CERES
GLOBAL AG CORP.

November 16, 2015

Notice to readers:

Re: Ceres Global Ag Corp. ("the Corporation") Financial Statements and Management Discussion's and Analysis ("MD&A") for the three-month and six-month periods ended September 30, 2015 and 2014.

Please be advised that on November 5, 2015, the Corporation filed its Financial Statements and Management's Discussion and Analysis for the quarter ended September 30, 2015. Subsequent to filing, it was realized by the Corporation that the consolidated balance sheet referenced a non-required and immaterial footnote that was inadvertently omitted within the footnotes of the financial statements. In addition, the table within the MD&A showing gross profit per bushel handled for the three and six month periods ended September 30, 2014 and September 30, 2015 was inaccurate.

Amended Financial Statements and an MD&A for the quarter ended September 30, 2015 have been filed as of November 16, 2015, which incorporates all necessary changes.

Sincerely,

Mark Kucala
Chief Financial Officer
Ceres Global Ag Corp

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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This Management's Discussion and Analysis ("MD&A") dated November 5, 2015 should be read in conjunction with the September 30, 2015 unaudited interim condensed consolidated financial statements (the "Interim Consolidated Financial Statements") of Ceres Global Ag Corp. ("Ceres", the "Corporation", "we", "our", and "us"), the Corporation's audited consolidated financial statements for the year ended March 31, 2015 (the "Annual Consolidated Financial Statements") and the annual MD&A (the "Annual MD&A). Additional information about Ceres filed with Canadian securities regulatory authorities, including the quarterly and annual report and the annual information form is available online at www.sedar.com.

**Basis of Presentation**
Unless otherwise noted, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All information is reported in Canadian dollars ("CAD") unless otherwise specified.

**Non-IFRS Financial Measures**
This MD&A contains references to certain financial measures, including some that do not have any standardized meaning prescribed by IFRS. For example, these measures include "EBITDA" (Earnings before income tax, depreciation and amortization) and "Return on shareholders' equity", which both do not have a standardized meaning under IFRS. See Non-IFRS Financial Measures and Reconciliations.

**Risks and Forward Looking Information**
The Corporation's financial and operational performance is potentially affected by a number of factors, including, but not limited to, the factors described in the Key Assumptions & Advisories section of this MD&A.

This MD&A contains forward-looking information based on the Corporation's current expectations, estimates, projections and assumptions. This information is subject to a number of risks and uncertainties, including those discussed in this MD&A and the Corporation's other disclosure documents, many of which are beyond the Corporation's control. Users of this information are cautioned that actual results may differ materially. See "Key Assumptions and Advisories" for information on material risk factors and assumptions underlying the Corporation's forward-looking information.

## 1. FINANCIAL AND OPERATING RESULTS

| | Three months ended September 30, | | Six-months ended September 30, | |
|---|---|---|---|---|
| *(in millions except per share)* | **2015** | 2014 | **2015** | 2014 |
| Revenues | **$ 95.2** | $ 17.1 | **$ 154.6** | $ 68.6 |
| Gross profit | **$ 1.5** | $ 5.3 | **$ 3.4** | $ 6.5 |
| Income (loss) from operations | **$ (1.1)** | $ 2.4 | **$ (1.7)** | $ 0.2 |
| Net income (loss) | **$ 0.1** | $ 1.9 | **$ (1.6)** | $ (0.2) |
| Net income (loss), excluding income in associates and revaluation of derivative warrant liability (2) | **$ (0.5)** | $ 1.7 | **$ (1.7)** | $ (1.4) |
| Common shares outstanding for period | **27.1** | 14.2 | **27.1** | 14.2 |
| Earnings (loss) per share | **$ -** | $ 0.13 | **$ (0.06)** | $ (0.01) |
| As at: | | | | |
| Total assets | | | **$ 411.9** | $ 264.8 |
| Total bank indebtedness, current (1) | | | **$ 115.2** | $ 77.8 |
| Current portion of term debt | | | **$ 32.3** | $ 22.3 |
| Shareholders' equity | | | **$ 224.5** | $ 135.0 |
| Return on shareholders' equity (2) | | | **-0.7%** | -0.1% |

(1) Includes Bank indebtedness and Repurchase obligations
(2) Non-IFRS measure. See Non-IFRS Financial Measures and Reconciliations section.

