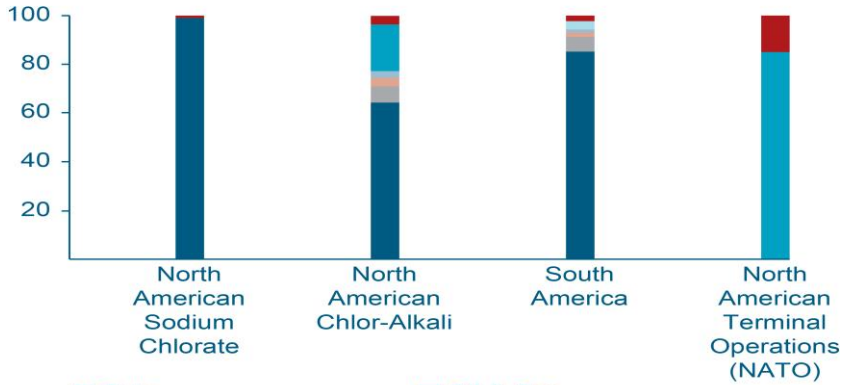
2014 Life in the Heartland Community Presentation

May 7, 2014

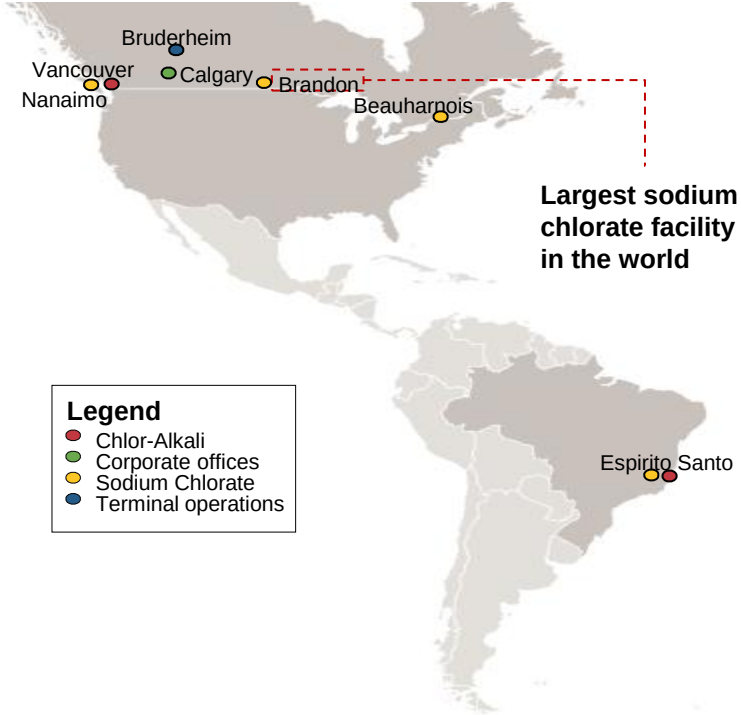
Proven Processes
Diversified Products

canexus

Business Unit and Market Diversity
(Net Sales %)



Source: Canexus



Responsible Care®
Our commitment to sustainability.

Gestion responsable™
Notre engagement envers le développement durable.

