ANNUAL INFORMATION FORM

For the year ended June 30, 2023

September 15, 2023

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FORWARD-LOOKING INFORMATION

This annual information form ("**AIF**") contains "forward-looking information" within the meaning of applicable Canadian securities legislation and United States securities laws. Forward-looking information may include, but is not limited to, statements regarding future operating results and financial performance of Ceres Global Ag Corp. ("**Ceres**" or the "**Corporation**") and its subsidiaries, expectations or projections about future growth projects and business prospects, strategies and goals for growth, anticipated capital projects, capital financing and allocation plans, critical accounting estimates and the expected financial and operational consequences of future commitments. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "scheduled", "intends", "anticipates" or "does not anticipate", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is available, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information.

Key assumptions upon which such forward-looking information is based include, but are not limited to, the following (i) supply and demand factors as well as the pricing environment for grains and other agricultural commodities; (ii) fluctuation of currency and interest rates; (iii) general financial conditions for Western Canadian and American agricultural producers; (iv) market share that will be achieved by the Corporation; (v) Ceres' ability to maintain existing customer contracts and relationships; (vi) an expected increase in the utilization of Ceres' facilities; (vii) continued compliance by Ceres with its loan covenants; (viii) adequate and timely service from the railroads; (ix) ability to adapt with climate change-related risks and comply with future regulations; and (x) no material findings or penalties in excess of the accrued amount as a result of the US Department of Justice and US Commodities Futures Trading Commission investigations.

Many such assumptions are based on factors and events that are not within the control of Ceres and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include, among others, risks related to weather, politics and governments, changes in environmental and other laws and regulations, competitive factors in agricultural, food processing and feed sectors, construction and completion of capital projects, labor, equipment and material costs, access to capital markets, interest and currency exchange rates, technological developments, global and local economic conditions, the ability of Ceres to successfully implement strategic initiatives and whether such strategic initiatives will yield the expected benefits, the operating performance of the Corporation's assets, the availability and price of commodities, as well as the regulatory environment, processes and decisions. Although Ceres has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results that are not anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Ceres undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

In this AIF, unless otherwise indicated, all dollar amounts are expressed in US dollars, references to “$” are to US dollars and references to “C$” are to Canadian dollars.

This AIF is dated September 15, 2023. Unless otherwise indicated, the information contained in this AIF is current as of June 30, 2023.

CORPORATE STRUCTURE

Name, Address and Incorporation

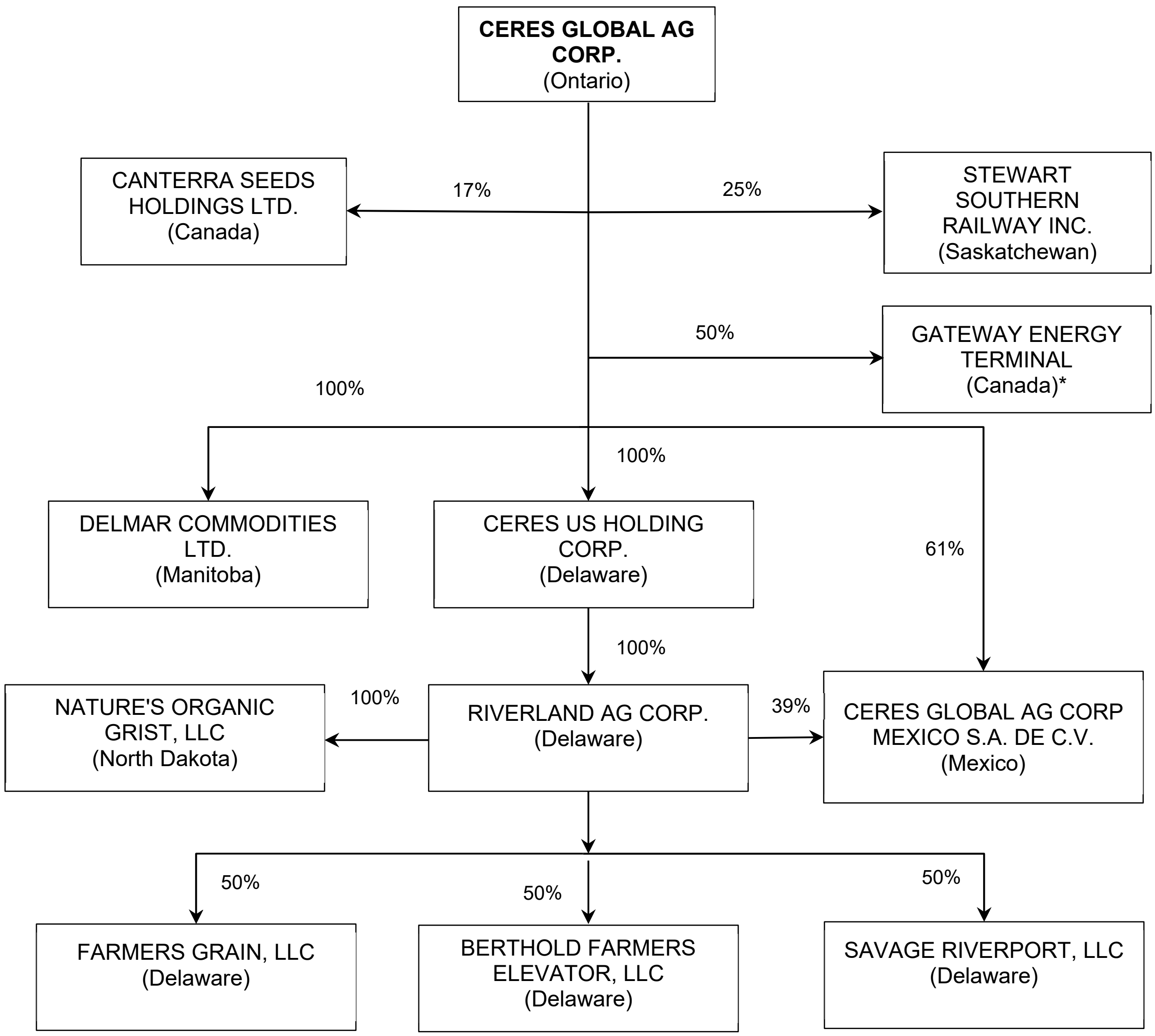
Ceres Global Ag Corp. was initially incorporated under the *Business Corporations Act* (Ontario) (the "**OBCA**") by articles of incorporation dated November 1, 2007. Pursuant to articles of amendment dated December 6, 2007, the share transfer restrictions applicable to the Corporation were removed. On April 1, 2013, the Corporation amalgamated under the OBCA with its wholly owned subsidiaries, Corus Oil Company Ltd., Corus Port Company Ltd., Corus Supply Company Ltd., and Thunder Bay Grain Development Corp. On April 1, 2014, the Corporation amalgamated under the OBCA with its wholly owned subsidiaries Ceres Canada Holding Corp. and Riverland Agriculture, Ltd. The Corporation's registered office is located at c/o Blake, Cassels & Graydon LLP 199 Bay Street, Suite 4000, Commerce Court West, Toronto, Ontario, M5L 1A9 and its head office is located at 701 Xenia Avenue S., Suite 400, Minneapolis, Minnesota, 55416.

Ownership

The Corporation's majority shareholder, VN Capital Management, LLC, beneficially owns and controls, directly and indirectly, through VN Capital Fund C, L.P., a total of 16,843,457 common shares, representing 54.2% of Ceres' outstanding shares (16,843,457 common shares, 54.7% as at June 30, 2022).

Intercorporate Relationships

The Corporation has the following wholly owned subsidiaries: Ceres US Holding Corp. (Delaware), Riverland Ag Corp. (Delaware) ("**Riverland**"), Nature's Organic Grist LLC ("**NOG**"), Delmar Commodities Ltd. ("**Delmar**"), and Ceres Global Ag Corp Mexico S.A. DE C.V. Unless the context otherwise requires, all references to the "Corporation" refer to the Corporation and its subsidiaries. The Corporation also holds a 50% joint venture interest in Savage Riverport, LLC ("**Savage Riverport**"), a 50% joint venture interest in Farmers Grain, LLC ("**Farmers Grain**"), a 50% joint venture interest in Berthold Farmers Elevator, LLC ("**BFE**"), a 50% joint venture interest in Gateway Energy Terminal, a 25% interest in Stewart Southern Railway Inc. ("**SSR**"), and a 17% interest in Canterra Seeds Holdings Ltd. Set out on the following page is the corporate structure of the Corporation and its subsidiaries and other significant investments as at June 30, 2023.



* Unincorporated Canadian joint venture – not a legal entity

DEVELOPMENT OF THE BUSINESS

Three Year History

In September 2020, the Corporation purchased Cargill Limited's grain elevator and associated assets located in Ridgedale, Saskatchewan (the "**Nicklen Facility**"), including inventory and assumption of certain open grain purchase contracts. The purchase of the Nicklen Facility is a continuation of the Corporation's progress in adding strategic origination capabilities while further expanding its geographic footprint.

In February 2021, the Corporation (through its wholly owned subsidiary, Riverland), and Farmer's Cooperative Grain and Seed Association ("**FCGS**"), an agricultural cooperative based in Thief River Falls, Minnesota, formed Farmers Grain, a grain merchandising joint venture, also based in Thief River Falls. FCGS contributed its existing grain elevator and related grain merchandising assets in Thief River Falls to the joint venture, with Riverland contributing $6.7 million in cash. Ceres holds a 50% equity interest in Farmers Grain.

In June 2022, the Corporation (through its wholly owned subsidiary, Riverland), purchased Columbia Grain International, LLC's 50% equity interest in BFE, a grain merchandiser with elevators in Berthold, North Dakota, and Carpio, North Dakota, for $12 million in cash.

In February 2023, the Corporation sold its Port Colborne facility to London Agriculture Commodities ("**LAC**"). The sale further enhances Ceres' strategic partnership with London Agricultural Commodities and aligns with its long-term strategy of optimizing its footprint around core products and the locations where it operates.

On July 1, 2023, the Corporation entered into agreements with Sevita International ("**Sevita**") and Horizon Seeds Canada, Inc. ("**Horizon**"), respectively, to mutually terminate distribution agreements - with Sevita (for soybeans) and with Horizon (for corn). The decision to exit seed production and distribution was made to enable Ceres to focus more strategically on its core strengths. Through Delmar's retail network, the Corporation has continued to collaborate with Sevita and Horizon to deliver seed genetics for Manitoba soybean and corn growers. The Corporation maintained its retail soybean and corn seed locations in Beausejour, Jordan, and Gladstone, with the Beausejour facility continuing to retail crop protection products.

