

MEET NEXERA CANOLA GROWER DAVE NEWHOUSE

To brighten up your day, Nexera canola grower Dave Newhouse will tell you a joke at the drop of a hat. Newhouse doesn't do things the usual way. For example, he ignores the messages accumulating in his e-mail inbox for months at a time, preferring instead to talk to friends and business associates in real time.

Newhouse likes to push the envelope. Last year, after a little coaching, he ran in the Rome marathon in what he refers to as the "Clydesdale division." He's looking forward to running another marathon in Honolulu in December.

To a lot of us this might sound like the life of a gentleman farmer on forty acres outside of Saskatoon, but Dave Newhouse at Hagen, Saskatchewan, is a dedicated and successful canola grower. He just does things a little differently. In 2005 he devoted one hundred per cent of his acres to identity preserved crops. This included 1,300

acres of Nexera canola. Identity preserved crops, Newhouse says, offer a price advantage in low price years like 2005.

"I'm a procrastinator," he admits, "but the decision to put in Nexera canola comes easy. We've had some pretty vigorous Nexera canola in the right conditions. Last year, all the stars lined up just right, and we got good yield in better than decent conditions. Nexera is a longer season canola. For yield, you want lots of heat units."

This year, Newhouse put in 750 acres of Nex 828 CL. "I'm sure you want to know about the weed control," he said, anticipating the next question. "It's working okay. No problems to report. If there had been any, I'd tell you about them, but so far so good."

He says he doesn't think the IP "hassle factor" – the paperwork



and segregation requirements – are "even worth mentioning." Does he have a magic system for IP record keeping? "No, we just keep after it. When you work in IP systems, you start to understand what needs to be done and when. The IP system, once you learn to work in it, doesn't present much of a problem – or would that be 'challenge'?"

Newhouse offers this advice to first-time Nexera canola growers based on his 25 years of farming success: "Get it in early and then treat it like any other canola. If you get poor conditions, well, that's just bad luck. You can always hope for the best like I did when I entered the Rome marathon. Not bad results for a pot-bellied, old farmer. You have to work with what you've got, but sometimes you can improve on that."

NEXERA CANOLA RESEARCH – PLOTTING THE FUTURE OF CANOLA



Dedicated Nexera canola growers are supported by ongoing research that demonstrates Dow AgroSciences' commitment to growers, consumers and every member of the revenue chain.

At the Dow AgroSciences research and development facility at Innovation Place in Saskatoon, fourteen people are involved in plant breeding research to produce new varieties of seed with value-added benefits for a continuously evolving consumer market.

Breeding work will also improve the fatty acid profile and reduce saturated fat content to less than 3.5 per cent. Agronomic performance will also continue to improve through research.

Every area of canola's versatility is being scrutinized. Dow AgroSciences is working to diversify oilseed crops to produce new oil profiles for industry and health purposes.

The company will also be conducting research into the development of plant lines that produce valuable proteins such as vaccines. Careful development of the Nexera canola lines has been in progress for more than a decade.

Dow AgroSciences is responding to the growing demand by allocating resources that will result in exciting new traits, varieties and products – and new business opportunities for western Canadian growers.

Nexera canola has changed the face of canola production. The word is out, and we will continue sharing the good news about Nexera canola with end-users and every member of the revenue chain.

NEXERA NEWS

FALL 2006

NEXERA CANOLA PRODUCTION AND MARKETING INFORMATION

NEXERA CANOLA AND NATREON CANOLA OIL IN HIGH DEMAND

Buzzwords may be a dime a dozen, but Nexera canola comes with two industry buzzwords that make growers more money – character traits.

Increased demand for Nexera canola's oil has thrust this identity preserved canola into the spotlight with growers, retailers, food processors and manufacturers, nutritionists and the food service industry.

When Nexera canola is crushed into Natreon canola oil, the oil's functionality not only offers an economic advantage to each member of the revenue chain, but consumers receive a healthy oil with zero trans fat content.

