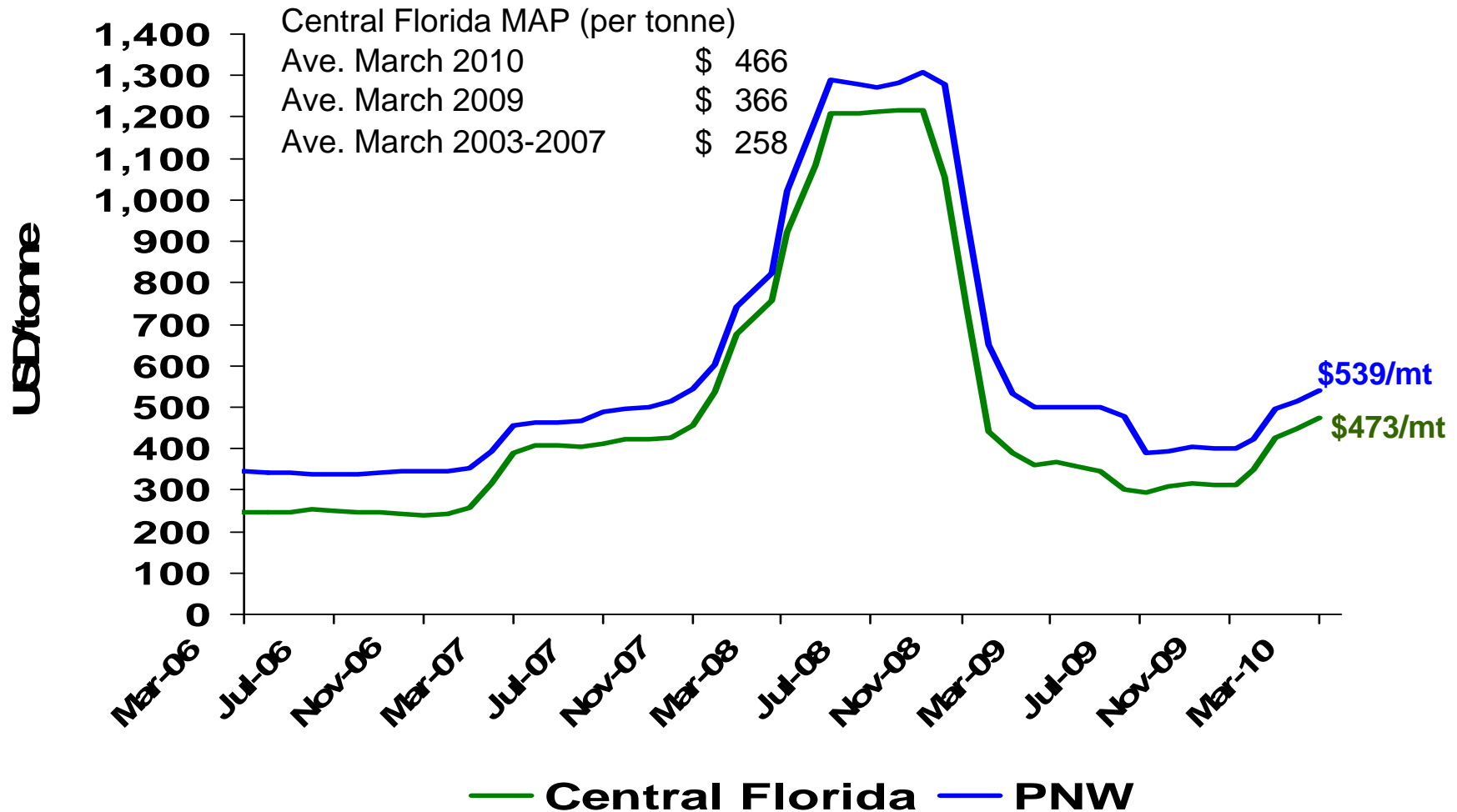


Benchmark Prices: Urea



Source: Blue, Johnson & Associates, The Market, Green Markets

Benchmark Prices: Phosphate

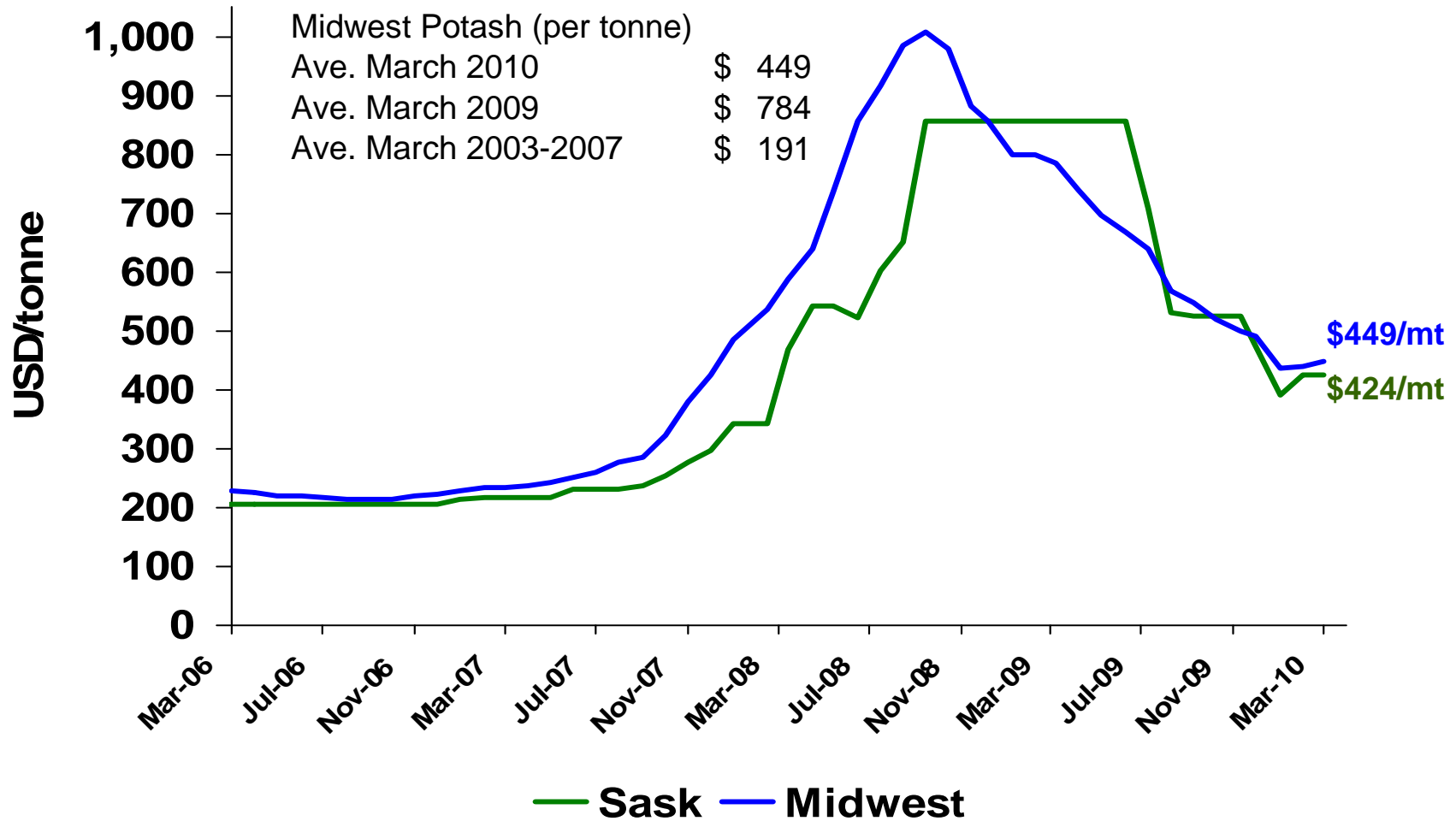


