



PRESS RELEASE

Not for distribution to U.S. news wire services or dissemination in the United States.

CHEMTRADE LOGISTICS INCOME FUND ANNOUNCES \$175 MILLION CONVERTIBLE DEBENTURE BOUGHT DEAL FINANCING

Toronto, Ontario - (April 10, 2017) — Chemtrade Logistics Income Fund (“Chemtrade” or the “Fund”) (TSX: CHE.UN) announced today a public offering, on a “bought deal” basis, of \$175 million principal amount of convertible unsecured subordinated debentures, at a price of \$1,000 per debenture, with an interest rate of 4.75% per annum, payable semi-annually on the last day of May and November commencing on November 30, 2017 (the “Debentures”). The Debentures will mature on May 31, 2024.

The offering is being made through a syndicate of underwriters led by BMO Capital Markets.

The Fund has granted the underwriters the option to purchase up to \$26.25 million principal amount of additional Debentures at a price of \$1,000 per Debenture to cover over-allotments, exercisable in whole or in part any time up to 30 days following closing of the offering.

The Debentures will be convertible at the holder’s option into fully paid and non-assessable freely tradeable units of the Fund at the option of the holder at a conversion price of \$26.70 per unit (the “Conversion Price”). The Debentures will not be redeemable before May 31, 2020. On or after May 31, 2020 and prior to May 31, 2022, the Debentures may be redeemed in whole or in part from time to time at the option of the Fund at par plus accrued and unpaid interest, provided that the weighted average trading price of the units on the Toronto Stock Exchange for the 20 consecutive trading days ending five trading days preceding the date on which notice of redemption is given is not less than 125% of the Conversion Price. On or after May 31, 2022, the Debentures may be redeemed at the option of the Fund at any time at par plus accrued and unpaid interest.

The net proceeds of the offering will be used to repay indebtedness under its credit facility and will be used by the Fund to fund:

- (a) acceptances of the previously announced Change of Control Offers for the Chemtrade Electrochem Inc. (formerly Canexus Corporation) (“Chemtrade Electrochem”):
 - (i) 5.75% convertible unsecured subordinated Series IV debentures due December 31, 2018 (the “5.75% Series IV Debentures”);
 - (ii) 6.00% convertible unsecured subordinated Series V debentures due December 31, 2020 (the “6.00% Series V Debentures”);
 - (iii) 6.50% convertible unsecured subordinated Series VI debentures due December 31, 2021 (the “6.50% Series VI Debentures”); and
 - (iv) 7.875% senior unsecured notes due 2023 (the “Notes”);
- (b) if the Change of Control Offer is not accepted with respect to any or all of the 5.75% Series IV Debentures, the redemption of all remaining 5.75% Series IV Debentures to effect a full repayment of all \$60 million principal outstanding following completion of the Change of Control Offer;
- (c) following completion of the Change of Control Offer of the Notes, the payment of the redemption price for up to 35% of the \$110 million aggregate principal amount of the Notes provided that at least 65% of the aggregate principal amount of the Notes remains outstanding immediately after the proposed redemption;
- (d) the redemption of Chemtrade’s 5.75% convertible unsecured subordinated debentures due December 31, 2018 (“5.75% Debentures”) to effect the full repayment of all \$80 million principal outstanding; and

- (e) for general trust purposes.

Based on the planned use of proceeds, in aggregate Chemtrade expects total net indebtedness following the Offering to be comparable to current levels and further expects total cash interest and interest expense to decrease.

The offering is subject to normal regulatory approvals, including approval of the Toronto Stock Exchange, and is expected to close on or about May 2, 2017.

The Debentures will be offered by way of a short form prospectus in all of the provinces and territories of Canada and may also be offered to qualified institutional buyers pursuant to Rule 144A in the United States.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any offer, solicitation or sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Chemtrade

Chemtrade operates a diversified business providing industrial chemicals and services to customers in North America and around the world. Chemtrade is one of North America's largest suppliers of sulphuric acid, spent acid processing services, inorganic coagulants for water treatment, sodium chlorate, sodium nitrite, sodium hydrosulphite and phosphorus pentasulphide. Chemtrade is a leading regional supplier of sulphur, chlor-alkali products, liquid sulphur dioxide, potassium chloride, and zinc oxide. Additionally, Chemtrade provides industrial services such as processing by-products and waste streams.

Caution Regarding Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking information within the meaning of certain securities laws, including the *Securities Act* (Ontario). Forward-looking information can be generally identified by the use of words such as "anticipate", "continue", "estimate", "expect", "expected", "intend", "may", "will", "project", "plan", "should", "believe" and similar expressions. Specifically, forward-looking information in this news release include statements respecting certain future expectations about the Fund's ability to close the offering and its timing, the anticipated use of proceeds from the offering and the intention to redeem certain outstanding securities of Chemtrade and Chemtrade Electrochem. Forward-looking statements in this news release describe the expectations of the Fund and its subsidiaries as of the date hereof. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements for a variety of reasons, including without limitation the risks and uncertainties detailed under the "Risk Factors" section of the Fund's latest Annual Information Form and the "Risks and Uncertainties" section of the Fund's most recent Management's Discussion & Analysis.

Although the Fund believes the expectations reflected in these forward-looking statements and the assumptions upon which they are based are reasonable, no assurance can be given that actual results will be consistent with such forward-looking statements, and they should not be unduly relied upon. With respect to the forward-looking statements contained in this news release, the Fund has made assumptions regarding: there being no significant disruptions affecting the operations of the Fund and its subsidiaries; the timely receipt of required regulatory approvals; and global economic performance.

Except as required by law, the Fund does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or for any other reason. The forward-looking information contained herein are expressly qualified in their entirety by this cautionary statement.

Further information can be found in the disclosure documents filed by Chemtrade Logistics Income Fund with the securities regulatory authorities, available at www.sedar.com.

For further information, please contact:

Mark Davis
President & CEO

Tel: (416) 496-4176

Rohit Bhardwaj
Vice President, Finance & CFO

Tel: (416) 496-4177