Management Appointments

- On July 1, 2021, the Corporation promoted Pat Gathman, Director of Agricultural Operations to Vice President of Operations, and Dusty Clevenger, Director of Business Development, to Vice President of Strategy and Business Development.
- Effective December 15, 2021, Sarah Blomquist resigned her position as Vice President of Human Resources and Corporate Administration.
- On April 18, 2022, the Corporation appointed Holly Dammer as Vice President of Human Resources, replacing Sarah Blomquist.
- Effective May 31, 2022, Jay Bierley resigned his position as Vice President and Chief Financial Officer.
- On June 1, 2022, the Corporation appointed Blake Amundson as Vice President and Chief Financial Officer, replacing Jay Bierley.
- Effective August 23, 2022, Dusty Clevenger resigned his position as Vice President of Strategy and Business Development.
- Effective August 23, 2022, Robert Day resigned his position as President and Chief Executive officer.

- On August 23, 2022, the Corporation appointed Carlos Paz as President and Chief Executive Officer.
- Effective December 31, 2022, Glen Goldman resigned his position as Vice President, General Counsel and Corporate Secretary.
- On February 13, 2023, the Corporation appointed Jennifer Henderson as Vice President, General Counsel and Corporate Secretary.
- Effective June 30, 2023, Pat Gathman resigned his position as Vice President, Director of Agricultural Operations.
- On June 30, 2023, the Corporation appointed James Mowbray as Vice President and Director of Operations.

Acquisitions and Dispositions of Assets

On September 1, 2020, Ceres acquired the Nicklen Facility, a grain facility in Ridgedale, Saskatchewan, from Cargill Limited. Consideration for the property, plant, and equipment acquired totaled $6.3 million.

On October 19, 2020, the Corporation (through its wholly owned subsidiary, Delmar) closed on the sale of its idled Newdale grain facility located in Manitoba, Canada for $58 thousand. This facility was acquired as a part of the acquisition of Delmar in August 2019.

On June 20, 2022, the Corporation (through its wholly owned subsidiary, Delmar) closed on the sale of the assets compromising its bird food/specialty crops business, including the facility at St. Agathe, Manitoba. Consideration for the property, plant, equipment and open contracts totaled $6.0 million.

On February 17, 2023, the Corporation closed on the sale of its Port Colborne facility in Ontario to LAC. The gross proceeds of the sale totaled $4.0 million. All former Ceres employees at the terminal transitioned to LAC.

DESCRIPTION OF THE BUSINESS

The Corporation

Through Ceres' network of commodity logistics centers and team of industry experts, Ceres merchandises high-quality North American agricultural commodities and value-added products and provides reliable supply chain logistics services to agricultural, energy, and industrial customers worldwide.

Ceres is headquartered in Minneapolis, MN and together with its wholly owned affiliates operates 11 locations across Saskatchewan, Manitoba, and Minnesota. These facilities throughout North America have an aggregate grain and oilseed storage capacity of approximately 29 million bushels.

Ceres also has a 50% interest in Savage Riverport, LLC, a joint venture with Consolidated Grain and Barge Co., a 50% interest in Farmers Grain, LLC (a joint venture with Farmer’s Cooperative Grain and Seed Association), a 50% interest in Berthold Farmers Elevator, LLC (a joint venture with The Berthold Farmers Elevator Company), a 50% interest in Gateway Energy Terminal, an unincorporated joint operation with Steel Reef Infrastructure Corp., a 25% interest in Stewart Southern Railway Inc., a short-line railway located in southeast Saskatchewan with a range of 130 kilometers, and a 17% interest in Canterra Seeds Holdings Ltd., a Canada-based seed development company.

Grain Segment

The Corporation's Grain segment is engaged in the procurement, storage, handling, trading, and merchandising of commodity and specialty grains and oilseeds such as hard red spring wheat, durum wheat, oats, canola, barley, and rye through its grain storage and handling facilities in Saskatchewan, Manitoba, and Minnesota. These facilities are strategically located, either close to where Ceres’ core products are grown and sourced, or, at key supply chain locations to effectively serve customers and markets. Seven of Ceres’ grain storage facilities are located on major rail lines across North America, one is located at a deep-water port on the Great Lakes allowing access to vessels, and another facility is located on the Minnesota River with capacity to load barges for shipment down the Mississippi River to export terminals in New Orleans. These facilities combine to provide Ceres with efficient access to export and import flows of our core grains and oilseeds to North American and global markets. Approximately 25 million bushels of the Corporation's facilities’ capacity are “regular” for delivery for both spring wheat against the Minneapolis Grain Exchange futures contract and oats against the Chicago Board of Trade futures contract. In addition, spring wheat and oats sourced by the Corporation out of Canada are eligible for delivery against respective futures contracts.

Sales are negotiated by the Corporation’s merchandising staff. The Corporation ships grain from its facilities by rail, truck or vessel to millers, end users and other customers. Between December and March, shipments from the Corporation’s Duluth, Minnesota terminal facility on the Great Lakes are typically reduced due to ice. Income is earned on commodities bought and sold through the Corporation’s elevators, on commodities that are purchased and positioned for resale, and on commodities that are held in inventory until a future period, earning “basis” and “spread” and storage fees. Basis is the difference between the cash price of a commodity in one of the Corporation’s facilities and an exchange traded futures price and spread is appreciation or depreciation between future exchange contract months.

The Grain segment's asset-based grain handling business is seasonal in nature in that the segment’s principal grains are typically harvested and delivered from the farms and commercial elevators in July through October, although a significant portion of the segment’s principal grains are bought, sold and handled throughout the year. The Corporation’s trading operations rely on forward purchase contracts with producers, dealers and commercial elevators to source an adequate supply of commodities for the Corporation’s facilities throughout the year.

The Corporation makes commodity purchases at prices referenced to applicable exchange traded commodities and at prices negotiated with commodity suppliers. Grain prices are typically comprised of two components: futures prices on commodity exchanges and local basis adjustments (price adjustments to reflect location of delivery and local supply and demand).

Fixed price purchase and sale commitments as well as commodities held in inventory expose the Corporation to risks related to adverse changes in market prices. To reduce price risk caused by market fluctuations, the Corporation generally follows a policy of using exchange traded futures and options contracts to aim to minimize its net position of merchandisable agricultural commodity inventories and forward cash purchase and sales contracts. In that regard, the policy also limits potential gains from further changes in market prices. However, the Corporation also may use exchange traded futures and options contracts as components of merchandising strategies designed to enhance margins.

Supply Chain Services Segment

The Corporation's Supply Chain Services segment provides logistics services, storage, and transloading for non-agricultural commodities and industrial products. Ceres efficiently manages its supply chains and assets to ensure the optimization of storage and handling capacity and transportation costs and that high quality and value adding products are delivered to key customers and markets served.

One of Ceres' key Supply Chain Services assets is its terminal at Northgate, Saskatchewan ("**Northgate**"). Northgate sits on approximately 1,300 acres of land, and is designed to utilize two rail loops, each capable of handling unit trains of up to 120 railcars and two ladder tracks capable of handling up to 65 railcars. Northgate is an approximately $75 million state-of-the-art grain, oil, natural gas liquids and fertilizer terminal and is connected to the Burlington Northern Santa Fe Railway (the "**BNSF**"). The Corporation intends to further build out its infrastructure to support handling of other industrial products and equipment.

Ceres commenced its initial grain operations at Northgate in October 2014 and its grain elevator was fully operational in May 2016. As part of its grain operations, Ceres contracts grain and oilseed purchases from Western Canadian producers that are delivered by truck and unloaded at Northgate. Ceres has the option of storing the grain on-site, loading it into outbound railcars to end-users, or shipping it to the Corporations' other facilities to take advantage of the value and strategic location of its current asset base.

In June 2019, Ceres established Gateway Energy Terminal ("**Gateway**"), a 50/50 unincorporated joint operation with Steel Reef Infrastructure Corp. located at Northgate. Gateway began operations on July 1, 2019 and handles the transloading of hydrocarbons at Northgate on an exclusive basis. Ceres' existing hydrocarbon transload contracts were transferred to Gateway as of July 1, 2019. Gateway's operations at Northgate provide a direct link for hydrocarbons to enter the U.S. market.

In November 2015, Ceres entered into an agreement with Koch Fertilizer Canada, ULC for the storage and handling of dry fertilizer products at Northgate's state-of-the-art, 26,000-ton fertilizer storage terminal (the "**Koch Agreement**"). The fertilizer is loaded out by Ceres into trucks and distributed to Canadian retailers. The fertilizer operation commenced on April 30, 2017. On April 1, 2022, the Koch Agreement was renewed for an additional five-year term.

The Corporation continues to expand products transloaded at the Northgate facility including but not limited to barite, bentonite, solvents, drilling pipe, lumber, oriented strand board, and magnesium chloride.

Seed and Processing Segment

The Corporation's Seed and Processing segment was created through the acquisition of Delmar Commodities Ltd. ("**Delmar**") in August 2019 and consists of a soybean crush facility, located in a strong soybean producing region with low-cost origination driven by export economics, and a seed production and distribution business focused on western Canada under the trade name "Ceres Global Seeds."

In July 2021, Delmar completed the expansion of its soybean crush facility in Jordan Mills, SK by increasing capacity of this facility from 200 tons per day to 300 tons per day.

On June 20, 2022, the Corporation closed on the sale of its Ste. Agathe bird food facility. The gain on the sale is recorded in "Gain (loss) on sale of property, plant, and equipment" on the Annual Consolidated Statements of Comprehensive Income (loss).

On July 1, 2023, the Corporation entered into agreements with Sevita and Horizon, respectively, to mutually terminate distribution agreements - with Sevita (for soybeans) and with Horizon (for corn). The decision to exit seed production and distribution was made to enable Ceres to focus more strategically on its core strengths. Through Delmar's retail network, the Corporation has continued to collaborate with Sevita and Horizon to deliver seed genetics for Manitoba soybean and corn growers. The Corporation maintained its retail soybean and corn seed locations in Beausejour, Jordan, and Gladstone, with the Beausejour facility continuing to retail crop protection products.

Equity Interests

Stewart Southern Railway

Ceres owns a 25% interest in SSR, which owns a 132-kilometre (82-mile) short-line railway that extends from Richardson, Saskatchewan (just southeast of Regina) to Stoughton, Saskatchewan.

Canterra Seeds Holdings Ltd.

Ceres owns a 17% interest in Canterra Seeds Holdings Ltd., a Canada-based seed development company.

Savage Riverport, LLC

Ceres owns a 50% interest in Savage Riverport, LLC, a joint venture with Consolidated Grain and Barge Co. Savage Riverport operates a grain handling and storage facility in Savage, MN.

Farmers Grain, LLC

Ceres owns a 50% interest in Farmers Grain, LLC, a joint venture with Farmer's Cooperative Grain and Seed Association, which merchandizes grain and operates a grain handling and storage facility in Thief River Falls, MN.

