



## CERES GLOBAL AG REPORTS FINANCIAL RESULTS FOR Q3 FY2018

**Minneapolis, MN, (May 9, 2018)** – Ceres Global Ag Corp. (TSX: CRP) (“Ceres” or the “Corporation”) today announced its financial and operating results for the three and nine months ended March 31, 2018. All amounts are in U.S. currency unless otherwise noted.

### CEO Commentary

“As expected for the winter season, third quarter volumes and revenues were low due to Great Lakes and river closures,” said Robert Day, President and Chief Executive Officer of Ceres. “Adjusted net income was also impacted by deferred hedges on inventory that will be earned back over time, and a one-time write off due to a customer’s inability to pay. Combined, these two items represent more than half the gap between revenues and costs for the quarter, and absent those items, our gross margin per unit handled was much better when compared to the same quarter one year ago.”

“As we enter the fourth quarter, we are excited about efforts being made to establish a better balance between stable revenues and costs. The formation of Savage Riverport, LLC is a key step in that direction as it lowers costs and generates \$8.5 million in cash proceeds that we can use to acquire and build assets, to increase our presence in origination of product direct from growers,” Mr. Day continued. “The joint venture will increase the value of our existing network of terminal facilities and lower our cost to supply customers.”

### Summary Financial and Operational Results

<i>(in thousands of USD except per share and bushels handled)</i>	<b>3-Months Ended March 31, 2018</b>	<b>3-Months Ended March 31, 2017</b>	<b>9-Months Ended March 31, 2018</b>	<b>9-Months Ended March 31, 2017</b>
Revenue	\$98,106	\$128,534	\$318,314	\$416,300
Gross profit	\$2,399	\$3,048	\$9,745	\$7,789
Income from operations	\$(933)	\$631	\$751	\$805
Net income (loss)	\$(1,802)	\$(8,104)	\$(2,382)	\$(9,613)
Earnings (loss) per basic share	\$(0.06)	\$(0.29)	\$(0.09)	\$(0.35)
EBITDA <sup>1</sup>	\$302	\$1,568	\$4,162	\$4,315
Adjusted net income <sup>2</sup>	\$(1,029)	\$(363)	\$(159)	\$(1,377)
Total bushels handled and merchandized	16.3 million	21.9 million	60.5 million	81.4 million

### Financial and Operational Highlights for Q3 FY2018

- Generated revenue of \$98.1 million, a 24% decrease from the third quarter fiscal year 2017.
- Gross profit decreased by 21% to \$2.4 million compared to the third quarter fiscal year 2017 due to the decrease in net trading margin offset by increases in storage and rental income, and logistics and transloading revenue.
- Increased storage and rental income by 37% and increased logistics and transloading revenue by 224% compared to the third quarter of fiscal year 2017.
- Total number of bushels handled and merchandised decreased by 26% as a result of challenging margins in the broader market.

- The previously disclosed trial by jury of the Scoular litigation is scheduled to commence on October 9, 2018.

### **Outlook**

Mr. Day continued, “While third quarter volumes and revenues were seasonally down, we are encouraged by steady progress across our core product lines, and we are seeing better merchandizing opportunities in the fourth quarter and into the coming fiscal year. Over the next several quarters we will continue to make changes to our physical infrastructure that will allow us to more competitively originate products and consistently create value for our end-use customers.”

“In addition, the economics around handling crude oil at Northgate continue to improve and we are pushing hard to develop a long-term business around that opportunity,” Mr. Day added. “Meanwhile, our baseline transload business at Northgate is experiencing steady growth as fertilizer volume has been stable, propane volume has increased and we are adding a variety of new products to the mix.”

### **Conference Call Details**

Ceres will hold a conference call to discuss its Q3 FY2018 financial and operational results on Thursday, May 10, 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: 3277915. Please dial in 15 minutes prior to the call to secure a line. The conference call will be archived for replay until Thursday, May 24, 2018 at midnight ET. To access the archived conference call, please dial 1-855-859-2056 and enter the encore code 3277915.

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

<https://event.on24.com/wcc/r/1658247/9AF920184A0A8FEE20C1660B466181FC>.

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 and one-time write-downs. 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](http://ceresglobalagcorp.com))**

Through our network of commodity logistics centers and team of industry experts, Ceres 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 five locations, Duluth, MN; Minneapolis, MN; Shakopee, MN; Northgate, Saskatchewan; and Port Colborne, Ontario, and is headquartered in Minneapolis, MN. Our facilities throughout North America have an aggregate grain and oilseed storage capacity of approximately 29.7 million bushels.

Ceres also has a 50% interest in Savage Riverport LLC, a joint venture with Consolidated Grain and Barge Co. ("CGB"), 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](mailto: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 March 31, 2018. 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.*