## WHO WE ARE

While having one reportable segment, the Corporation operates in two segments: (1) Grain Storage, Handling and Merchandising – represented by its Grain Division that utilizes a collection of North American commercial grain storage and handling assets; and (2) Commodity Logistics – represented by the Northgate commodities logistics centre in Northgate, Saskatchewan, and a 25% interest in Stewart Southern Railway Inc. (the "SSR").

**Grain Division**
The Corporation's Grain Division, which is primarily anchored by its wholly-owned subsidiary Riverland Ag Corp. ("Riverland Ag"), is engaged in grain storage, procurement, merchandizing and "process-ready" cleaning of specialty grains such as oats, barley, rye, and durum wheat through nine grain storage and handling facilities in Minnesota, New York, and Ontario while also utilizing

the grain operating facility at the Northgate Commodity Logistics Centre ("NCLC" or "Northgate"), with aggregate storage capacity of approximately 46.6 million bushels. The Corporation's Grain business also manages two facilities in Wyoming on behalf of their owner, Briess Industries. Four of the grain storage facilities are located at deep-water ports in the Great Lakes and one on the Minnesota River which is tributary to the Mississippi River, allowing access for vessels and barges, and enabling the efficient import and export of grains globally. 39.5 million bushels of the Corporation's facilities 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 the respective futures contract.

The majority of the Ceres Grain Division's current storage space is utilized to benefit from grain trading, arbitrage and merchandising opportunities. Management determines which of the Corporation's facilities is to be employed for the storage or throughput of a particular grain shipment based on the source of the grain shipment, the elevator location relative to the end customers, the cost of logistics to transport the grain, and the availability of space in the intended elevator. In addition, the Corporation stores and handles grain for third-party customers.

**Northgate Commodities Logistics Centre**

As previously reported, Ceres owns approximately 1,300 acres of land at Northgate, Saskatchewan, where it is constructing a new commodities logistics centre designed to utilize high-efficiency rail loops, capable of handling unit trains of up to 120 railcars. The NCLC will be a $94.7 million grain, oil, natural gas liquids ("NGL") terminal and is connected to the Burlington Northern Santa Fe Railway (the "BNSF"). The Corporation is currently operating a grain transloader where it unloads inbound grain by truck from Canadian producers and loads the grain onto outbound railcars to customer end-users, or to the Corporation's existing facilities to take advantage of the value and strategic location of its current asset base. In addition, Ceres continues to construct a high-speed grain elevator that will benefit from the NCLC's strategic geographic location and position Ceres to further maximize the value of its existing Grain Division assets. The high-speed elevator will have the capability of loading a 120-car shuttle train within 15-hours.

The current year will represent the first full fiscal year of grain operations at Northgate. For the six-month period ended September 30, 2015, the Corporation incurred $1.4 million relating to expenses for the operations of the Northgate facility, which did not exist in the same six-month period in 2014. On October 15, 2015, Phase 1 of the construction of the high-speed elevator was completed, meeting its target completion date on time and within budget. Phase 1 includes the completion and commissioning of the receiving driveway, three steel storage bins totaling 960,000 bushels of storage capacity, an office building, two truck unloading pits, and the ability to load 120-car shuttle train within 15 hours. Construction of Phase 2 continues, and remains on target, within fiscal budget, to be completed and commissioned by March 2016. As disclosed in Note 18 of the Interim Condensed Consolidated Financial Statements, the Corporation's capital expenditure commitments contract but not yet incurred total $11,043,748, which relate entirely to the completion of Northgate's high-speed elevator.