According to the Canola Council of Canada, food processors and food service industries around the globe are adopting high stability, character trait canola oil for its functional qualities and health benefits. The current emphasis on removing trans fats from processed foods has spurred many packaged food manufacturers and food services to switch to a healthier vegetable oil.

Nexera canola got in on the ground floor of the trend toward healthier eating, but success didn't happen overnight. Dow AgroSciences has been building the market for Natreon canola oil for more than a decade. Research and development continues at Innovation Place in Saskatoon. The company can be proud to have led the way in the development of a made-in-



Canada solution to the problems presented by trans fats in the diet.

Today Nexera canola is grown in a productive revenue chain with clear benefits for western Canadian farmers. So far, \$72 million has been returned to Canadian canola growers. In fact, in 2005, Nexera canola growers received a premium that resulted in a 15 per cent higher return compared to generic canola.

Dow AgroSciences understood right from the start that Nexera canola presents a vast opportunity to improve the economics of western Canadian canola growers and the health of consumers. As a result of continuous improvements, Nexera canola

agronomics stack up favourably against other varieties. According to 2005 Stratus Agri-Marketing research, almost 80 per cent of Nexera canola growers reported that they intended to contract and plant Nexera canola again in 2006.

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NEXERA CANOLA SUPPORTING HEALTHY COMPETITION

At 9 years of age, Olympic long track speed skater Kerry Simpson took off her figure skates and laced up a pair of speed skates for the first time.

She's never looked back. Competing on the world stage, Kerry has crossed the finish line in countless competitions including the 2006 Olympics in Turin, Italy. She has built her speed skating success on hard work and a strong vision for a future where dreams could become reality.

A small town girl with big time dreams, Kerry was raised in a farming family near Melville, Saskatchewan - a province that recently recognized her efforts by awarding her the 2005 SaskSport Female Athlete of the Year.

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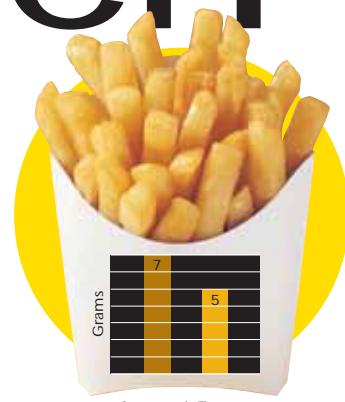
Kerry Simpson – Olympic long track speed skater

FRENCH FRIES

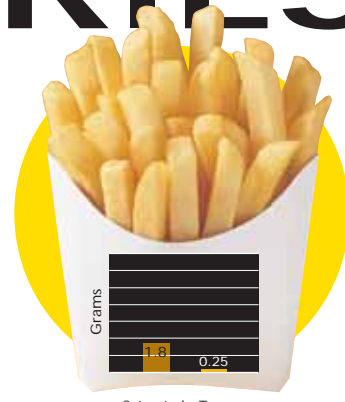
THE DIFFERENCE AN OIL CAN MAKE

They're called pommes frites in France, French fries in North America, but regardless of where you are or what you call them, potatoes cut into strips and fried in vegetable oil are a perennial favorite. The oil used, whether it contains trans fats or not, makes a huge health difference.

Restaurants can take trans fats out of their fries by simply switching to an oil that delivers great taste and no trans fats. Natreon canola oil fits the bill and more people in the food industry are finding out about it. Natreon canola oil has zero trans fats and low saturated fats. Studies show it performs equal to, or better than, existing fry oils without compromising taste.



PARTIALLY HYDROGENATED OIL



NATREON CANOLA OIL

A set of Canadian and American research studies demonstrate why Natreon canola oil, produced from Nexera canola seed, is an excellent alternative to partially hydrogenated frying oils.

"For the first time, our oil gives restaurants a way to reduce saturates and get trans fats out of favourite fried foods like French fries without having to take them off the menu or compromise taste," says

Tyler Groeneveld, Nexera Canola Marketing Manager in Calgary.