Berthold Farmers Elevator, LLC

Ceres owns a 50% interest in Berthold Farmers Elevator, LLC (a joint venture with The Berthold Farmers Elevator Company), which merchandizes grain and operates grain handling and storage facilities in Berthold, N.D. and Carpio, N.D.

Revenue Sources

The Corporation's revenue is predominantly generated by its Grain segment and is primarily composed of selling and merchandising grains and oilseeds to customers and markets globally. For the financial year ended June 30, 2023, revenue from selling and merchandising grains and oilseeds was $966.3 million, representing 93.2% (2022 - $981.7 million, representing 92.5%) of the total revenue sources, while revenue from the Supply Chain Services segment $3.4 million, representing 0.3% (2022 - $3.6 million, representing 0.3%) of the revenue sources. Ceres' Seed and Processing segment, which was formed with the acquisition of Delmar in August 2019, had revenues of $67.0 million, representing 6.5% of revenues (2022 - $75.7 million, representing 7.1%).

Specialized Skill and Knowledge

The Corporation requires specific skill and knowledge in both its trading and facilities operations. In its trading operation, the Corporation requires and has knowledge and understanding of the global grain markets coupled with an understanding of local North American markets. Ceres employs traders who are focused on each specific major grain that the Corporation handles. With respect to facilities management, the key areas of specific skill are managing product quality control, facility safety and multiple forms of logistics, which include truck, rail and vessel. Facilities staff are regularly updated and trained on best new practices for facilities. In addition, with 11 separate operating locations, the Corporation's risk is mitigated as the Corporation has a pool of experienced employees who can back-fill in other locations if issues arise.

Competitive Conditions

The Corporation competes in the sale of commodities with other public and private grain brokers, elevator operators, and farmer owned cooperative elevators. Some of the Corporation’s competitors are also its customers. Competition is based primarily on price, service, and reliability. The Corporation’s competition for the purchase of commodities is generally local or regional in scope, although there are some large national and international companies that maintain regional grain purchase and storage facilities.

Suppliers

Grains and oilseeds, such as oats, wheat, canola and barley, are often purchased directly from farmers or from dealers, including those in Canada and the U.S., with delivery being made by truck, rail, and vessel. The purchases are typically contracted with delivery to occur within a few months of purchase depending on transportation scheduling and market pricing. The Corporation has no long-term supply agreements, although most of its vendors are repeat vendors. Its supplier base includes major North American grain companies and farmers.

Seasonality

Although there is a seasonal aspect to the grain segment as it relates to harvest, which occurs July-October, the Corporation can take advantage of merchandising opportunities throughout the year utilizing its terminal assets.. As a commercial grain storage company, seasonality does not materially affect the Corporation's operations in the same way as a traditional grain handler that is focused on inventory turns and the annual harvest of crops; however, in certain years the Corporation may have lower inventory positions in the summer months in order to take advantage of harvests in the subsequent months.

Economic Dependence

Ceres has approximately 600 customers throughout the United States, Canada, Mexico, and portions of Europe and Africa. During the year ended June 30, 2023, the Corporation's largest customer compromised approximately 7.7% of total revenues. The largest 20 customers accounted for 76.5% of total revenue, with a majority being large domestic or international grain processing companies. The Corporation has neither long-term supply agreements with any supplier nor any long-term sales agreements with any customers.

Environmental Protection

Ceres is subject to federal, state, provincial, municipal and local environmental laws and regulations in Canada and the U.S. These laws and regulations are related to among other things, emissions, discharges into waters, the generation, handling, storage transportation, treatment and disposal of waste, hazardous substances and other materials, and soil and groundwater contamination. These laws and regulations with various environmental protection requirements are ordinary across our industry. See “Risk Factors”.

Employees

The Corporation has a total of 169 employees operating across its 11 facilities in Canada and the U.S. along with our corporate office in Minneapolis, MN. In the Corporation's Duluth elevator location, there are 12 employees that are covered by a collective bargaining agreement. There are currently no material labor relations issues.

Foreign Operations

Riverland operates in the United States. As at June 30, 2023, Riverland operated grain elevators in the state of Minnesota (Duluth, Savage, Minneapolis, and Shakopee).

Location[1]	Storage Capacity (000 Bu)[3]	Transportation	Construction	Deliverable
Duluth, MN	12,158	Vessel, Truck, Rail – CP	Vessel Berth Concrete Loader	MGEX, CBOT
Savage, MN[2]	4,638	Rail – UP & TCWR	Barge Slip Concrete	MGEX, CBOT
Malt One, MN	4,608	Truck, Rail – BNSF	Concrete/Steel	MGEX, CBOT
Shakopee, MN	3,380	Truck, Rail – UP	Concrete/Steel	MGEX, CBOT
Total	**24,784**			

Note:

(1) On April 30, 2018, the Corporation contributed its Savage, MN location to Savage Riverport, LLC, a 50% ownership joint venture with Consolidated Grain and Barge Co. Ceres continues to operate the facility on behalf of Savage Riverport, LLC.

(2) Savage, MN storage capacity reflects Ceres proportionate share, 50%, of the total elevator storage capacity.

RISK FACTORS

An investment in the securities of the Corporation is speculative and involves a number of risks. In addition to the other information contained in this AIF and the risks outlined in the Corporation's other public filings, the following risk factors should be considered carefully. The events arising from these risks could materially adversely affect the Corporation's business, financial condition, revenues, profitability or prospects. The following information pertains to the outlook and conditions currently known to the Corporation that could have a material impact on the financial condition of the Corporation. Additional risks not currently known to the Corporation, or which are deemed to be immaterial may also impair the business operations, financial condition or prospects of the Corporation.

General

Regulatory Change

The Corporation may be affected by changes in regulatory requirements, customs, duties or other taxes. Such changes could, depending on their nature, benefit or adversely affect the Corporation. As an example, rail operations in Canada are subject to (i) economic regulation by the Canadian Transportation Agency under the *Canada Transportation Act*, and (ii) safety regulation by the Federal Minister of Transport under the *Railway Safety Act* and certain other statutes. No assurance can be given that any current or future legislative action by the federal governments or other future government initiatives – whether in Canada, the U.S. or globally - will not materially adversely affect the Corporation's development and future operating results of the Corporation.

General Economic, Political and Market Conditions

The success of the Corporation's activities may be affected by general economic, political and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances.

More specifically, factors that drive demand for and supply of agricultural commodities such as the availability and cost of farm credit may affect the Corporation. For instance, as the Corporation sells to counterparties on credit terms based on its assessment of counterparties' credit worthiness and ability to pay, if economic conditions deteriorate, the ability of the counterparties to pay their obligations when due may be adversely impacted and the Corporation may experience an increase in delinquent and uncollectable accounts. Relatedly, as the Corporation's inventory is partially funded through a credit facility, increases in interest rates may result in the Corporation allocating more cash to servicing its debt instead of investing in its business. Policial factors specific to the Corporation include adverse trade policies or trade barriers on agricultural commodities and commodity products, and changes in laws and regulations, or their interpretation or enforcement , with tax laws being one example. For discussions of market conditions risks, please see "— Currency Risk", "— Counterparty Risk", "— Risks Related to Commodity Markets" and "— Commodity Prices". Financial contagion may also impact the liquidity or solvency of commodities brokers generally, and thus impact payment of amounts owed from commodities brokers. At any given time, amounts are due to the Corporation from commodities brokers. Such amounts represent unrealized gains and losses due from custodian brokers on commodity futures and options contracts in addition to margin deposits in the form of cash or other collateral that are held by custodian brokers in connection with such contracts.

These and other factors may affect the level and volatility of securities prices and the liquidity of the Corporation's agricultural assets, or may have a material adverse effect on the Corporation's business, financial condition, results of operations, and cash flow. In addition, unexpected volatility or illiquidity could impair the Corporation's profitability or result in losses.

Market Price of the Common Shares May Be Adversely Affected by Factors beyond the Corporation's Control

The market price of the Common Shares is influenced by the results of operations of the Corporation as reflected in its financial statements, along with an expectation of future growth and financial performance. The market price of the Common Shares may also be affected by macroeconomic developments in North America and globally, and by the market's perception of the attractiveness of particular industries. Other factors unrelated to the Corporation's performance that may have an effect on the price of the Common Shares include the extent of analyst coverage available to investors concerning the Corporation's business, which may be limited if investment banks with research capabilities do not follow the Corporation's securities; low trading volumes and general open market interest in the Corporation's securities may affect an investor's ability to trade significant numbers of Common Shares; and the size of the Corporation's public float may limit the ability of some institutions to invest in the Corporation's securities.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not reflect the investors' view of the Corporation's long-term value and expectations of future growth and performance. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Corporation may, in the future, be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The Corporation's Ability to Attract and Retain Senior Management and Key Employees

The Corporation's executives and other senior officers play a significant role in its success. The conduct of the Corporation's business and the execution of its growth strategy rely heavily on teamwork, and the Corporation's future performance and development depend, to a significant extent, on the abilities, experience, and efforts of its management team. The Corporation's ability to retain its management team or to attract suitable replacements in the event of departures is dependent on the competitive nature of the employment market. The loss of services from key members of the management team, or a limitation in their availability, could adversely impact the Corporation's prospects, financial condition, and cash flow. Competition for skilled employees in certain geographical areas where the Corporation operates can be significant and the Corporation may not be successful in attracting, retaining, or developing such skilled employees. In addition, the Corporation invests significant time and expense in training its employees, which increases their value to competitors who may seek to recruit them.

Indebtedness

The Corporation requires a significant amount of capital to fund its inventory and working capital requirements along with capital expenditures required to keep its plants operating efficiently and safely. In addition, capital requirements to fund future growth projects and acquisitions when opportunities arise may result in future capital requirements that may be significant. If the Corporation's cash flow from operations and available credit lines are insufficient to meet its' capital needs, it may be forced to reduce the cash available to its operations and future growth projects which could have a material impact on the Corporation's current and future results.

The Corporation uses debt as part of its capital structure to provide capital to the Corporation for funding requirements. The Corporation's debt agreements with its lenders have loan covenants that limit the amount of debt that can be borrowed in relation to underlying financial performance. If the Corporation's financial performance were to weaken, it could limit its ability to obtain additional financing or it may result in allocating more cash to servicing its debt instead of investing in its business. Global credit markets could also be impacted by macro events outside of the Corporation's control that could negatively impact the Corporation's ability to refinance its loans upon maturity at rates that are competitive in its industry.

Currency Risk

The Corporation's reporting and functional currency is USD but the Corporation does have significant cross-border transactions between Canada and the U.S., whereby its commodity purchases and operations costs in Canada might be in Canadian dollars, but revenues might be in U.S. dollars on sales to customers in the U.S. A significant shift of the value of the Canadian dollar against the U.S. dollar could impact the Corporation's profits as changes in the exchange rate between the Canadian dollar and U.S. dollar may make the products whose transportation between Canada and the United States more or less competitive in the world marketplace and thereby may adversely affect the Corporation's revenues and expenses.