As at September 30, 2015, Ceres has capitalized costs totaling $71 million (March 31, 2015: $49.9 million) for the NCLC project, including land acquisition costs, environmental costs, mass grading, site preparation, the grain transloader and related equipment, rail track costs, and permanent elevator constructions costs.

**HIGHLIGHTS FOR THREE AND SIX-MONTH PERIODS ENDED SEPTEMBER 30, 2015**

For the fiscal quarter ended September 30, 2015 compared to 2014:

- Revenues of $95.2 million (2014: $17.1 million);
- Gross profit of $1.5 million (2014: gross profit of $5.3 million);
- Operating expenses related to Northgate[1] were $0.7 million (2014: nil);
- Loss from operations of $1.1 million (2014: income from operations of $2.4 million);
- EBITDA[2] of $1.3 million for the quarter (2014: EBITDA of $3.2 million);
- Net income $0.1 (2014: net income of $1.9 million); and
- Basic and fully diluted consolidated earnings per share was nil (2014: earnings $0.13 per share).

For the six-month period ended September 30, 2015 compared to 2014:

- Revenues of $154.6 million (2014: $68.6 million);
- Gross profit of $3.4 million (2014: $6.5 million);
- Operating expenses related to Northgate totaled $1.4 million (2014: nil);
- Loss from operations of $1.7 million (2014: income from operations of $0.2 million);
- EBITDA was $1.3 million (2014: $1.4 million);
- Net loss of $1.6 million (2014: net loss of $0.2 million); and
- Basic and fully diluted consolidated loss per share was $0.06 (2014: loss $0.01 per share).

**Overall Performance**

The Corporation's net income was $0.1 million for the second quarter, compared to net income of $1.9 million in the second quarter of prior year. Items affecting the quarter ended September 30, 2015 compared to 2014 included:

- Gross profit for the second quarter of the current year totaled $1.5 million, a reduction of $3.8 million from gross profit of $5.3 million for the second quarter of prior year. (See Revenues and Gross Profit analysis directly below).
- Operating expenses relating to Northgate amounted to $0.7 million compared to nil for the same quarter in the prior year.
- General and administrative expenses declined $0.4 million from $2.9 million to $2.5 million for the quarter ended September 30, 2015. (See General and Administrative Expense analysis and discussion below for further insight.)
- Finance income increased $1.5 million from the second quarter of the prior year due to unrealized gains relating to portfolio investments at fair value. (See Finance Income section below for further insight.)
- Revaluation of derivative warrant liability was an unrealized gain for the quarter of $0.7 million compared to nil in the same quarter of prior year. (See Revaluation of Derivative Warrant Liability for a further discussion.)

[1] Operating expenses relating to Northgate and all of our facilities is classified within Cost of sales in the Interim Condensed Consolidated Statements of Comprehensive Income.
[2] Non-IFRS measure. See Non-IFRS Measures and Reconciliations section.

The Corporation's net loss of $1.6 million for the six-month period ended September 30, 2015, compared to a loss of $0.2 million in the six-month period ended September 30, 2014. Items affecting the six-month period ended September 30, 2015 compared to 2014 included:

- Gross profit for the first six months of the current year decreased $3.1 million to $3.4 million compared to $6.5 million for the first six months of prior year (See Revenues and Gross Profit analysis directly below.)
- Operating expenses relating to Northgate, as this will be the first full fiscal year of operating the facility, totaled $1.4 million.
- General and administrative expenses declined $1.2 million from $6.3 million to $5.1 million for the six-month period ended September 30, 2015. (See General and Administrative Expense analysis and discussion below for further insight.)
- Finance income increased $1.5 million from the six-month period ended September 30, 2015, which was due to unrealized gains relating to portfolio investments at fair value recognized in the current year. (See Finance Income section below for further insight.)
- Share of net income in investment in associates declined $1.0 million from $1.3 million to $0.3 million for the six-month period ended September 30, 2015. (See Finance Income analysis and discussion below.)