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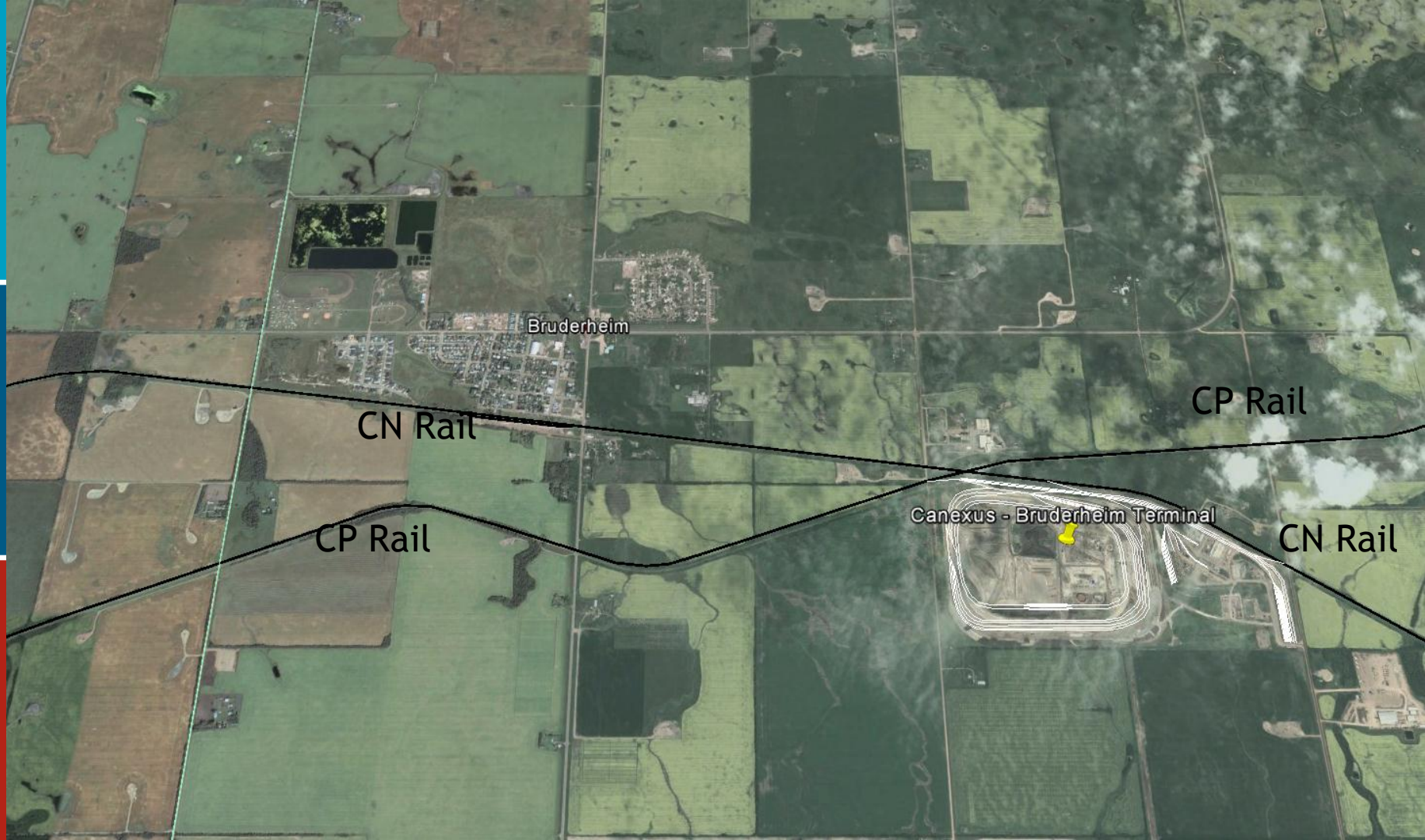
As a Responsible Care® company, CANEXUS will:

- *continuously improve health, safety & environmental protection*
- *communicate with projects stakeholders and the community;*
- *comply with all regulations and third party audits on three Codes of Practice:*

1. Operations Code - Protection of People, Property and the Environment – through safe and environmentally responsible management
2. Stewardship Code – responsibly manage their products from source to destination with the intent to result in improvement of people's lives, and the environment while striving to do no harm.
3. Accountability Code: public's right to understand - requires community awareness, identification of all internal and external stakeholders, effective flow of information to and dialogue with these stakeholders.

Emergency Prepardness

- **Staffed by trained competent personnel 24 hours/day 7 days per week**
- **Comprehensive Emergency Response Plan using Incident Command roles and responsibilities and training to possible onsite emergency scenarios.**
- **Mission Zero, to enhance its leadership position in all safety categories with: zero injuries, zero environmental incidents, zero transportation events, and zero process safety incidents.**


Bruderheim
CN Rail
CP Rail
CP Rail
Canexus - Bruderheim Terminal
CN Rail


HCL Acid and Caustic Soda
Bio-Diesel
Hydrocarbon East
Hydrocarbon North
Hydrocarbon Bio
Hydrocarbon West
Condensate
Butane
Hydrocarbon South

Current Manifest Operations

- Canexus operates an existing Truck to Rail and Rail to Truck terminal facility(Manifest Operation) at Canexus' property located at 34-55-20 W4M near Bruderheim, Alberta.
- The facility handles the transloading of Hydro Chloric Acid, Caustic Soda and various hydrocarbons(Dilbit, Crude oil, Butane, Condensate, Diesel and Bio Diesel).
- The hydrocarbon products being loaded and unloaded are non-sour products that contain less than 10 ppm of liquid hydrogen sulphide.
- All hydrocarbon loading and unloading areas contain spill containment systems to collect any hydrocarbons that may spill.
- Canexus works with Lamont County to ensure the level of truck and rail traffic is acceptable and along the designated route.