Counterparty Risk

The Corporation sells to counterparties on credit terms based on its assessment of the counterparties credit worthiness and ability to pay. The assessment of credit worthiness requires judgement about the future ability of the counterparty to honor their contractual commitments and payment terms which could be impacted by events not foreseen or in control of the Corporation. In the event the Corporation experiences significant defaults in either non-performance of contractual commitments or on a counterparty's ability to pay amounts due, the Corporation's results of operations and cash flows could be adversely impacted.

Risks Related to Commodity Markets

Commodity risk is inherent in the nature of the Corporation's Grain segment, as it enters into commitments involving a degree of speculative risk. To reduce risk that might be caused by commodity market fluctuations, the Corporation generally follows a policy of using exchange-traded futures and options contracts to minimize its net position risk of merchandisable agricultural commodity inventories and forward cash purchase and sales contracts. The Corporation also uses exchange-traded futures and options contracts as components of merchandising strategies designed to enhance or protect margins in the event of dislocations in the market. The results of these strategies can be significantly influenced by factors such as the volatility of the relationship between the value of exchange-traded commodities futures contracts and the cash prices of the underlying commodities, and volatility of freight markets.

Commodity Prices

Prices of agricultural commodities are influenced by a variety of regional and global factors that are beyond the control of the Corporation and any company in the industry. Events that impact commodity prices include various economic and weather-related conditions; farmer planting and selling decisions, foreign currency fluctuations, governmental and regulatory initiatives, including domestic and foreign farm programs and policies, trade subsidies, sanctions and barriers; war and geological events; outbreaks of crop diseases or insect infestations; and other commodities that are substitutes and influence supply and demand.

As an inherent part of its business, the Corporation enters into commitments to purchase commodities from its suppliers at different times than it sells to its customers. While the Corporation may take steps to hedge and minimize this exposure, there are limits in the size and type of financial instruments available to hedge this exposure. In addition, the Corporation does market some specialty crops and commodities for which there are no financial instruments in the market to hedge and minimize this risk. As a result, the Corporation's financial results may be adversely impacted by fluctuating commodity prices.

Adverse Weather Conditions

Adverse weather conditions represent a very significant operating risk affecting the agricultural industry. Weather conditions affect the types of crops grown, the quality and quantity of grain production and the levels of farm inputs which, in turn, affect sales mix, grain handling volumes and the level of agricultural product sales. Adverse weather conditions, such as drought or excessive rains, can result in reduced crop production and, in turn, reduced grain handling and marketing volumes. A reduction in grain handling and/or crop input sales because of adverse weather conditions can have a material adverse effect on the Corporation's financial results and financial condition.

Employee Relations and Collective Bargaining Agreements

There can be no assurance that labor difficulties will not arise at one or more of the companies in which the Corporation has invested or in any company upon which there is a dependence on transportation or other services. Typically, companies in the agricultural and related sectors are subject to, among other things, stringent and comprehensive labor laws and regulations in the jurisdictions in which they operate. Such laws and regulations may become more stringent and comprehensive and may result in modifications to facilities or practices that could involve significant additional costs.

Environmental, Health and Safety Risks

The Corporation's exposure to safety, health and environmental risk relates primarily to the possibility that a serious safety or environmental incident could occur at one of its operating facilities. Even with precautions taken, there is still a risk to the Corporation that a serious safety or environmental incident may occur, resulting in a material adverse effect on the Corporation's financial results, business prospects and financial conditions.

In conducting business, agricultural companies must comply with various federal, provincial and municipal environmental laws and regulations. Although a company in which the Corporation invests may be in substantial compliance in all material respects, circumstances may arise in the future that cause this not to be true. New or amended environmental laws and regulations may require future expenditures by such a company to install environmental control equipment, modify operations or proceed with remediation of certain sites. Failure to comply could potentially subject such company to fines and/or penalties. There can be no assurance that the Corporation will not experience difficulties in its efforts to comply with such laws and regulations in future years, or that the costs associated with continued compliance efforts will not have a material adverse effect on such company's financial results, business prospects and financial condition.

In addition, certain agricultural companies in which the Corporation may invest, may have potential environmental, health and safety risks because of the transportation, storage and handling of certain hazardous substances such as certain crop protection products and fertilizers. The presence or release of hazardous substances could lead to claims by third parties as a result of the release of such substances and potentially could have a material adverse effect on the Corporation’s financial results, business prospects and financial condition.

Also, as a result of potential civil actions, compliance or remediation orders, fines and other penalties, including with respect to the disposal of waste and the ownership, management, control or use of transport vehicles and farmland, future discovery of previously unknown environmental issues, including contamination of property underlying or in the vicinity of a company's present or former properties or manufacturing facilities, could require such company to incur material unforeseen expenses. All of these risks and related potential expenses may have a material adverse effect on such company's financial condition and results of operations.

Governmental Regulations

More broadly than the Environmental, Health and Safety and other risks set forth herein, agricultural operations are typically governed by a broad range of federal, state, provincial and local laws and regulations, in addition to common law or policy-based requirements that impose obligations (collectively “Regulations”). Failure by a company to comply with applicable Regulations Examples of key regulations that may impact may subject a company to civil or regulatory proceedings, including fines, injunctions, administrative orders or seizures, and may have a material adverse effect on such company's financial condition and operations. Examples of Regulations that may impose obligations on the Corporation include, but are not limited to (i) Canadian and U.S. food and feed safety regulations, (ii) Canadian and U.S. environmental and worker health and safety regulations, (iii) Canadian and U.S. rules and regulations related to competition, securities trading and commodities trading; (iv) Canadian and U.S. rules and regulations related to fraud, anti-money laundering and foreign corrupt practices; and (v) Canadian and U.S. rules and regulations related to imports, exports, taxes and financial reporting. Although the Corporation, or a company in which the Corporation invests, may be in substantial compliance with

Regulations in all material respects, circumstances may arise in the future that cause this not to be true. For example, new or amended Regulations may require future expenditures or other obligations that a company cannot feasibly honor, depending on its size and financial profile, yet failure to comply could potentially subject a company to fines and/or penalties. There can be no assurance that the Corporation will not experience difficulties in its efforts to comply with such laws and regulations in future years, or that the costs associated with continued compliance efforts will not have a material adverse effect on such company's financial results, business prospects and financial condition.

These risks apply to the Corporation and its business.

Climate Change

The impact of climate change (including the response by governments and regulators to it) on the Corporation's business remains uncertain, although the Corporation recognizes that the impacts could be significant. The potential physical impacts of climate change (such as extreme weather conditions, including extreme hot and cold weather, heavy snowfall, heavy rainfall, and wildfires) on the facilities, suppliers, and customers and therefore on the Corporation's operations are highly uncertain and will be particular to the circumstances in various geographical regions. These may include long-term changes in temperature levels and water availability. These potential physical effects may adversely impact the demand for the commodities the Corporation sells and the costs, production, sales, and financial performance of its operations.

One specific risk of climate change to the Corporation's operations and business is the potential lack of availability of agricultural products for delivery to the Corporation's facilities. The Corporation operates 11 facilities across Saskatchewan, Manitoba and Minnesota and its business relies on the availability of commodity and specialty grains and oil seeds for storage, handling, trading, and merchandising. Climate change, including drought and other weather-related changes, may reduce the availability of agricultural commodities, which may have a material adverse effect on the Corporation's financial results, business prospects and financial condition. See "— Adverse Weather Conditions".

The Grain and Seed and Processing segments are indirectly involved in carbon-intensive industries as, for instance, carbon-based fuels and fertilizers are an input to agricultural commodity production. New policies and legislation aimed at greenhouse gas reduction could result in increases to input costs, raising the costs of production of the commodities handled by the Corporation in this segment. For example, as the Corporation relies on the availability agricultural commodities grown in the geographic regions it serves for delivery to its facilities, a restriction on emissions that limits the use of fertilizers risks impacting the Corporation's operations and business if such restriction results in commodities will not be available for purchase and delivery to its facilities.

The Supply Chain Services segment is indirectly involved in a carbon-intensive industry as the use of fertilizer and natural gas liquids – products for which the segment provides logistics services, storage and transloading – emit greenhouse gasses. Accordingly, climate policies directed at reducing greenhouse gas emitting activities may impact the segment. The volume of the products that the segment provides logistics, storage and transloading services for may decrease if legislation directed at reducing greenhouse gas emissions is enacted, and has the effect of reducing demand for the products handled by the segment.

The Corporation also generates green house gases ("**GHG**") emissions directly and indirectly through the distribution and use of the commodities it markets. Some of these emissions are subject to climate change policies and regulations, all of which are developing in unique ways within various federal, provincial, and state jurisdictions. Increasing regulation of GHG emissions may impact operations by requiring changes to production processes or increasing energy or transportation costs in order to ensure compliance. There are also significant differences in the climate change policies of countries where the Corporation operates. The impacts of climate change policies and future restrictions on emissions of GHGs on the Corporation's operations cannot be determined with any certainty at this time but such policies and restrictions have the potential to adversely effect the Corporation's strategy, demand for its products and financial condition.

Risks Associated with Cross Border Trade

Markets in Canada, the United States and other countries may be affected from time to time by trade rulings and the imposition of customs, duties and other tariffs. There can be no assurance that the financial condition and results of operations of the Corporation will not be materially and adversely affected by trade rulings and the imposition of customs, duties or other tariffs in the future.

Government Regulation and Border Protection

In the United States, safety matters related to security are overseen by the Transportation Security Administration, which is part of the US Department of Homeland Security ("**DHS**") and the Pipeline and Hazardous Materials Safety Administration, which, like the Federal Railroad Administration, is part of the US Department of Transportation. Border security falls under the jurisdiction of US Customs and Border protection ("**CBP**"), which is part of the DHS. In Canada, the Corporation is subject to regulation by the Canada Border Services Agency ("**CBSA**"). More specifically, the Corporation is subject to CBP's Customs-Trade Partnership Against Terrorism and regulations imposed by the CBP requiring advance notification by all modes of transportation for all shipments into the US. The CBSA administers a similar program, Partners in Protection, for Canada-bound traffic. The Corporation is also subject to an agricultural quarantine and inspection user fee for all traffic entering the United States from Canada.

Personal Injury and Other Claims

In the normal course of business, the Corporation may become involved in various legal actions seeking compensatory and occasionally punitive damages, including actions brought on behalf of various purported classes of claimants and claims relating to employee and third-party personal injuries, occupational disease, and property damage, arising out of harm to individuals or property allegedly caused by, but not limited to, accidents relating to the Corporation. The final outcome with respect to actions outstanding or pending, or with respect to future claims, may not be predicted with certainty, and therefore there can be no assurance that their resolution will not have a material adverse effect on the Corporation's results of operations, financial position or liquidity, in a particular quarter or fiscal year.