Source: Blue, Johnson & Associates, Green Markets

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Benchmark Prices: Potash

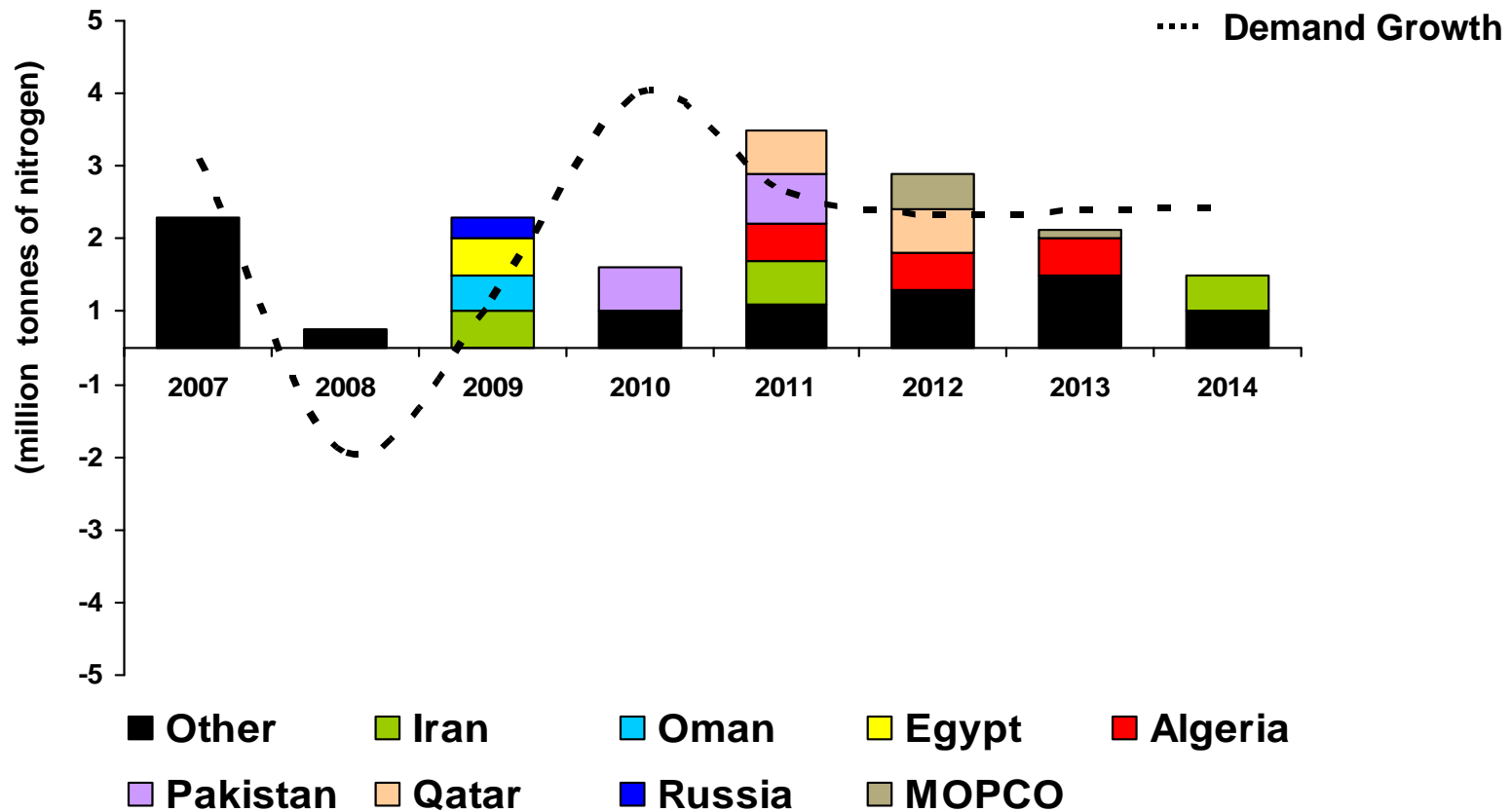


Source: Green Markets, Blue, Johnson & Associates, Agrium

Nitrogen Balance Tight through 2011



- Rebound in nitrogen demand in 2010
- Timing of projects after 2012 is uncertain