**Revenues and Gross Profit**

The Corporation's Grain Division, primarily through Riverland Ag, is principally involved in an agricultural commodity-based business, in which changes in selling prices generally move in relation to changes in purchase prices. Therefore, increases or decreases in prices of the agricultural commodities that the business deals in will have a relatively equal impact on sales and cost of sales and a minimal impact on gross profit. Accordingly, management believes it is more important to focus on changes in gross profit than on changes in revenue dollars.

For the six-months ended September 30, 2015 revenues totaled $154.6 million compared to $68.6 million for the same six months in 2014, which was driven by an increase in bushels sold. For the quarter ended September 30, 2015 and 2014, revenues totaled $95.2 million and $17.1 million, respectively. The increase in revenues for the six-month period and quarter ended September 30, 2015, was driven by settled bushels sold compared to the respective period in the prior year. For the six-months ended September 30, 2015 settled sales bushels totaled 15 million bushels compared to 9 million in 2014. For the quarter ended September 2015, settled sales bushels amounted to 9.5 million compared to 3.3 million for the same quarter in 2014.

The table below represents a summary of the components of gross profit for the quarters and six-month periods ended September 30, 2015 and 2014:

| | 3 months | | 6 months | |
|---|---|---|---|---|
| *(in millions)* | **2015** | 2014 | **2015** | 2014 |
| Net trading margin | **$ 4.2** | $ 7.9 | **$ 8.8** | $ 10.7 |
| Storage and rental income | **2.3** | 1.6 | **4.1** | 3.6 |
| Logistics and energy transloading | **0.1** | - | **0.3** | - |
| Operating expenses included in Cost of sales | **(4.3)** | (3.4) | **(8.2)** | (6.5) |
| Depreciation expense included in Cost of sales | **(0.8)** | (0.8) | **(1.6)** | (1.3) |
| Gross profit | **$ 1.5** | $ 5.3 | **$ 3.4** | $ 6.5 |

For the six-months ended September 30, 2015, gross profit totaled $3.4 million compared with $6.5 million for the six-months ended September 30, 2014. The decline in gross profits of $3.1 million was driven by a reduction in net trading margins of $1.9 million, and an increase in operating expenses of $1.7 million, which was due to the operations and expenses incurred as part of operating our Northgate facility, which totaled $1.4 million. The decline in trading margins is most attributable to minimal margin opportunities in a low-priced commodity environment, while the increase in operating expenses due to operations at Northgate. These reductions to gross profit were slightly offset by an increase in storage and rental income of $0.5 million.

Gross profits for the quarter ended September 30, 2015 and 2014 totaled $1.5 million compared with $5.3 million, respectively, representing a reduction of $3.8 million in gross profit. The reduction in the current year quarter compared to prior year, was driven by a reduced net trading margin resulting from minimal margin opportunity in the current market environment and little price volatility, which amounted to $3.7 million. While storage and rental income along with logistics and energy transloading increased $0.8 million, increased operating expenses of nearly $1 million, which was entirely driven by operations at Northgate in the current year that did not exist in the quarter ended September 30, 2014, contributed to lower gross profit. Northgate operating expenses incurred in the quarter ended September 30, 2015 totaled $0.7 million.

The table below represents the total number of bushels handled at the Corporation's elevator facilities for the company-owned grains and for grain handled for third-party storage tenants for the quarters and six-month periods ended September 30, 2015 and 2014:

| | 3 Months | | 6 Months | |
|---|---|---|---|---|
| *(Bushels in millions)* | **2015** | 2014 | **2015** | 2014 |
| Company-owned bushels handled | **7.92** | 4.17 | **11.76** | 8.19 |
| Third-party bushels handled | **2.20** | 5.18 | **5.06** | 12.74 |
| Total bushels handled | **10.12** | 9.35 | **16.82** | 20.93 |