It is estimated that over 750 million pounds of partially hydrogenated vegetable oils are used each year in Canada. Dow AgroSciences estimates that the volume growth of Natreon canola oil could displace the entire amount of partially hydrogenated oil used in frying applications by 2008.

WIN & LEARN

WIN a paid trip to the Canola Council of Canada Convention held in Victoria BC at the beautiful Bear Mountain Resort March 20 – 23, 2007. Learn about the latest insights and information in today's canola industry. Win flights for two, paid accommodation and \$200 spending money. Find the entry ballot and full details in the NEXERA NEWS cover wrap.

TYLER GROENEVELD: "THE EMPHASIS IS ON VALUE IN THE REVENUE CHAIN."



Tyler Groeneveld
Nexera Canola Marketing Manager
Dow AgroSciences, Calgary

The number of canola growers choosing Nexera canola is increasing which is helping Dow AgroSciences meet the growing demand for

Natreon canola oil, thanks, in part, to the focus on contracting with new growers while retaining previous growers.

With thousands of repeat growers, many of whom believed in Nexera character trait canola right from the start, the future of canola is bright.

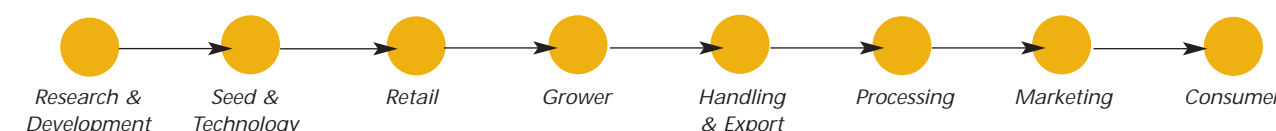
Nexera canola growers place their emphasis on value. They recognize that certified character traits offer the advantage of premiums that are generated by the end-user.

Nexera canola growers also understand the importance of

working in a revenue chain that results in a differentiated product – not a commodity – with high dollar value. With increased consumer and processor demand, growers can expect higher premiums for Nexera canola, ultimately improving their bottom line.

Over 50 per cent of Nexera canola volume is sold in North America to the food service and food processing industries; the balance is exported to Japan.

Where we were knocking on doors to explain our healthy vegetable oil alternative, we now have potential customers knocking on our doors.



ACCOMPLISH MORE ON THE SAME ACRES WITH NEXERA CANOLA. To learn more about Nexera canola, call the Solutions Center at 1.800.667.3852 or visit dowagro.ca.



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ARE YOU READY ON YOUR FARM?

What do Reg Metcalfe at Bosman, Manitoba, Eric Ponath at Naicam, Saskatchewan, and Don Antal at Coaldale, Alberta, have in common? They are expert Canadian canola growers who are meeting consumer demand for a healthy vegetable oil product with the made-in-Canada solution – Nexera canola.

They are among a groundswell of new growers and thousands of repeat Nexera canola growers who have devoted a portion of their canola crop acres to Nexera canola. On average, growers dedicate about 40 per cent of their crop to Nexera canola.

Not all growers are suited to growing an identity preserved, high-value crop. Nexera canola growers are at the top of their game. They know canola. They understand canola agronomics and what's involved in implementing an identity preserved system.

Whether you're putting in commodity canola or Nexera canola, it favours a clean and early start. If you've got winter annuals and early germinating spring weeds that compete for moisture and

nutrients, consider a pre-seed burndown. However, if you're like the vast majority of Nexera canola growers, you're on top of your weeds and have identified your weed spectrum.

Does a clean field for seeding canola mean "whistle clean"? Not necessarily, but the field must be clean and that means clean enough to seed an identity preserved canola. The CLEARFIELD Production System allows each Nexera canola grower to customize their herbicide program. CLEARFIELD offers flexible and effective weed control options for broad-spectrum grass and broadleaf weed control in one pass. Nexera canola growers can choose from ABSOLUTE, ODYSSEY, PURSUIT ULTRA and now SOLO.