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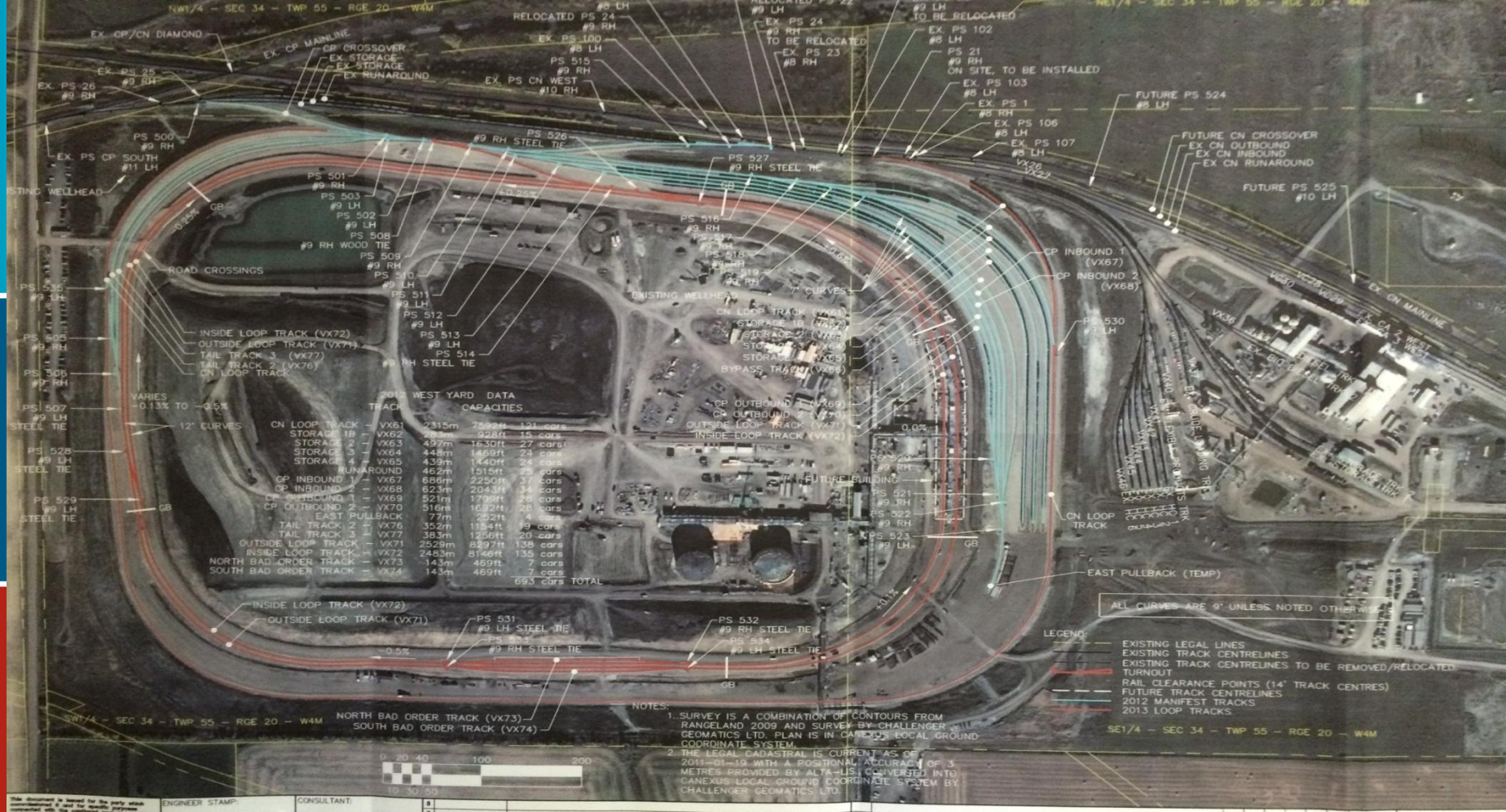
Current Manifest Operations Con't

- The Canexus Manifest Operation has 13 crude truck offload facilities and 23 crude rail loading facilities. 11 of the truck offload facilities are connected to above ground tankage and 19 of the rail loading facilities are connected to above ground tankage enabling maximum loading to rail cars.
- The Manifest Facility has also has the ability to rail offload condensate/diluent from 6 spots to a storage tank, the storage tank is connected to 2 truck loading risers.
- Butane can also be transloaded at the Manifest facility – there are 4 rail offloading spots connected to a pressurized bullet which is connected to a single truck loading riser.
- Bio-Diesel(summer) and Diesel(winter) can also be transloaded at the facility .
- Hdrochloric acid and Caustic Soda are other products which are transloaded at the facility – coming in by rail and going out by truck to facilitate pulp and paper, water treatment and energy industry demands. The facility also the ability to accommodate specialized blending of Hydrochloric acid.