Food Product and Safety Risk

The Corporation is subject to potential liabilities connected to food and feed safety and product handling as the Corporation could be vulnerable in the event of a significant outbreak of food-borne illness or increased public health concerns in connection with certain food products. This could have a material adverse effect on the Corporation's financial results, business prospects and financial condition.

Transportation Network Disruptions and Reliance on Third-Party Providers

Due to the integrated nature of the North American freight transportation infrastructure, the Corporation's operations may be negatively affected by service disruptions of other transportation links such as trucks, ports or railroads which interchange with the Corporation. The Corporation relies on railroad, trucking, shipping and other transportation service providers to transport products which it handles to and from its facilities. These transportation operations, equipment and services are subject to various hazards, including adverse operating conditions on any aforementioned waterways, extreme weather conditions, system failures, work stoppages, delays, accidents such as spills and derailments and other accidents and operating hazards.

In the event of a disruption of existing transportation methods for products handled by the Corporation, alternative transportation and facilities may not have sufficient capacity to fully serve all of the Corporation's customers or facilities. An extended interruption in the delivery of its products to the Corporation's customers could have a material adverse effect on its business, financial condition or results of operations. Furthermore, deterioration in the cooperative relationships with these third parties could directly affect the Corporation's long-term operations.

These transportation operations, equipment and services are also subject to environmental, safety, and regulatory oversight. Due to concerns related to accidents, terrorism or increasing concerns regarding transportation of potentially hazardous substances, local, state, provincial and federal governments could implement new regulations affecting the transportation of the Corporation's products.

If transportation of products handled by the Corporation is delayed or it is unable to obtain products as a result of any third-party's failure to operate properly or the other hazards described above, or if new and more stringent regulatory requirements are implemented affecting transportation operations or equipment, or if there are significant increases in the cost of these services or equipment, the Corporation's revenues and cost of operations could be adversely affected. In addition, increases in the Corporation's transportation costs, or changes in such costs relative to transportation costs incurred by its competitors, could have a material adverse effect on the Corporation's business, financial condition, results of operations and cash flow.

Potential Acts of Terrorism and Regulations to Combat Terrorism

Similar to other companies with major industrial facilities, the Corporation's facilities may be targets of terrorist activities. The Corporation's facilities may store materials that can be dangerous if mishandled. Any damage to infrastructure facilities, such as electric generation, transmission and distribution facilities, or injury to employees, who could be direct targets or indirect casualties of an act of terrorism, may affect the Corporation's operations. Any disruption of the Corporation's ability to source or distribute its products could result in a significant decrease in revenues and significant additional costs to replace, repair or insure its assets, which could have a material adverse impact on its business, financial condition, results of operations and cash flow.

In addition, due to concerns related to terrorism, local, state, provincial, federal and foreign governments could implement new regulations impacting the security of the Corporation's facilities or other related facilities and infrastructure. These regulations could result in higher operating costs or limitations on the Corporation and could result in significant unanticipated costs, lower revenues and reduced profit margins.

Pandemic and Health Emergencies

The outbreak of a pandemic or health emergency, such as COVID-19, may result in governments and companies enacting emergency measures. These measures, which may include the implementation of travel bans, non-essential business closures, self-imposed quarantine periods and social distancing, can cause significant disruptions to businesses and supply chains. Future pandemic or public health crisis may have impacts on the Corporation's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations that will depend on future developments that are highly uncertain and cannot be predicted with any meaningful precision or certainty.

War in Ukraine

In late February 2022, Russia invaded Ukraine. The Black Sea region is a key international grain, oilseed, and fertilizer export market and the conflict between Russia and Ukraine could continue to disrupt supply and logistics, cause volatility in prices, and impact global margins due to increased commodity, energy, and input costs. While the Corporation does not actively trade in the region, the war has put a strain on the global commodities market as a whole. Management will continue to monitor the situation and address the possible risks accordingly.

DIVIDENDS

The Corporation has not paid any dividends or distributions on its outstanding Common Shares for each of the three most recently completed financial years. As of the date hereof, the Board has no intention to change its dividend policy but may, from time to time and on the basis of the Corporation's financial performance and other relevant factors, consider paying dividends in its discretion.

DESCRIPTION OF SHARE CAPITAL

The following is a summary of the material attributes and characteristics of the share capital of the Corporation. The following summary does not purport to be complete, and reference is made to the Corporation's articles of incorporation and articles of amendment for a complete description of these securities and the full text of their provisions.

Authorized Capital

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value. As at the date hereof, the issued and outstanding securities of the Corporation consists of 31,094,144 Common Shares.

Common Shares

Each Common Share entitles the holder thereof to receive notice of any meetings of shareholders of the Corporation, to attend and to cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a *pro rata* basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of the Corporation are entitled to receive on a *pro rata* basis the net assets of the Corporation after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a *pro rata* basis with the holders of Common Shares with respect to dividends or liquidation. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Deferred Share Unit Plan

Effective January 1, 2014, the Corporation adopted a Directors' Deferred Share Unit Plan (the "**DDSU Plan**"), whereby deferred share units ("**DSUs**") are issued to eligible directors, in lieu of cash, for a portion of the directors' fees otherwise payable to the directors. The fair market value of the DSUs on the date such units are calculated and issued represents the volume-weighted average trading price of the Common Shares for the five trading days immediately preceding the date of issuance of the DSUs. Each DSU entitles the director to receive payment after the end of the director's term in the form of Common Shares.

Effective September 29, 2016, the Board amended the DDSU Plan to (i) authorize the Board, in its sole discretion, to issue Common Shares to directors in lieu of all or a portion of the annual cash remuneration payable to eligible directors in respect of services provided by such eligible directors to the Corporation, (ii) increase the aggregate number of Common Shares issuable under the DDSU Plan from 450,000 to 600,000 Common Shares and (iii) rename the plan the Directors' Share and Deferred Share Unit Plan (the "**DSU Plan**").

On September 21, 2017, the Board amended the DSU Plan to increase the maximum aggregate amount of DSUs and matching DSUs issuable under the plan from C$100,000 to C$150,000 per eligible director annually.

Effective December 1, 2020, the Board of Directors amended the DSU Plan to provide that any DSU granted on or after December 1, 2020, will be redeemed in cash in an amount equal to the Fair Market Value of a Common Share, determined by the Committee in its sole discretion as of the Entitlement Date; provided that the Corporation may, at its option and subject to the availability of shares under the DSU Plan, deliver to the Eligible Director in satisfaction of all or a portion of such DSUs, one Common Share for each DSU. "Fair Market Value", "Common Share", "Entitlement Date", and "Eligible Director" have the meanings given to them under the DSU Plan.

As at June 30, 2023, 343,649 equity settled DSUs and 141,936 cash settled DSUs were issued and outstanding under the DSU Plan.

Stock Options and Stock Appreciation Right

The Corporation has in place a stock option plan (the "**Equity Incentive Plan**"), which has been amended and restated several times. The Equity Incentive Plan is available to certain officers, key employees and consultants of the Corporation and its subsidiaries. The purpose of the Equity Incentive Plan is to attract, retain and motivate certain officers, key employees and consultants by providing them with the opportunity, through options and other equity incentives, to acquire an ownership interest in the Corporation and to benefit from an increase in the value of the Common Shares.

The Equity Incentive Plan is administered by the Board, which shall determine (among other things) those officers, key employees and consultants who may be granted awards and the terms and conditions of any award to any such participant. The exercise price of the options shall be fixed by the Board and shall be no less than 100% of the market price on the effective date of the award of the options, which may be granted for a term not exceeding ten years. The maximum number of Common Shares reserved for issuance upon the exercise of options cannot exceed 10% of the total number of Common Shares issued and outstanding less the number of Common Shares reserved for issuance under the DSU Plan.

The Equity Incentive Plan also provides for the Board to grant Stock Appreciation Rights ("**SARs**") to certain officers, key employees and consultants of the Corporation. Stand-alone SARs granted under the Equity Incentive Plan shall become vested at such times, in such installments and subject to the terms and conditions of the Equity Incentive Plan (including satisfaction of certain performance criteria and/or continued employment) as may be determined by the Board. The base price for each Common Share subject to a stand-alone SAR shall not be less than 100% of the market price of a Common Share on the effective date of the award of such stand-alone SAR. Tandem SARs may be granted at or after the effective date of the related award of options, and each Tandem SAR shall be subject to the same terms and conditions and denominated in the same currency as the option to which it relates and the additional terms and conditions under the Equity Incentive Plan. Tandem SARs may be exercised only if and to the extent the options related thereto are then vested and exercisable. On exercise of a Tandem SAR, the related option shall be cancelled, and the participant shall be entitled to an amount in settlement of such Tandem SAR calculated and in such form as provided by the Equity Incentive Plan.

On May 10, 2018, the Board authorized an amendment to all issued and outstanding options to add a Tandem SAR grant and revised vesting schedule. As at June 30, 2023, 860,000 Tandem SARs were issued and outstanding under the Equity Incentive Plan and as at that date had a weighted-average exercise price of C$3.51. Of those Tandem SARs, 563,500 were exercisable and had a weighted-average exercise price of C$3.65.

Employee Share Purchase Plan

The Ceres Global Ag Corp. Employee Share Purchase Plan (the "**ESPP**") was approved by the shareholders at the Corporation's annual and special meeting held on September 29, 2014, and provided for the purchase of Common Shares through the issuance of new shares by the Corporation. On June 15, 2015, the Board approved certain amendments to the ESPP, including amendments to provide that Common Shares purchased through the ESPP would be purchased in the market from already outstanding Common Shares. All directors of the Corporation, excluding non-executive directors, and all officers and employees of the Corporation who have been continuously employed by the Corporation for at least six consecutive months are eligible to participate in the ESPP. Under the terms of the ESPP, the Corporation will make a matching contribution of 50% of each participant's contribution which is held in trust by the Corporation up to a maximum of C$2,500 per year. The Common Shares purchased under the ESPP using the Corporation's matching contribution will vest in three equal tranches on the issue date, the first anniversary of the issue date and the second anniversary of the issue date.

Prior to the applicable vesting date, unvested Common Shares issued to a participant may not be sold, transferred or otherwise disposed of by the participant other than pursuant to a *bona fide* third-party takeover bid made to all shareholders of the Corporation or a similar acquisition transaction, provided that, if the takeover bid or acquisition transaction is not completed, any unvested Common Shares held by a participant immediately prior to such takeover bid or acquisition transaction will remain subject to the original terms of vesting and applicable vesting date. The participant will not have the right to receive any cash dividends or other cash distributions declared and paid by the Corporation in respect of the Common Shares until the applicable vesting date for the unvested Common Shares. All such cash dividends or other cash distributions will be held in trust on the participant's behalf by the administrative agent for the ESPP until the applicable vesting date of the participant's unvested Common Shares.