SOLO, a new non-residual herbicide, was introduced into the CLEARFIELD line-up in 2006. Compared to ODYSSEY, SOLO offers enhanced control of tough grass weeds, more selective broadleaf weed control and unlimited follow-crop flexibility.

Nexera canola seed is treated with Helix or Helix Xtra, a liquid seed



treatment that protects germinating canola seed from flea beetles and a broad spectrum of diseases. The insecticide component comes in handy when flea beetle pressure is heavy and the attack is prolonged.

The experienced canola grower also knows why it's important to stick to rotation schedules and keep accurate field records. The end-user is paying for purity and quality – two important watchwords of the Nexera canola grower.

NEXERA CANOLA QUESTION PERIOD

We asked Barb Bjorkeland at the Dow AgroSciences Solutions Center to give us a sample of the questions Nexera canola growers ask.

QUESTION: I planted my Nexera canola and my other canola variety on the same day, but they are not maturing at the same rate. Any guesses as to why?

Nexera canola takes longer to mature than other canola varieties. Canola maturity is based on conditions such as temperature, growing degree days and available moisture. Every canola variety responds differently to these conditions, and as a result, days to maturity will vary between varieties and between different years. Nexera canola will take longer to ripen because it requires more growing degree days to mature.

QUESTION: Who am I contracting with when I sign up to grow Nexera canola?

When you sign a Nexera canola contract you are contracting with a grain company that is responsible for managing all contract obligations with you such as pricing, movement and storage. Dow AgroSciences is involved in varietal development, new market development for Natreon canola oil and grower support – among other things – but the grain company is the



contracting party. Questions about the contract and fulfillment of the contract should be directed to the contracting grain company.

QUESTION: I understand repeat Nexera growers are offered loyalty contracts before the other contracts are released. What are my chances of getting a contract after these repeat growers have signed loyalty contracts?

Your chances are very good if you inquire early and you're a seasoned canola grower who has experience delivering a quality canola crop in an IP system. The retention rate for Nexera canola growers is high, and the number of contracts offered varies by contracting company, so it is worthwhile to contact your local contracting company as soon as you can.

QUESTION: How far ahead should I plan to grow Nexera canola?

The best advice is to plan at least a whole year ahead, especially in terms of field selection. Select a field for Nexera canola and make decisions around the crop in that field in the current year in preparation for the following year's Nexera canola crop. You'll want to control perennial and hard-to-kill weeds. Ideally you'll want the field selected for Nexera canola to be relatively weed-free with no weed resistance concerns, good soil, good drainage and no canola in the last three years. Choose a field that has a history of good canola production since canola can only be as good as the field it is grown on.

Questions about the agronomics of growing Nexera canola? Call the Dow AgroSciences Solutions Center at 1.800.667.3852. Please direct questions about Nexera canola contracts to your grain contracting company.



NEXERA CANOLA SEED PRODUCTION A LITTLE STRESSED IS BEST

Inspections for Nexera canola seed purity start early. A Nexera canola certified seed crop receives its first visit from CFIA (Canadian Food Inspection Agency) inspectors at early flowering.

In seed production, as little as possible is left to chance. The 50 Nexera canola seed growers in western Canada follow Canadian Seed Growers Association Act Circular 6 guidelines. However, within these parameters an important wildcard is stress. The seed crop needs stress at the right time to complete its life cycle. Experienced seed growers know how to help it along.

"Where a canola grower would put 110 pounds of nitrogen on a crop, a seed grower might reduce that amount to 75 or 80 pounds and top dress if applicable," says Jamie Denbow, Dow AgroSciences Seed Production Coordinator at Neepawa, Manitoba. "We want the seed crop somewhat stressed so it will finish. Canola growers have a quantity focus, but in Nexera canola seed production we go for quality, and we need some stress on the crop to produce the seed and the quality we're after."

Nexera canola seed is tested again and again. Denbow says, "From the time the seed comes off the field to the time it is shipped to growers, the seed has been lab tested many times. If we are going to certify the quality of the product in the bag, we need to be sure we know exactly what's in it. Germination rates are certified to be a minimum of 90 per cent. We don't buy seed unless it is well above that."