The following table represents the net trading margins per bushel relative to company-owned bushels handled; storage and rental income per bushel of third-party owned inventory handled; along with the operating and depreciation expenses per bushel for all bushels handled for the quarter and six-month periods ended September 30, 2015 and 2014.

| | 3 months | | 6 months | |
|---|---|---|---|---|
| *(Dollars per bushel handled)* | **2015** | 2014 | **2015** | 2014 |
| Net trading margin | **$ 0.53** | $ 1.89 | **$ 0.75** | $ 1.31 |
| Storage and rental income | **1.05** | 0.31 | **0.81** | 0.28 |
| Average gross profit before undernoted expenses | **0.65** | 1.02 | **0.78** | 0.68 |
| Operating and depreciation expense | **(0.50)** | (0.45) | **(0.58)** | (0.37) |
| Gross profit per bushel handled | **$ 0.15** | $ 0.57 | **$ 0.20** | $ 0.31 |

For the six-month period ended September 30, 2015, our gross profit per bushels handled declined $0.11 compared to the same six months a year ago. This reduction is driven by a decline in net trading margin per bushels handled, as it declined from $1.31 per bushels to $0.75 per bushel, along with an increase in operating and depreciation expense per bushel handled of $0.21 per bushel. The decline in net trading margins is a function of the historical low-price environment along with little volatility, which in combination, has reduced margins overall. The increase in operating expenses per bushel handled is most attributable to the commencement of operations at Northgate, which did not exist in the prior year.

For the quarter ended September 30, 2015 the gross profit per bushel handled decreased $0.42 per bushel handled from the same quarter a year ago from $0.57 to $0.15 per bushel. While net trading margin per bushel handled declined from $1.89 to $0.53 per bushel and operating expenses increased $0.45 to $0.50 per bushel, storage and rental income per bushel handled increased over three-fold, which slightly offset the aforementioned per bushel decline. The decline in net trading margin per bushel handled was due to lower trading margins, and the Corporation handling 3.7 million more company-owned bushels. On the other hand, the increase in storage and rental income per bushel handled was driven by more bushels in-store owned by third-parties while handling less third-party grain.

**General and Administrative Expenses**

General and administrative expense is composed of three components: Corporate level administrative expenses, administrative expenses associated with operating the Grain Division (exclusive of those expenses incurred at grain facilities, which are captured in Cost of sales and are a reduction to Gross profit as described above), and the revaluation of the provision for future payments to Front Street Capital. In addition, the corporate administrative expenses are inclusive of non-grain business growth initiatives.

The following table below lays out the components of the Corporation's consolidated general and administrative expenses for the quarter and six-month periods ended September 30, 2015 and 2014:

| | 3 months | | 6 months | |
|---|---|---|---|---|
| *(in millions)* | **2015** | 2014 | **2015** | 2014 |
| Corporate administration | **$ 1.1** | $ 1.8 | **$ 2.2** | $ 3.8 |
| Grain Division administration | **1.6** | 1.2 | **2.8** | 2.6 |
| Revaluation of provision of Front Street Capital | **(0.2)** | (0.1) | **-** | (0.1) |
| Total general and administrative expense | **$ 2.5** | $ 2.9 | **$ 5.0** | $ 6.3 |

For the six-months ended September 30, 2015, general and administrative expenses totaled $5.0 million compared with $6.3 million for the six-months ended September 30, 2014. The reduction of $1.3 million is due to a reduction in corporate administrative expenses related to consulting, engineering and outside services, which were incurred last year associated with the build-out of NCLC. A decline in such expenses were partially offset by an increase of approximately $0.3 million in the Grain Division general and administrative primarily driven by personnel costs. This is due to increased personnel as the Corporation has expanded and continues to expand its grain trading and energy logistics business.