In the event that a participant ceases to be eligible for participation in the ESPP by virtue of the termination of service with the Corporation for any reason, whether voluntary or involuntary, or in the event of the death of the participant while participating in the ESPP, all unvested Common Shares and all related cash dividends or other cash distributions held in trust by the administrative agent will be immediately forfeited. All unvested Common Shares and all related cash dividends or other cash distributions held in trust by the administrative agent that are forfeited by a participant will offset the Corporation's contributions required to be made by the Corporation subsequent to the date of such forfeiture.

On May 10, 2018, the Board approved certain amendments to the ESPP, including an amendment to provide that the Chief Executive Officer of the Corporation may, in his or her absolute discretion, waive any vesting conditions applicable to the unvested Common Shares held by a participant or declare any previously vested Common Shares to be unvested. Additionally, the plan was amended to make the Corporation's contributions equal to 100% of the participant's contributions, provided that the aggregate amount of the Corporation's contributions in respect of any participant during any Plan Year (as defined in the ESPP) shall not exceed $2,500.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") and trade under the stock symbol "CRP". The following table sets forth the high and low trading prices in Canadian Dollars and the trading volumes on the TSX on a monthly basis for the most recently completed financial year:

Month	High Price	Low Price	Volume	Average Daily Volume
2023				
June	$2.37	$2.19	218,600	9,936
May	$2.65	$2.13	92,500	4,205
April	$2.64	$2.03	154,700	8,142
March	$2.73	$2.50	30,700	1,335
February	$2.91	$2.40	140,600	7,400
January	$2.65	$2.19	31,900	1,519
2022				
December	$2.75	$2.12	108,500	5,425
November	$2.74	$2.47	70,200	3,191
October	$2.95	$2.40	138,900	6,945
September	$3.81	$2.70	87,700	4,176
August	$3.73	$2.90	42,400	1,927
July	$3.51	$2.80	111,200	5,560

Prior Sales

The Corporation did not issue any securities that are not listed or quoted on a marketplace in the most recently completed financial year.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER

To the knowledge of the Corporation, except as described below, none of the securities of the Corporation are subject to escrow or contractual restrictions on transfer.

Pursuant to implementation of the ESPP, Common Shares acquired in connection with the Corporation's matching obligations are subject to restrictions on transfer, until such shares vest in accordance with the terms of the ESPP. For further details see "Description of Share Capital – Employee Share Purchase Plan". Unvested Common Shares are held by the administrator under the ESPP. As at June 30, 2023, all Common Shares pursuant to the ESPP were vested.

GOVERNANCE OF THE CORPORATION

Directors and Officers of the Corporation

The following table sets out, for each of the members of the Board and the officers of the Corporation, respectively, the person's name, municipality of residence, position with the Corporation and principal occupation as of the date hereof. Each director will hold office until the next annual general meeting of shareholders of the Corporation, subject to his or her earlier resignation or removal. The table also identifies the members of each committee of the Board and which directors are "independent" within the meaning of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").

Name and Municipality of Residence	Position with the Corporation	Director Since	Title and Principal Occupation During Preceding Five Years
HARVEY T. JOEL (1)(2)(3) Toronto, Ontario	Director	September 27, 2013	Supply Chain & Infrastructure Advisor
HAROLD WOLKIN (1)(3) Toronto, Ontario	Director	January 1, 2022	Corporate Director
JAMES T. VANASEK (1) Sydney, New South Wales	Chairman of the Board	November 19, 2013	Principal of VN Capital Management, LLC
DAVID ROTENBERG (2) Chicago, Illinois	Director	July 19, 2021	Principal at Bixby Bridge Capital, LLC
BLAKE AMUNDSON Minneapolis, Minnesota	Vice President and Chief Financial Officer	N/A	Vice President and Chief Financial Officer of the Corporation; Senior Director of Finance, Controlling, and Treasury of the Corporation; Financial Controller of the Corporation
CARLOS PAZ Minneapolis, Minnesota	President and Chief Executive Officer	N/A	President and Chief Executive Officer of the Corporation, Vice President and Commercial Director of the Corporation; Vice President Agricultural Trader, Freepoint Commodities; Vice President Commercial Manager, Cargill, Incorporated
JEN HENDERSON Minneapolis, Minnesota	Vice President, General Counsel, Corporate Secretary, and Chief Compliance Officer	N/A	Vice President, General Counsel and Corporate Secretary of the Corporation; Chief Administrative Officer, General Counsel and Corporate Secretary, Believer Meats; Global Functional Leader, Food Safety and Regulatory Compliance, Cargill, Inc.

HOLLY DAMMER Minneapolis, Minnesota	Vice President, Human Resources and Corporate Administration	N/A	Vice President of Human Resources and Corporate Administration of the Corporation; Director of Human Resources, Surescripts; Human Resource Manager, CHS
JAMES MOWBRAY Winnipeg, Manitoba	Vice President and Director of Operations	N/A	Vice President and Director of Operations of the Corporation; National Accounts Manager, BASF Canada; General Manager, North America, Farmers Edge

(1) Member of the Audit and Finance Committee
(2) Member of the Human Resources, Safety, and Environment Committee
(3) Independent director

To the best of the Corporation's knowledge based on information furnished by the directors and officers of the Corporation, as a group, the directors and officers of the Corporation beneficially own or exercise control or direction, directly or indirectly, over 16,913,400 Common Shares or approximately 54.4% of the issued and outstanding Common Shares as at June 30, 2023.

The following is a brief biographical description of each of the directors and officers:

Carlos Paz is President and Chief Executive Officer of the Corporation. Mr. Paz joined the Corporation on January 6, 2020 as the Vice President and Commercial Director. Mr. Paz has over 25 years of experience in a wide variety of trading, merchandizing and management roles across North America, Latin America and Europe, working for companies such as Continental Grain, Cargill, and most recently Freepoint Commodities. Mr. Paz holds bachelor’s degrees in General Business Management and Agricultural Economics from Kansas State University.

Blake Amundson is Vice President and CFO of the Corporation. Mr. Amundson joined the Corporation on August 11, 2015, as a Manager of Financial Reporting and was promoted to Financial Controller in 2016 before becoming the Vice President and CFO in June of 2022. Prior to joining Ceres, he worked for both Xcel Energy in financial planning and analysis, and KPMG in the assurance group where his focus was financial reporting and controls for public companies. Mr. Amundson is a CPA and holds a bachelor’s degree in Accounting from the University of Minnesota Duluth.

Holly Dammer is Vice President, Human Resources and Corporate Administration of the Corporation. Ms. Dammer joined the Corporation on April 18, 2022. Prior to joining Ceres, Ms. Dammer worked for Surescripts as an HR Director from 2018-2022, CHS from 2015-2018, and Cargill, Inc. from 2009-2015. While at Cargill, she had an international HR assignment in the United Kingdom. Ms. Dammer has a Master of Arts and a bachelor’s degree in Human Resources and Industrial Relations from the University of Minnesota.

Jen Henderson is Vice President, General Counsel and Corporate Secretary of the Corporation. Ms. Henderson joined the Corporation on February 13, 2023. Ms. Henderson brings over 20 years of legal, regulatory, and commercial experience globally, including 5 years in Alberta as Managing Director of Cargill’s Animal Nutrition business in Western Canada. Prior to joining Ceres, she served as the Chief Administrative Officer, General Counsel and Corporate Secretary at the cultivated meats start-up, Believer Meats. Ms. Henderson received her undergraduate degree from the University of Minnesota, Twin Cities and graduated Summa Cum Laude from William Mitchell College of Law (now Mitchell-Hamline).

James Mowbray is Vice President and Director of Operations of the Corporation. Mr. Mowbray joined the Corporation June 30, 2023. Mr. Mowbray has more than three decades of experience in corporate and operational management, specializing in business growth strategies, sales, and marketing in the oilseed processing and grain agribusiness. Prior to joining Ceres, he worked for BASF Canada as the National Accounts Manager and executed strategic plans for distributors in Eastern and Western Canada. He also served as General Manager, North America at Farmers Edge, leading the Operations and Sales teams responsible for Precision Agriculture and Data Management. Previously, Mr. Mowbray held various leadership roles at Cargill Limited, including Vice President and North American Transportation Leader, CASCNA; Vice President and Business Unit Commercial Manager; Assistant Vice President of Business Unit Operations, and Country Operations Leader. Mr. Mowbray is a CMA/CPA and holds a diploma in Computer Office Accounting from Robertson College.

Harvey Joel has over 30 years of experience in a range of corporate leadership roles and is currently the Principal of an infrastructure and supply chain advisory company that offers a variety of services to assist clients to build, implement and optimize supply chain, logistics and transportation solutions. From 2003 to 2010, Mr. Joel was Vice President, Logistics for Canadian National Railway ("**CN**"). In that role, he led and was accountable for a diverse group of transportation and supply chain services designed to interface with rail and deliver complete supply chain solutions. This group of businesses included warehousing, transloads, bulk commodity distribution terminals, auto handling distribution and access organization facilities, marine terminals, ships, custom brokerage, freight forwarding and truck brokerage. Prior to joining CN, Mr. Joel held a number of Senior Management positions at Norbord Industries including strategic planning, business development, operations improvement, sales, marketing and logistics. Mr. Joel has an M.B.A. and an H.B.A. in Business Administration from the Richard Ivey School of Business.

Harold Wolkin is an accomplished investment banker and financial analyst with over 40 years of experience. He retired in 2011 from the position of Executive Vice President and Head of Investment Banking with Dundee Capital Markets. Mr. Wolkin also served with BMO Capital Markets for 25 years, holding the position of Managing Director, Diversified Industries. Since 2011, Mr. Wolkin has continued to serve as an independent director on a number of public and private company boards, and non-for-profit organizations. He was a past President of the CFA Society of Toronto, a member of the Chartered Financial Analyst Institute since 1980 and is a Chartered Financial Analyst (CFA). Mr. Wolkin received a Bachelor of Arts in Economics from York University and a Masters of Arts in Economics and Finance from the University of Toronto. Mr. Wolkin is also a graduate and member of the Institute of Corporate Directors.

James Vanasek is Chair of the board of the Corporation and a Principal at VN Capital Management, LLC, a value-investing firm he co-founded in 2002 which currently has $130 million under management. Prior to forming VN Capital Management, LLC, Mr. Vanasek spent the previous three and a half years working at JPMorgan Chase & Co. Initially, Mr. Vanasek provided restructuring advice during the Asian economic crisis and later focusing on leveraged finance to U.S. and Latin American companies in JPMorgan's Financial Sponsor Coverage and Global Syndicated Finance groups. He is a member of the New York State Bar Association. Mr. Vanasek earned a B.A. degree from Yale University, a J.D. degree from Columbia Law School, and an M.B.A. degree from Columbia Business School.

