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NEWS

For immediate release

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Terra Environmental Technologies to manufacture and distribute Kemira's proprietary SCR reductant

Sioux City, Iowa (September 11, 2008)—Kemira Oyj and Terra Industries Inc. (NYSE: TRA) (Terra) announce that they have executed a license agreement whereby Kemira Specialty has granted to Terra Environmental Technologies (TET) certain exclusive rights to Kemira's Denoxium® product and technology in the U.S., Canada and Mexico. TET will market the product under the brand name TerraCair™.

Selective catalytic reduction (SCR) systems are used in conjunction with nitrogen-based products (usually urea) to reduce nitrogen oxide (NOx) emissions from diesel engines. This technology is commonly used in Europe to meet emissions standards for heavy-duty vehicles, and those same standards are beginning to take effect in North America. Kemira has developed Denoxium, a mixture of urea, ammonium formate and water—as a fully compatible and interchangeable replacement for urea in such systems.

TerraCair offers users a number of benefits over urea in SCR applications. Most significantly, it will perform better at lower temperatures: urea crystallizes at -11°C (12°F), whereas TerraCair is effective at temperatures as low as -30°C (-22°F). The product is also biodegradable, safe to handle, cost effective and non-corrosive.

About Kemira

Kemira Specialty, a business area of Kemira Oyj, is the leading expert in specialty chemicals in selected customer segments, serving customers in a wide array of industries, such as the paints, cosmetics, packaging inks, feed and food industries, through its customer-driven solutions.

In 2007, Kemira Oyj recorded revenue of approximately EUR 2.8 billion and had a staff of 10,000. Kemira Oyj operates in 40 countries. Its goal is to be focused company, the best in water and fiber management chemistry.

About TET

Terra Industries Inc., with 2007 revenues of \$2.4 billion, is a leading international producer of nitrogen products. Terra Industries Inc. formed TET in 2003 to provide products and services to customers using nitrogen products to reduce NOx emissions from various sources, including power plants and in other environmental processes such as water treatment plants. TET was incorporated in December 2007.

Forward-looking statements

Certain statements in this new release may constitute "forward-looking" statements within the meaning of the Private Litigation Reform Act of 1995. Forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from what is expressed or forecasted in these forward-looking statements. As a result,

these statements speak only as of the date they were made and neither Kemira nor Terra undertakes any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Note: Terra Industries' news announcements are also available on its Web site, www.terrainindustries.com.