"Kerry Simpson" continued from page 1.

Impressed by her determination and passion, Dow AgroSciences pursued the opportunity to support Kerry's dreams of winning Gold at the 2010 Olympics in Vancouver with a Nexera Canola sponsorship.

"We are thrilled to be able to support Kerry," says Tyler Groeneveld, Nexera Canola Marketing Manager, Dow AgroSciences. "Kerry is a natural fit with Nexera canola. Both represent a growing opportunity and both have a dedicated commitment to high performance, competing on the world stage."

Kerry, 24, trains at the Olympic Oval at the University of Calgary. "My life by necessity is built around speed skating," she says. "I work and practice with the best – the best facilities, the best coaches, best equipment and the best teammates." When she's not on the ice, Kerry is pursuing a degree in kinesiology.

"Whether it's speed skating or farming, the first challenge is to create opportunity," says Kerry, "and that is built on your vision for the future."

Watch for Kerry in world-class speed skating events in North America and Europe this fall.



CCC PRESIDENT BARB ISMAN – CANOLA IS "THE PERFECT FIT"

[July 4, 2006. Canola Ink] Canola fits Trans Fat Task Force recommendations – Canola Council President Barb Isman calls canola oil a "perfect fit" with the latest recommendations from Canada's Trans Fat Task Force.

THE NATREON CANOLA OIL TASTE TEST



Ask just about any kid about eating spinach or broccoli. It doesn't matter if it's good for you, it has to taste good or it's a hard sell.

Dow AgroSciences went to great lengths to determine if consumers would give Natreon canola oil a positive taste rating. In 2005-2006, a Fleishman-Hillard Inc. research project asked Canadian and U.S. representatives from national restaurant chains, independent

restaurants, institutional food services and food distributors to rate the taste of chicken strips fried in different kinds of oils.

Chicken strips fried in Natreon canola oil derived from Nexera canola ranked highest among all the oils tested. In the taste department, the light taste of Natreon canola oil got two thumbs up.

When the food industry was asked if they would consider making the switch to a healthier oil alternative if it didn't compromise taste, a full 87 per cent said yes.

What's more, Barb Isman, President of the Canola Council of Canada says that given today's preference for heart-healthy vegetable oil, Nexera canola's high stability oil maintains canola's low saturated fat level – a definite market advantage.

This bodes well for the future market share of Natreon canola oil. It is healthy, tastes good and has the functionality that food processors are looking for. Western Canadian farmers can choose to be part of the promising future of Nexera canola and a healthier future for millions of consumers.

HEART HEALTH IS #1



Growing consumer acceptance of Natreon canola oil speaks volumes about a product whose careful development and marketing is firmly based in consumer health.

Nexera canola produces Natreon canola oil – one of the healthiest vegetable oil products in the world with no trans fat content.

The consumer has good reason to be worried about trans fats and to eliminate them from their diet. Science has proven that the trans fats in hydrogenated oil lower the HDL (good) cholesterol and raise the LDL (bad) cholesterol in the blood.

This increases the risk of coronary heart disease 10 times.

Trans fats also increase the stickiness of the blood, increasing the likelihood of a potentially fatal clot in the brain or heart. Plus, they may trigger Type 2 diabetes in people who are already overweight and interfere with the immune system.

Most consumers don't need any more reason to reduce their intake of trans fats. Thanks to recent legislation in the U.S. and Canada, trans fat content is now a labeled ingredient. Consumers can now make better food choices by reaching for packaged foods that have low or no trans fat content.

Nexera canola farmers are contributing to this improvement in the diets of people in many countries. Nexera canola is about more than canola – it's about healthier living.

2007 NEXERA CANOLA CONTRACTS

Production contracts for 2007 are available in the fall of 2006 through Nexera canola partnerships with Agrifore United, Bunge Canada, Louis Dreyfus and Pioneer Grain, along with select independent and co-op retails. Flexible contracting options are available to meet individual marketing and delivery needs.