David Rotenberg is a Principal at Bixby Bridge Capital, LLC ("Bixby"), a private investor and lender founded in 1992 and headquartered in Northbrook, Illinois. Certain affiliates of Bixby are investors with Ceres's largest shareholder, VN Capital Fund C, LP. Mr. Rotenberg's investment portfolio includes commercial real estate, operating businesses, private equity, and secured financings. He also serves as Bixby's in-house legal counsel and is licensed to practice law in Illinois. Prior to joining Bixby in 2007, Mr. Rotenberg practiced law in Chicago. He received a J.D. from the University of Chicago Law School in 2004 and graduated with honors from Vassar College in 1999.

Committees of the Board of Directors

Audit and Finance Committee

As at June 30, 2023, the Audit and Finance Committee of the Corporation (the "**Audit and Finance Committee**") was comprised of the following members: Mr. Wolkin (Chair), Mr. Vanasek, and Mr. Joel. The Board has determined that each of the members of the Audit and Finance Committee is independent (except for Mr. Vanasek) within the meaning of NI 52-110. The Corporation has relied on the exemption provided by section 3.3 of NI 52-110 from the requirement for Mr. Vanasek to be independent, after the Board determined that Mr. Vanasek is able to exercise impartial judgement necessary to fulfill his responsibilities as a member of the Audit and Finance Committee and that Mr. Vanasek's membership on such committee is required by the best interests of the Corporation and its shareholders.

Although Mr. Vanasek is not considered to be “independent” within the meaning of NI 52-110, Mr. Vanasek would be considered independent of the Corporation but for the fact that he is considered to be an affiliate of the Corporation because of his relationship with VN Capital Management, LLC, a private investment firm that manages VN Capital Fund C, L.P. which holds 54.2% of the outstanding Common Shares of the Corporation.

The Board has also determined that each of the members of the Audit and Finance Committee is financially literate. Financial literacy is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. See the biographical descriptions above for the directors of the Corporation for the education and experience of each Audit and Finance Committee member that is relevant to the performance of his or her responsibilities as an Audit and Finance Committee member.

The principal functions of the Audit and Finance Committee are to appoint, compensate and oversee the external auditors; to review and approve the annual financial statements, management's discussion and analysis accompanying such financial statements, and all legally required continuous and public disclosure documents containing financial information about the Corporation before they are submitted to the Board for approval and filed with securities regulatory authorities; to review and approve the interim financial statements, management's discussion and analysis accompanying such financial statements, and all legally required continuous and public disclosure documents containing financial information about the Corporation before they are filed with securities regulatory authorities; to review and approve the adequacy of internal accounting controls and the quality of financial reporting procedures and systems; to examine the presentation and impact of key financial and other significant risks that may be material to the Corporation's financial reporting; to review and approve the risk management corporate policies and oversee the risk management function of the Corporation; and to review and approve the nature and scope of the annual audit and review the results of the external auditors' examination. The Audit and Finance Committee reports its findings with respect to such matters to the Board. The responsibilities and duties of the Audit and Finance Committee are set out in the Audit and Finance Committee's mandate, the full text of which is attached hereto as Appendix 1.

External Auditor Service Fees

During the 2023 and 2022 fiscal periods, the Corporation has paid or accrued the following fees to the Corporation's external auditors for the following fee categories:

Fee Category	**2023**	**2022**
Audit Fees	$358,456	$297,055
Audit-Related Fees	nil	nil
Tax Services Fees	nil	nil
Other Fees	nil	nil
Total	$358,456	$297,055

Audit fees include all fees paid to the Corporation's external auditors for the audit of the Corporation's annual financial statements, interim reviews, accounting consultations and other required statutory/regulatory audits and filings of the Corporation.

Audit-related fees include all fees paid to the Corporation's external auditors for audit-related services including the preparation and/or review of certain filings with Canadian securities regulators, including comfort and consent letters.

Tax services fees include all fees paid to the Corporation's external auditors for tax-related advice including tax return preparation and/or review and tax planning advice.

Human Resources, Safety, and Environment Committee

As at June 30, 2023, the Human Resource, Safety, and Environment (“**HRSE**”) Committee of the Corporation was comprised of the following members: Mr. Joel (Chair) and Mr. Rotenberg. The HRSE Committee is responsible for examining, reviewing and evaluating policies and management systems in the area of safety and environment; reviewing the Corporation's strategic initiatives for safety and environmental matters; reviewing significant safety and environmental risks and exposures; considering matters relating to executive compensation, including making recommendations regarding the CEO's compensation and reviewing and approving the compensation of all senior management, other employees reporting directly to the CEO and all other officers appointed by the Board. All members of this committee are independent and non-executive directors of the Corporation. Please see the biographical descriptions of each member of the HRSE Committee above.

Corporate Cease Trade Orders or Bankruptcies

No director, officer or other member of management of the Corporation is, as of the date hereof, or has been, within the ten years prior to the date hereof, a director, officer or other member of management of any company (including a personal holding company of such director, officer or other member of management) that:

(a) while that person was acting in that capacity, was the subject of a cease trade order, a similar order or an order that denied the company access to any statutory exemptions for a period of more than 30 consecutive days; or

(b) was subject to a cease trade order, a similar order or an order that denied the company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the director, officer or other member of management of the Corporation ceased to be a director, officer or other member of management of that company and which resulted from an event that occurred while that person was acting in that capacity.

No director, officer, other member of management of the Corporation or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, as of the date hereof, or has been within the ten years prior to the date hereof, a director, officer or other member of management of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold that issuer's assets.

Penalties or Sanctions and Personal Bankruptcies

No director, officer, other member of management of the Corporation or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has, during the ten years prior to the date hereof, become bankrupt, made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

No director, officer, other member of management of the Corporation or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement with a securities regulatory authority, nor has any such director, officer, other member of management of the Corporation or shareholder been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

CONFLICTS OF INTEREST

Certain of the directors and officers of the Corporation currently, or may in the future, serve as directors and/or officers of other companies or have significant shareholdings in other companies in a similar industry as Ceres and, consequently, there exists the possibility that a conflict may arise between their duties as a director or officer of the Corporation and their duties as a director or officer of any such other company. There can be no assurance that while performing their duties for the Corporation, the directors or officers of the Corporation will not be in situations that could give rise to conflicts of interest. There can be no assurance that these conflicts will be resolved in favour of the Corporation. As a result of any such conflict, the Corporation may miss the opportunity to participate in certain transactions, which may have a material adverse effect on the Corporation.

The directors and officers of the Corporation are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors and officers of conflicts of interest and the fact that the Corporation will rely upon such laws in respect of any director's or officer's conflicts of interest or in respect of breaches of duty by any of its directors or officers. All such conflicts must be disclosed by such directors or officers in accordance with the OBCA, and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. As at the date hereof, the directors and officers of the Corporation are not aware of any such conflicts of interests.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

In June 2021, that he Corporation and certain of its former personnel received subpoenas from the U.S. Department of Justice ("**DOJ**") to produce documents and other records regarding the Corporation's trading and other related activities, with a particular focus on the Corporation's oat market trades from 2016 to 2019. The Corporation also received a voluntary document request from the U.S. Commodity Futures Trading Commission ("**CFTC**") seeking similar information. The Corporation has been cooperating with both investigations and the Board established a special committee to oversee the Corporation's response to these investigations. Certain costs to cooperate with the investigations have been significant (including but not limited to legal related fees of $5.2 million for the year ended June 30, 2023, and $10.2 million for the investigation to date).

The Corporation does not currently anticipate any charges or fines arising from the DOJ investigation. The Corporation reasonably expects that the outcome of the CFTC investigation will result in a legal settlement or fine amount of at least $3.0 million. Accordingly, the Corporation recorded a legal settlement reserve in the three months ended June 30, 2023, in the amount of $3.0 million. There can be no assurance that the final amount of the costs of any settlement or fine will not exceed the amount the Corporation has reserved for legal settlement. In addition, the amount recorded as a reserve does not include any further legal fees or other costs the Corporation may incur in responding to the DOJ and CFTC investigations.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Corporation is not aware of any material interest, direct or indirect, of any director or officer of the Corporation, or any person or company that is a direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% percent of the Common Shares, or any affiliate of such persons or companies, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or will materially affect the Corporation.

REGISTRAR AND TRANSFER AGENT

TSX Trust Company at its principal offices in Toronto, Ontario is the registrar and transfer agent for the Common Shares of the Corporation.

INTERESTS OF EXPERTS

Baker Tilly WM LLP are the auditors of the Corporation and have confirmed that they are independent with respect to the Corporation within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. See "Governance of the Corporation – Committees of the Board of Directors – Audit and Finance Committee – External Auditor Service Fees".

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business that are not required to be disclosed under applicable securities laws, there are no contracts that are material to the Corporation that were entered into in the most recently completed financial year or before the most recently completed financial year but that are still in effect.

ADDITIONAL INFORMATION

Additional financial information about the Corporation is provided in the Corporation's annual and interim financial statements and management discussion and analysis (MD&A) for its most recently completed financial year. You may obtain a copy of these documents at no cost by contacting the Corporation at 701 Xenia Ave S., Minneapolis, Minnesota, 55416 or by e-mailing the Corporation at info@ceresglobalag.com or by accessing the Corporation's website at www.ceresglobalagcorp.com. Information contained on the Corporation's website is not part of this AIF and is not incorporated by reference herein.

Additional information, including directors' and officers' remuneration and indebtedness, if any, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Corporation's management information circular for its most recent annual meeting of shareholders that involved the election of directors.

These documents and other information relating to the Corporation may be found on the website of the Canadian System for Electronic Document Analysis and Retrieval + (SEDAR+) at www.sedarplus.ca.

APPENDIX 1

CERES GLOBAL AG CORP.

AUDIT AND FINANCE COMMITTEE MANDATE

1. General

The Board of Directors (the "Board") of Ceres Global Ag Corp. (the "Corporation") has delegated the responsibilities, authorities and duties described below to the Audit and Finance Committee (the "Audit and Finance Committee").

The principal functions of the Audit and Finance Committee are to appoint, compensate and oversee the external auditors; to review and recommend approval of the annual financial statements, management's discussion and analysis accompanying such financial statements, and all legally required continuous and public disclosure documents containing financial information about the Corporation before they are submitted to the Board for approval and filed with securities regulatory authorities; to review and approve the interim financial statements, management's discussion and analysis accompanying such financial statements, and all legally required continuous and public disclosure documents containing financial information about the Corporation before they are filed with securities regulatory authorities; to review and approve the adequacy of internal accounting controls and the quality of financial reporting procedures and systems; to examine the presentation and impact of key financial and other significant risks that may be material to the Corporation's financial reporting; to review and approve the risk management corporate policies and oversee the risk management function of the Corporation; and to review and approve the nature and scope of the annual audit and review the results of the external auditors' examination. The Audit and Finance Committee reports its findings with respect to such matters to the Board. In so doing, the Audit and Finance Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements and guidelines, and any other applicable regulatory requirements.