For the quarter ended September 30, 2015, general and administrative expenses totaled $2.5 million, which represents a decrease of $0.4 million from the same quarter a year ago. Consistent with the six-month period ended September 30, 2015, the reduction is largely due to a reduction in corporate administrative expenses, which declined nearly $0.7 million due to the NCLC expenses incurred during the same quarter ended 2014, which were not incurred during the quarter ended September 30, 2015. In addition, there was a decrease in the expense relating to the revaluation of provision for future payments due to Front Street Capital, which totalled $141 thousand for the quarter ended September 30, 2015.

**Finance Income**

For the six-month period ended September 30, 2015, finance income totalled $1.4 million compared to finance loss of $147 thousand in the same period last year. For the quarter ended September 30, 2015, finance income totaled $1.5 million, which represented a $1.5 million increase compared to the finance loss of $2 thousand in the same period last year.

The increase for the six-month period and quarter ended September 30, 2015 compared to 2014 is attributable to the revaluation of the Corporation's investment in Canterra Seeds Holdings, Ltd. ("Canterra" or "the Investee"). As described in Note 10 of the Interim Condensed Consolidated Financial Statements, the Corporation held a 25% equity interest in Canterra that had a carrying value of $2,168,767. This investment, accounted for using the equity method, was classified on the Consolidated Balance Sheet as "Investments in associates".

During the quarter ended September 30, 2015, the Investee issued additional common equity shares, resulting in the dilution of the Corporation's equity interest to 17%. As a result, the Corporation no longer has significant influence over the financial and operating policies of the Investee. Therefore, as at September 30, 2015, Ceres reclassified its investment to portfolio investments and recorded it at fair value, recognizing a gain of $1,368,247 classified within the Interim Condensed Consolidated Statement of Comprehensive Income as "Finance income". The investment in Canterra totals $3,537,014 as at September 30, 2015, and is classified on the Interim Condensed Consolidated Balance Sheet within "Portfolio investments, at fair value".

**Revaluation of Derivative Warrant Liability**

As described in Note 12 of the Interim Condensed Consolidated Financial Statements for the three-month and six-month period ended September 30, 2015, in connection with the completion of the rights offering, on December 4, 2014, Ceres issued an aggregate of 2,083,334 warrants to the stand-by purchasers. The warrants issued were conditional upon approval at the Corporation's annual general meeting ("AGM"), which was obtained at the AGM on August 7, 2015. Furthermore, the stand-by warrants issued, were issued at a fixed price of $5.84 and are each exercisable into one common share of the Corporation. The warrants have an expiry date 24 months after issuance.

In the event that the warrants are being exercised prior to the completion of a change of control of the Corporation, but after such transaction has been publicly announced, in lieu of exercising the warrants, the holders of warrants can elect a cashless exercise to receive common shares equal to: the difference between the ten-day VWAP of the Corporation's stock price and $5.84; multiplied by the number of common shares in respect of which the election is made; divided by the ten-day VWAP of the Corporation's stock price. If a warrant holder exercises this option, there will be variability in the number of shares issued per warrant.

In accordance with IFRS, a contract to issue a variable number of shares fails to meet the definition of equity and must instead be classified as a derivative liability and measured at fair value with changes in the fair value recognized in the statement of operations and comprehensive loss at each period end, and if, the warrants when exercised are converted to common shares, or will be extinguished upon the expiration of the outstanding warrants, and will not result in the outlay of any cash by the Corporation.

Revaluation of derivative warrant liability was an unrealized loss of $138 thousand for the six-month period ended September 30, 2015 compared to nil for the same six-month period in 2014. For the quarter ended September 30, 2015, the revaluation of derivative warrant liability was an unrealized gain of $698 thousand compared to nil for the same quarter 2014. An unrealized gain or loss for a particular period is inversely related to the change in the stock price for the respective period. As a result, for the six-month period from April 1, 2015 to September 30, 2015 our stock price increased from $6.00 to $6.32, which resulted in an unrealized loss for the period. On the other hand, for the three month period from July 1, 2015 to September 30, 2015 our stock price declined from $6.75 to $6.32, leading to a gain for the quarter.