Unit Train – Pipeline to Rail

- The Unit Train project has approvals from Lamont County and AESRD. All facilities have been designed and constructed in accordance with regulatory requirements.
- The Canexus Unit Train operation started up in December of 2013 with the capability to load 12 rail cars simultaneously with Alberta Western Blend(AWB) diluted bitumen (dilbit) from 12 automated loading facilities. The dilbit is received via a pipeline from the MEG Stonefell Facility . Currently one 120,000 bbl above ground storage tank allows for delivery of dilbit from pipeline and the dilbit is then shipped from the tank to the rail loading facility.
- The Project includes a vapor recovery system which removes vapors from the rail cars while loading. The vapors are sent to a high efficiency incinerator which is used to incinerate all recovered vapors.
- Current Unit train Loading capacity is approximately 4 unit trains/week – a unit train consists of anywhere from 80 to 120 rail cars.
- The Project will gradually ramp up to 1 unit train (of 120 cars) per day by the end of 2014 this will increase to 1.5 unit trains (180 cars) per day with the installation of a third full rail loop and a second set of 12 loading arms.
- Operation of the additional facilities is not expected to generate any additional measurable noise.


NW1/4 – SEC 34 – TWP 55 – RGE 20 – W4M
EX. CP/CN DIAMOND
EX. CP MAINLINE
CP CROSSOVER
EX. STORAGE
EX. STORAGE
EX RUNAROUND
EX. PS 25 #9 RH
EX. PS 26 #9 RH
RELOCATED PS 24 #9 RH
EX. PS 100 #8 LH
PS 515 #9 RH
EX. PS CN WEST #10 RH
EX. PS 24 #9 RH TO BE RELOCATED
EX. PS 23 #8 RH
#9 LH TO BE RELOCATED
EX. PS 102 #8 LH
PS 21 #9 RH ON SITE, TO BE INSTALLED
EX. PS 103 #8 LH
EX. PS 1 #8 RH
EX. PS 106 #8 LH
EX. PS 107 #8 LH
FUTURE PS 524 #8 LH
FUTURE CN CROSSOVER
EX CN OUTBOUND
EX CN INBOUND
EX CN RUNAROUND
FUTURE PS 525 #10 LH
PS 500 #9 RH
EX. PS CP SOUTH #11 LH
EXISTING WELLHEAD
PS 501 #9 RH
PS 503 #9 LH
PS 502 #9 LH
PS 508 #9 RH WOOD TIE
PS 509 #9 RH
PS 510 #9 LH
PS 511 #9 LH
PS 512 #9 LH
PS 513 #9 LH
PS 514 #9 RH STEEL TIE
PS 526 #9 RH STEEL TIE
PS 527 #9 RH STEEL TIE
PS 516 #9 RH
PS 517 #9 RH
PS 518 #9 RH
PS 519 #9 RH
ROAD CROSSINGS
INSIDE LOOP TRACK (VX72)
OUTSIDE LOOP TRACK (VX71)
TAIL TRACK 3 (VX77)
TAIL TRACK 2 (VX76)
CN LOOP TRACK
PS 505 #9 RH
PS 506 #9 RH
PS 507 #9 LH STEEL TIE
PS 528 #9 LH STEEL TIE
PS 529 #9 LH STEEL TIE
VARIES +0.13% TO –0.5%
12° CURVES
2012 WEST YARD DATA
TRACK CAPACITIES
CN LOOP TRACK – VX61 2315m 7593ft 121 cars
STORAGE 1B – VX62 993m 3258ft 15 cars
STORAGE 2 – VX63 497m 1630ft 27 cars
STORAGE 3 – VX64 448m 1469ft 24 cars
STORAGE 4 – VX65 439m 1440ft 24 cars
RUNAROUND 462m 1515ft 25 cars
CP INBOUND 1 – VX67 686m 2250ft 37 cars
CP INBOUND 2 – VX68 623m 2043ft 34 cars
CP OUTBOUND 1 – VX69 521m 1709ft 28 cars
CP OUTBOUND 2 – VX70 516m 1692ft 28 cars
EAST PULLBACK 77m 252ft 4 cars
TAIL TRACK 2 – VX76 352m 1154ft 19 cars
TAIL TRACK 3 – VX77 383m 1256ft 20 cars