2. Members

The Audit and Finance Committee shall be composed of a minimum of three members. Every Audit and Finance Committee member must be a director of the Corporation. Members of the Audit and Finance Committee shall be appointed by the Board. The quorum at any meeting of the Audit and Finance Committee is a majority of its members. Each member shall serve until such member's successor is appointed unless that member resigns or is removed by the Board or otherwise ceases to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Audit and Finance Committee is less than three directors. The Chair of the Audit and Finance Committee may be designated by the Board or, if it does not do so, the members of the Audit and Finance Committee may elect a Chair by vote of a majority of the full Audit and Finance Committee membership. The Chair shall not have a second, or casting, vote. The Chair of the Audit and Finance Committee shall be responsible for overseeing the performance by the Audit and Finance Committee of its duties, for assessing the effectiveness of the Audit and Finance Committee and individual Audit and Finance Committee members and for reporting periodically to the Board.

All members of the Audit and Finance Committee must satisfy the independence, financial literacy and experience requirements of applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements and guidelines, and any other applicable regulatory requirements. In particular, each member shall be "independent" and "financially literate" within the meaning of National Instrument 52-110 – *Audit Committees ("NI 52-110");* provided however that the Corporation may avail itself of any exemption available pursuant to NI 52-110.

3. Meetings

The Audit and Finance Committee shall meet as many times per year as necessary to carry out its responsibilities and shall meet at least quarterly at such times and at such locations as the Chair of the Audit and Finance Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation's interim and annual financial statements, the notes thereto and the related management's discussion and analysis accompanying such financial statements. Notice of every meeting shall be given to the external auditors, who shall, at the expense of the Corporation, be entitled to attend and to be heard thereat. The external auditors or any member of the Audit and Finance Committee may also request a meeting of the Audit and Finance Committee.

The Chair of the Audit and Finance Committee shall hold in camera sessions of the Audit and Finance Committee, without management present, at every meeting.

The external auditors are entitled to attend and be heard at any meeting of the Audit and Finance Committee. In addition, management employees of the Corporation shall, when required by the Audit and Finance Committee, attend any meeting of the Audit and Finance Committee.

The Audit and Finance Committee shall submit the minutes of all meetings to the Board, and when requested to, shall discuss the matters discussed at each Audit and Finance Committee meeting with the Board.

4. Committee Charter

The Audit and Finance Committee shall have a written charter that sets out its mandate and responsibilities and the Audit and Finance Committee shall review and assess the adequacy of such charter and the effectiveness of the Audit and Finance Committee at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board for its approval. Unless and until replaced or amended, this mandate constitutes that charter.

5. Duties of the Audit and Finance Committee

(a) General

The overall duties of the Audit and Finance Committee shall be to:

(i) assist the Board in the discharge of its duties relating to the Corporation's accounting policies and practices, reporting practices and internal controls;

(ii) establish and maintain a direct line of communication with the Corporation's external auditors and assess their performance;

(iii) oversee the work of the external auditors, which shall be responsible to report directly to the Audit and Finance Committee, including resolution of disagreements between management and the external auditors regarding financial reporting;

(iv) ensure that management has designed, implemented and is maintaining an effective system of internal controls, and adequate disclosure controls and procedures;

(v) monitor the credibility and objectivity of the Corporation's financial reports;

(vi) report regularly to the Board on the fulfillment of the Audit and Finance Committee's duties;

(vii) assist, with the assistance of the Corporation's legal counsel, the Board in the discharge of its duties relating to the Corporation's compliance with legal and regulatory requirements;

(viii) assist the Board in the discharge of its duties relating to risk assessment and risk management, including reviewing and approving risk management corporate policies and the organizational structure and resources of the risk management function; and

(ix) reviewing, approving and overseeing, as appropriate, the effectiveness of the process, framework, principles, operating procedures and systems, including the risk management corporate policies, developed to identify, evaluate and oversee appropriate management of applicable risks.

(b) External Auditors

The duties of the Audit and Finance Committee as they relate to the external auditors shall be to:

(i) review management's recommendations for the appointment of the external auditors, and in particular their qualifications and independence, and, if advisable, select and recommend to the Board a firm of external auditors to be nominated and the compensation of such external auditor;

(ii) review the performance of the external auditors and make recommendations to the Board regarding the appointment or termination of the external auditors;

(iii) review, where there is to be a change of the external auditors, all issues related to the change, including the information to be disclosed in the notice of change of auditors required under National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") or any successor legislation, and the planned steps for an orderly transition;

(iv) review all reportable events, including disagreements, unresolved issues and consultations, as defined in NI 51-102, on a routine basis, whether or not there is to be a change of the external auditors;

(v) ensure the rotation of partners on the audit engagement team of the external auditors in accordance with applicable law;

(vi) review and approve, in advance, the engagement letters of the external auditors, both for audit and for any permissible non-audit services, including the fees to be paid for such services, however the Audit and Finance Committee may delegate pre-approval authority to a member of the Audit and Finance Committee and the decisions of any member of the Audit and Finance Committee to whom this authority has been delegated must be presented to the full Audit and Finance Committee at its next scheduled Audit and Finance Committee meeting;

(vii) review the performance, including the fee, scope and timing of the audit and other related services and any non-audit services provided by the external auditors;

(viii) review the nature of and fees for any non-audit services performed for the Corporation by the external auditors and consider whether the nature and extent of such services could detract from the external auditors' independence in carrying out the audit function; and

(ix) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

(c) Audits and Financial Reporting

The duties of the Audit and Finance Committee as they relate to audits and financial reporting shall be to:

(i) review the audit plan with the external auditors and management;

(ii) review with the external auditors and management all critical accounting policies and practices of the Corporation, including any proposed changes in accounting policies, the presentation of the impact of significant risks and uncertainties, all material alternative accounting treatments that the external auditors have discussed with management, other material written communications between the external auditors and management, and key estimates and judgments of management that may in any such case be material to financial reporting;

(iii) review the contents of the audit report;

(iv) question the external auditors and management regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

(v) review the scope and quality of the audit work performed;

(vi) review the adequacy of the Corporation's financial and auditing personnel;

(vii) review the co-operation received by the external auditors from the Corporation's personnel during the audit, any problems encountered by the external auditors and any restrictions on the external auditors' work;

(viii) review the evaluation of internal controls by management and the external auditors, together with management's response to the recommendations, including subsequent follow-up of any identified weaknesses;

(ix) review the appointments of the Chief Financial Officer, persons performing the internal audit function and any key financial executives involved in the financial reporting process;

(x) review with management and the external auditors and, if advisable, approve and recommend for Board approval the Corporation's annual audited financial statements in conjunction with the report of the external auditors thereon and management's discussion and analysis accompanying such financial statements, after having obtained an explanation from management of all significant variances between comparative reporting periods before recommending approval by the Board, filing with securities regulatory authorities and the release thereof to the public;

(xi) review with management and the external auditors and, if advisable, approve the Corporation's unaudited interim financial statements and management's discussion and analysis accompanying such financial statements, and after having obtained an explanation from management of all significant variances between comparative reporting periods before filing with securities regulatory authorities and the release thereof to the public;

(xii) review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Corporation, press releases disclosing, or based upon, financial results of the Corporation and any other material financial disclosure, including financial guidance provided to analysts, rating agencies or otherwise publicly disseminated; and

(xiii) review the terms of reference for an internal auditor or internal audit function (if applicable).

(d) Accounting and Disclosure Policies

The duties of the Audit and Finance Committee as they relate to accounting and disclosure policies and practices shall be to:

(i) review the effect of regulatory and accounting initiatives and changes to accounting principles of CPA Canada or, if it should cease to exist, the entity which is the successor thereto, which would have a significant impact on the Corporation's financial reporting as reported to the Audit and Finance Committee by management and the external auditors;

(ii) review the appropriateness of the accounting policies used in the preparation of the Corporation's financial statements and consider recommendations for any material change to such policies;

(iii) review the status of material contingent liabilities as reported to the Audit and Finance Committee by management;

(iv) review the status of income tax returns and potentially significant tax problems as reported to the Audit and Finance Committee by management;

(v) review any errors or omissions in the current or prior years' financial statements; and

(vi) review and approve before their release and filing with securities regulatory authorities, as applicable, all public disclosure documents containing audited or unaudited financial results, including all press releases, offering documents, annual reports, annual information forms and management's discussion and analysis containing such results.

(e) Audit and Finance Committee Whistleblower Procedures

The Audit and Finance Committee is responsible for administering this whistleblower policy of the Corporation, including (a) the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(f) Audit and Finance Committee Disclosure

The Audit and Finance Committee shall prepare, review and approve any Audit and Finance Committee disclosures required by Canadian securities laws, rules and guidelines, any applicable stock exchange requirements and guidelines, and any other applicable regulatory requirements in the Corporation's disclosure documents.

(g) Delegation

The Audit and Finance Committee may, to the extent permissible by Canadian securities laws, rules and guidelines, any applicable stock exchange requirements and guidelines, and any other applicable regulatory requirements, designate a sub-committee to review any matter within this mandate as the Audit and Finance Committee deems appropriate.

(h) Other Duties

The other duties of the Audit and Finance Committee shall include:

(i) reviewing any inquiries, investigations or audits of a financial nature by governmental, regulatory or taxing authorities;

(ii) reviewing annual operating and capital budgets;

(iii) reviewing and reporting to the Board on difficulties and problems with regulatory agencies which are likely to have a significant financial impact;

(iv) inquiring of management and the external auditors as to any activities that may be or may appear to be illegal or unethical;

(v) at the request of the Board, reviewing and advising on the risk impact of any strategic decision;

(vi) reviewing reports provided by management of principal risks associated with the Corporation's operations;

(vii) reviewing management's evaluation of risk aspects of strategies or exposures to industry segments, countries and key markets to ensure they are in keeping with overall risk tolerances of the Corporation;

(viii) understanding significant and emerging risks to which the Corporation is exposed; and

(ix) any other questions or matters referred to it by the Board.

6. Authority to Engage Independent Counsel and Other Advisors

The Audit and Finance Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit and Finance Committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit and Finance Committee, in its capacity as a committee of the Board, for the payment of compensation to:

(a) the external auditors employed by the Corporation for the purpose of rendering or issuing an audit report; and

(b) any advisors employed by the Audit and Finance Committee.

7. No Rights Created

This mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's Articles and By-laws, it is not intended to establish any legally binding obligations.