

MATERIAL CHANGE REPORT

**Item 1. Name and Address of Reporting Issuer**

Agrium Inc. ("Agrium")  
13131 Lake Fraser Drive S.E.  
Calgary, Alberta T2J 7E6

**Item 2. Date of Material Change**

[June 12, 2006](#)

**Item 3. News Release**

Agrium issued a news release on [June 12, 2006](#) through [CCN Mathews](#) which was filed on SEDAR and EDGAR June 12, 2006.

**Item 4. Summary of Material Changes**

Agrium updated its second quarter earnings guidance to be approximately \$1.00 diluted earnings per share, compared to earlier guidance provided for the quarter of \$1.02 to \$1.12. Factors contributing to the lower guidance are partially offset by approximately \$0.13 diluted earnings per share positive impact from recent reductions to Canadian federal and provincial tax rates.

**Item 5. Full Description of Material Change**

Agrium expects second quarter results to be approximately \$1.00 diluted earnings per share, compared to earlier guidance provided for the quarter of \$1.02 to \$1.12. The revision is primarily due to lower than expected wholesale sales volumes for U.S. nitrogen and international potash. Our Retail business was impacted to a lesser extent due to lower overall U.S. fertilizer demand. These items are partially offset by approximately \$0.13 diluted earnings per share positive impact from recent reductions to Canadian federal and provincial tax rates.

**Item 6. Reliance on subsection 7.1(2) and (3) of National instrument 51-102**

[Not applicable.](#)

**Item 7. Omitted Information**

[Not applicable.](#)

**Item 8. Executive Officer**

Bruce G. Waterman, Senior Vice President, Finance & Chief Financial Officer may be reached at 13131 Lake Fraser Drive S.E., Calgary, Alberta, T2J 7E8, or by phone at (403) 225-7000.

**Item 9. Date of Report**

Dated at Calgary, Alberta the 20<sup>th</sup> day of June, 2006.