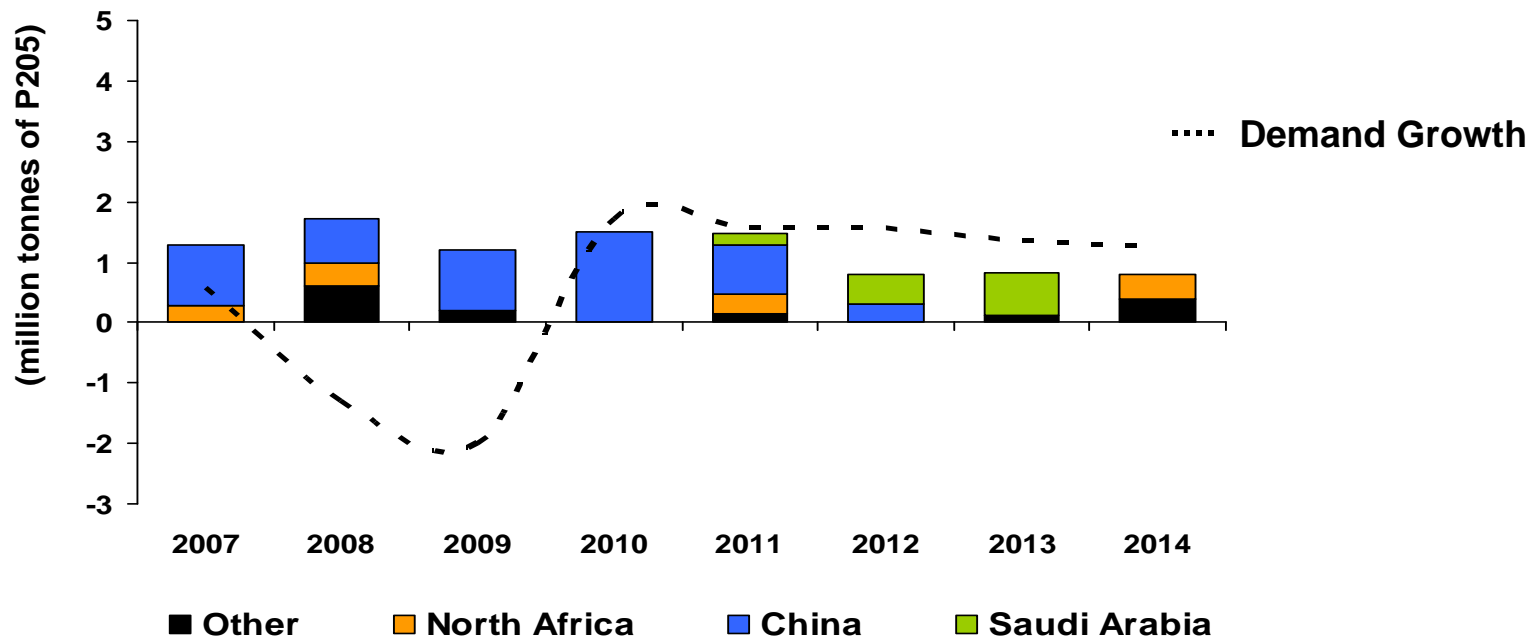
Source: Fertecon, IFA, Agrium

Note: Excludes Chinese capacity additions and demand

Limited Growth in Phosphate Capacity



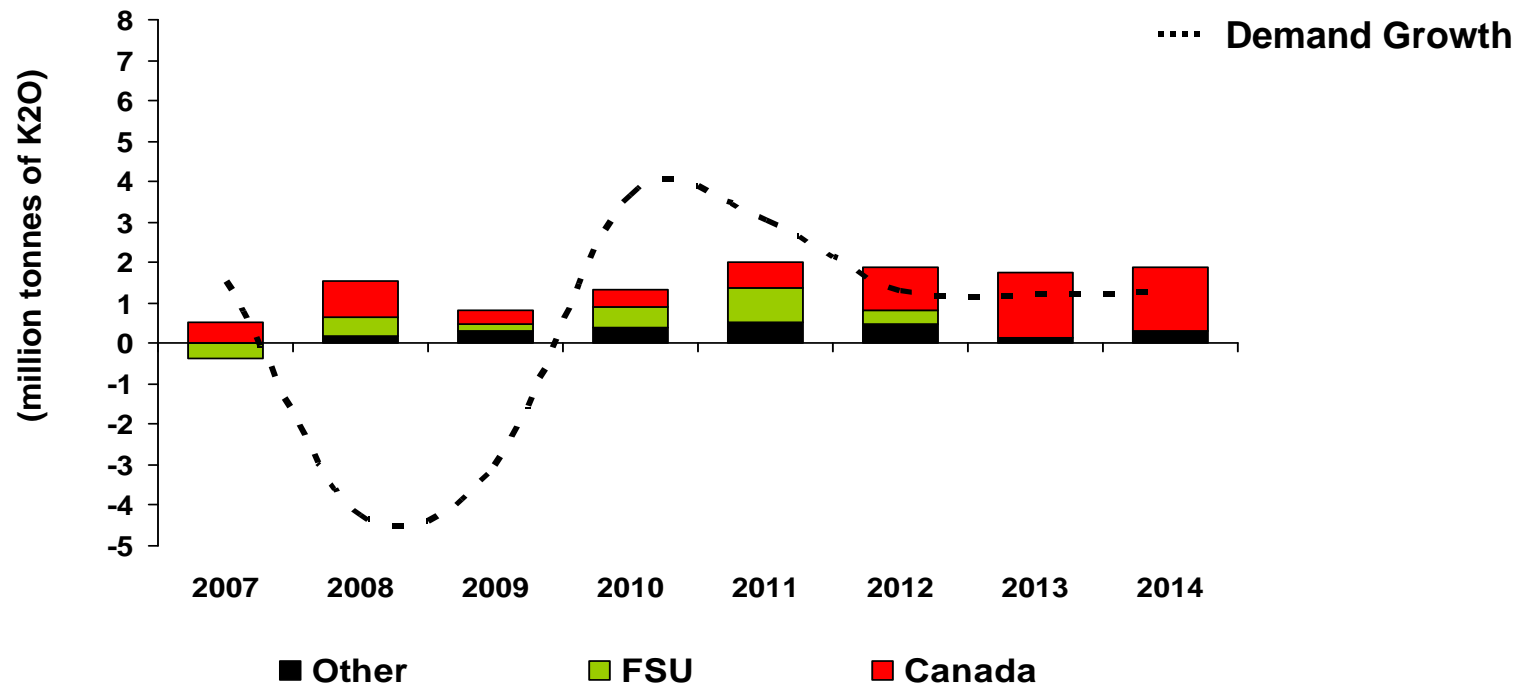
- Average annual demand growth from 2002-07 was 3.1%
- Lack of new export capacity in 2010 and into 2011, combined with rebound in demand leads to tight supply and demand balance
- Little new phosphate capacity outside China until the Saudi Arabia's Ma'aden Project
 - Ma'aden expected to balance the market in 2012





Potash Demand Turnaround

- Average annual demand growth from 2002-07 was 5.3%
- Approximately 25% reduction in demand from 2007 peak to 2009
- Expect global demand to reach 2007 levels by 2011/12



Sources: Fertecon, IFA, Agrium

FSU denotes the Former Soviet Union (Belarus, Russia, Uzbekistan)

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Index values converging