**Interest Expense**

| | 3 months | | 6 months | |
|---|---|---|---|---|
| *(in thousands)* | **2015** | 2014 | **2015** | 2014 |
| Interest on revolving credit facility | **$ 430.4** | $ 376.7 | **$ 632.1** | $ 809.6 |
| Interest on repurchase obligations | **-** | (0.1) | **15.1** | 65.6 |
| Long-term debt | **435.7** | - | **859.1** | - |
| Amortization of financing costs paid | **136.4** | 146.9 | **264.2** | 294.1 |
| Interest income and other interest expense | **(53.5)** | (0.1) | **(55.0)** | (0.2) |
| | **$ 949.0** | $ 523.4 | **$ 1,715.5** | $ 1,169.1 |

For the six-months ended September 30, 2015, interest expense increased nearly $0.5 million from $1.2 million to $1.7 million from September 30, 2014 to 2015, respectively. For the quarter ended September 30, 2015, interest expense totaled $949 thousand compared to $523 thousand for the same quarter ended in 2014. This increase is due to interest expense on term debt, which did not exist in the prior year, along with a slight increase in interest on the revolving credit facility, which was due to increased inventory quantities during the quarter ended September 30, 2015 compared to 2014.

In addition, as part of the redemption of an investment in intercompany preferred shares – described in detail below within Financing Activities of the Liquidity & Cash Flow section – the Corporation borrowed $57 million on its revolving line of credit during the quarter ended September 30, 2015. The incremental interest expense on the borrowings associated with the redemption totaled $166 thousand.

**Income Taxes**

Income taxes recovered for the six-month period ended September 30, 2015 totalled $0.3 million compared to an expense of $0.3 million for the same six months in 2014. The recovery of $0.3 million relates to deferred taxes recovered during the period.

Income taxes recovered for the quarter ended September 30, 2015 totalled $7 thousand compared to an expense of $168 thousand for the same quarter 2014.

**Share of Net Income (Loss) in Investments in Associates**

For the six-months ended September 30 2015, the Corporation's share of net income in its investment in associates was a net gain of $0.3 million compared to $1.2 million for the same six-month period in 2014. For the quarter ended September 30, 2015, the Corporation's share of net income in its investment in associates was a net loss of $0.1 million compared to income of $0.2 million for the same quarter 2014.

For the six-months and quarter ended September 30, 2015, the decline in the current year is driven by two factors. First, Ceres' investees had a reduction in profitability compared to prior year, as a decline in shipments of crude oil and petroleum has slowed Stewart Southern Railway's profitability while sales of canola seed were delayed for Canterra. Second, the reclassification on the balance sheet of our investment in Canterra and the related gain on the investment, as we discussed in Finance Income above.

**Gain on translation of foreign currency accounts of foreign operations**

Gains and losses pertaining to translation of foreign operations relate to net assets of USD functional currency operations, which are translated into CAD using the rate at the reporting date while related net income (or loss) is translated using the average rate for the period.

For the six-month period ended September 30, 2015, the Corporation recognized a gain on translation of foreign accounts totaling $6.9 million, compared to $1.0 million for the same period in 2014. For the quarter ended September 30, 2015, Ceres recognized a gain on translation of foreign accounts totaling $10.4 million, compared to $5.0 million for the same quarter 2014.

The Corporation will recognize a gain on translation of foreign currency accounts when the spot rate from USD to CAD as at the balance sheet date is weaker than the average exchange rate for the period. When the spot rate at the balance sheet rate is stronger than the average rate, a loss is recognized. For the quarter and six-month period ended September 30, 2015 and 2014, the spot and average USD to CAD rates were as follows:

| | 3 months | | 6 months | |
|---|---|---|---|---|
| | **2015** | 2014 | **2015** | 2014 |
| Spot rate at balance sheet date | **1.34** | 1.12 | **1.34** | 1.12 |
| Average exchange rate | **1.31** | 1.09 | **1.27** | 1.09 |

