



## CERES GLOBAL AG REPORTS FINANCIAL RESULTS FOR Q2 FY2018

**Minneapolis, MN, (February 13, 2018)** – Ceres Global Ag Corp. (TSX: CRP) (“Ceres” or the “Corporation”) today announced its financial and operating results for the three and six months ended December 31, 2017. All amounts are in U.S. currency unless otherwise noted.

### CEO Commentary

“Due to increased focus on our strengths as a company and adding value to our customers, we improved adjusted net income by more than \$700 thousand and gross margins by \$1.4 million vs. the same quarter a year ago,” said Robert Day, President and Chief Executive Officer of Ceres. “Volumes for the quarter were down as we passed on less attractive business at low or negative margins, which is reflective of the challenging environment our industry continues to face.”

“Our vision is to profitably grow by being the most trusted and valued partner to quality-conscious customers,” Mr. Day continued. “Through consistent focus on customer needs, operational excellence and investment in skill-building, we are turning that vision into a reality.”

### Summary Financial and Operational Results

<i>(in thousands of USD except per share and bushels handled)</i>	<b>3-Months Ended December 31, 2017</b>	<b>3-Months Ended December 31, 2016</b>	<b>6-Months Ended December 31, 2017</b>	<b>6-Months Ended December 31, 2016</b>
Revenue	\$89,569	\$131,838	\$220,208	\$287,765
Gross profit	\$4,283	\$2,870	\$7,346	\$4,741
EBITDA <sup>1</sup>	\$2,333	\$2,003	\$3,857	\$2,747
Income from operations	\$1,162	\$779	\$1,681	\$174
Net income (loss)	\$224	\$(153)	\$(582)	\$(1,509)
Earnings (loss) per basic share	\$0.01	\$(0.01)	\$(0.02)	\$(0.06)
Adjusted net income <sup>2</sup>	\$765	\$35	\$869	\$(1,014)
Total bushels handled and merchandized	17.0 million	24.6 million	44.2 million	59.6 million

### Financial and Operational Highlights for Q2 FY2018

- Generated revenue of \$89.6 million, a 32% decrease from Q2 FY2017.
- Increased gross profit 49% to \$4.3 million from Q2 FY2017 due to increased storage and rental income and logistics and transloading revenue.
- Total number of bushels handled and merchandised decreased by 31% as a result of challenging margins in the broader market.
- Increased income from operations 49% to \$1.2 million compared to Q2 FY2017.
- Generated \$22.1 million cash flow from operations, a 45% increase from Q2 FY2017.
- The previously disclosed trial by jury of the Scoular litigation was delayed and has yet to be scheduled: the trial date is expected to be sometime in Q4 FY2018.

## **Outlook**

Mr. Day continued, “While we remain focused on execution and maximizing short-term results, we are also making progress around reshaping our physical infrastructure in order to more competitively originate products and consistently create value for our end-use customers. Over the course of 2018, we anticipate the environment will continue to be challenging; however, we expect year over year results to steadily improve as we execute on our plan to add new assets and lower costs. Together these actions will broaden our network and lower cost per unit handled at the same time.”

“At Northgate, organic growth of existing transload operations continues to meet or exceed expectations,” Mr. Day added. “Over the next six to twelve months, we expect to add a number of new product lines from the energy and industrial products sectors, which will significantly help returns for shareholders.”

## **Conference Call Details**

Ceres will hold a conference call to discuss its Q2 FY2018 financial and operational results on Wednesday, February 14, 2018 at 9:00 am ET. Robert Day, Ceres’ President and CEO, and Kyle Egbert, Ceres’ CFO, will co-chair the conference call.

All interested parties can join the conference call by dialing 1-888-231-8191 or 647-427-7450, conference ID: 3689406. Please dial in 15 minutes prior to the call to secure a line. The conference call will be archived for replay until Wednesday, February 28, 2018 at midnight ET. To access the archived conference call, please dial 1-855-859-2056 and enter the encore code 3689406.

A live audio webcast of the conference call will be available at:

<http://event.on24.com/r.htm?e=1590860&s=1&k=02B67624FC4AE8F17CC0D2F665B80508>.

Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be required to join the webcast. An archived replay of the webcast will be available for 90 days.

## **Non-IFRS Financial Measures**

<sup>1</sup>EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) is not a standardized financial measure prescribed by IFRS; however, it is a metric that is used by management to determine the Corporation’s ability to service its debt and finance capital.

In calculating EBITDA, Ceres excludes its share of the net income (loss) from investments in associates and the gain (loss) on sale or impairment of property, plant and equipment. Ceres may calculate EBITDA differently than other companies; therefore, Ceres’ EBITDA may not be comparable to similar measures presented by other issuers.

<sup>2</sup>Adjusted net income is not a standardized financial measure prescribed by IFRS; however, it is a metric that is used by management to determine the Corporation’s profitability excluding non-reoccurring events.

In calculating adjusted net income, Ceres excludes gain (loss) on sale or impairment of property, plant and equipment, income (loss) from investments in associates, revaluation of warrants and legal expense related to ongoing litigation. Ceres may calculate adjusted net income differently than other companies;

therefore, Ceres' Adjusted Net Income may not be comparable to similar measures presented by other issuers.

Investors are cautioned that EBITDA and adjusted net income should not be construed as alternatives to net income or loss, or to other standardized financial measures determined in accordance with IFRS, and are not intended to represent cash flows or results of operations in accordance with IFRS.

### **About Ceres Global Ag Corp. (ceresglobalagcorp.com)**

Through its network of commodity logistics centers and team of industry experts, Ceres Global Ag Corp. procures and provides North American agricultural commodities & value added products, industrial products, fertilizer, energy products and reliable supply chain logistics services to customers worldwide.

Ceres operates six locations, Duluth, MN; Minneapolis, MN; Savage, MN; Shakopee, MN; Northgate, Saskatchewan; and Port Colborne, Ontario, and is headquartered in Minneapolis, MN. Its wholly-owned facilities throughout North America have an aggregate grain and oilseed storage capacity of approximately 34.4 million bushels.

Ceres also has 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 Seed Holdings Ltd, a Canadian-based seed development company.

### **For more information please contact:**

Heidi Christensen Brown  
NATIONAL Equicom (416) 848-1389  
hchristensenbrown@national.ca

*Cautionary Notice: This news release 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 operations and results, anticipated business prospects and financial performance of Ceres and its subsidiaries, including the plans, costs, timing and capital for the further development of the Northgate Commodities Logistics Centre, expectations or projections about the future, strategies and goals for growth, expected and future cash flows, costs, planned capital expenditures, regulatory change, general economic political and market conditions anticipated capital projects, construction and completion dates, operating and financial results, critical accounting estimates, 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", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", "may have implications" 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 made, 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 are listed in the "Forward-Looking Information" section of the MD&A for the period ended December 31, 2017. 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, labour, 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 ability of Ceres to successfully defend the claim by The Scoular Corporation, the operating performance of the Corporation's assets, the availability and price of commodities and 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.*