OUTSIDE LOOP TRACK – VX71 2529m 8297ft 138 cars
INSIDE LOOP TRACK – VX72 2483m 8146ft 135 cars
NORTH BAD ORDER TRACK – VX73 143m 469ft 7 cars
SOUTH BAD ORDER TRACK – VX74 143m 469ft 7 cars
693 cars TOTAL
CURVES
CN LOOP TRACK (VX61)
STORAGE 1B (VX62)
STORAGE 2 (VX63)
STORAGE 3 (VX64)
STORAGE 4 (VX65)
BYPASS TRACK (VX66)
CP OUTBOUND 2 (VX70)
CP OUTBOUND 1 (VX69)
OUTSIDE LOOP TRACK (VX71)
INSIDE LOOP TRACK (VX72)
CP INBOUND 1 (VX67)
CP INBOUND 2 (VX68)
PS 530 #9 LH
FUTURE BUILDING
PS 521 #9 RH
PS 522 #9 RH
PS 523 #9 LH
CN LOOP TRACK
EAST PULLBACK (TEMP)
ALL CURVES ARE 9° UNLESS NOTED OTHERWISE
INSIDE LOOP TRACK (VX72)
OUTSIDE LOOP TRACK (VX71)
PS 531 #9 LH STEEL TIE
PS 532 #9 RH STEEL TIE
PS 534 #9 LH STEEL TIE
NORTH BAD ORDER TRACK (VX73)
SOUTH BAD ORDER TRACK (VX74)
SW1/4 – SEC 34 – TWP 55 – RGE 20 – W4M
SE1/4 – SEC 34 – TWP 55 – RGE 20 – W4M
LEGEND:
EXISTING LEGAL LINES
EXISTING TRACK CENTRELINES
EXISTING TRACK CENTRELINES TO BE REMOVED/RELOCATED
TURNOUT
RAIL CLEARANCE POINTS (14' TRACK CENTRES)
FUTURE TRACK CENTRELINES
2012 MANIFEST TRACKS
2013 LOOP TRACKS
NOTES:
1. SURVEY IS A COMBINATION OF CONTOURS FROM RANGELAND 2009 AND SURVEY BY CHALLENGER GEOMATICS LTD. PLAN IS IN CANEXUS LOCAL GROUND COORDINATE SYSTEM.
2. THE LEGAL CADASTRAL IS CURRENT AS OF 2011-01-19 WITH A POSITIONAL ACCURACY OF 3 METRES PROVIDED BY ALTA-LIS, CONVERTED INTO CANEXUS LOCAL GROUND COORDINATE SYSTEM BY CHALLENGER GEOMATICS LTD.
0 20 40 100 200
10 30 50
ENGINEER STAMP:
CONSULTANT:
Hatch Mott MacDonald
APEGGA PERMIT TO PRACTICE NO. P-7091
HMM PROJECT No. 315188
METRIC
2 AERIAL PHOTO
1 294027-LEGAL
LEGAL LINES

Canexus Bruderheim Operation

Local Benefits

Lamont County Development Permit and fees

Increased Tax Base

Incremental 100 employees to facilitate operation of the new loading facilities

Increased revenue to local business providing services to Canexus and contractors supporting the development of the site. (>$50M 2011-2014)

Support local charities Bruderheim and Lamont including Babas and Borshch Festival

Current/Projected Operation

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	Dec 2012	Dec 2013	Dec 2014 (Projected)
Trucks Per Day	53	90	120
Rail Switches Per Day	0 to 2	2	3
Rail Cars Per Day	25	45	150

- **Projected truck traffic under the 196 trucks per day allowed by the existing road haul agreement**

Bruderheim Potential Future Development

- Complete 2nd Load loop increasing loading arm capacity to 24 loading arms
- Tie-in of IPL pipeline for rail loading/shipping of Cold Lake Blend(CLB) Bitumen
- Completion of 2nd 120,000 storage tank.
- Completion of an additional rail loop
- Work with MEG on development of an Dilbit upgrade facility
- Condensate offloading for delivery to pipeline
- Condensate salt cavern storage (existing) and associated brine pond
- Diluent Recovery Unit


MEG LEASE

Contact Information

- For Additional Information Contact:
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