## 2. QUARTERLY FINANCIAL DATA

| | 3 months | 3 months | 3 months | 3 months | 3 months | 3 months | 3 months | 3 months |
|---|---|---|---|---|---|---|---|---|
| Reporting dates | 9/30/2015 | 6/30/2015 | 3/31/2015 | 12/31/2014 | 9/30/2014 | 6/30/2014 | 3/31/2014 | 12/31/2013 |
| *(in millions except per share)* | Q2 2016 | Q1 2016 | Q4 2015 | Q3 2015 | Q2 2015 | Q1 2015 | Q4 2014 | Q3 2014 |
| Revenues | $ 95.2 | $ 59.3 | $ 54.5 | $ 69.7 | $ 17.1 | $ 51.5 | $ 33.5 | $ 54.8 |
| Gross profit (loss) | $ 1.5 | $ 1.9 | $ (0.2) | $ 5.4 | $ 5.3 | $ 1.2 | $ 3.7 | $ 0.1 |
| Income (loss) from operations | $ (1.1) | $ (0.6) | $ (2.5) | $ 3.3 | $ 2.4 | $ (2.2) | $ 2.4 | $ (1.3) |
| Net income (loss) | $ 0.1 | $ (1.7) | $ (3.5) | $ 2.3 | $ 1.9 | $ (2.1) | $ 0.4 | $ (2.1) |
| Return on shareholders' equity | 0.0% | -0.8% | -1.6% | 1.1% | 1.4% | -1.6% | 0.3% | -1.6% |
| Weighted-average number of common shares for the quarter | 27.1 | 27.1 | 27.1 | 17.9 | 14.2 | 14.2 | 14.2 | 14.2 |
| Basic and fully diluted earnings (loss) per share | $ 0.00 | $ (0.06) | $ (0.13) | $ 0.13 | $ 0.13 | $ (0.15) | $ 0.03 | $ (0.15) |
| EBITDA | $ 1.3 | $ - | $ (1.6) | $ 3.8 | $ 3.2 | $ (1.8) | $ 3.1 | $ (1.6) |
| EBITDA per share | $ 0.05 | $ - | $ (0.06) | $ 0.21 | $ 0.23 | $ (0.13) | $ 0.22 | $ (0.12) |
| Cash and portfolio investments, at reporting date | $ 67.1 | $ 4.4 | $ 6.0 | $ 86.3 | $ 13.7 | $ 26.4 | $ 12.9 | $ 7.3 |
| Shareholders' equity, as at reporting date | $ 224.5 | $ 213.8 | $ 218.8 | $ 214.1 | $ 135.0 | $ 128.1 | $ 134.1 | $ 129.3 |
| Shareholders' equity per common share, as at reporting date | $ 8.30 | $ 7.90 | $ 8.09 | $ 7.91 | $ 9.50 | $ 9.01 | $ 9.44 | $ 9.10 |

Revenues: The Corporation's revenue is currently generated by its Grain Division, and revenues are predominantly composed of the sale of grain, storage and rental income, and other operating income that is earned. Since a predominant portion of revenue is composed of the sale of grain, as a commercial commodities merchandizing business, revenues can vary from quarter-to-quarter due to fluctuations of agricultural commodity prices. The Corporation has the flexibility to be opportunistic in its decisions to buy, sell or hold inventory based on market conditions such as grain supply, demand and grain values.

Gross profit (loss) & Income (loss) from operations: The Corporation's Grain Division is principally involved in an agricultural commodity-based business, in which changes in selling prices generally move in relation to changes in purchase prices. Therefore, increases or decreases in prices of the agricultural commodities are expected to have a relatively equal impact on sales and cost of sales, and accordingly a minimal impact on gross profit. Therefore, management believes it is more important to focus on changes in gross profit rather than changes in revenue dollars. Gross profit may vary from quarter to quarter depending on gains from trading, carrying income and basis income against changing inventory levels.

## 3. LIQUIDITY & CASH FLOW

| *(in thousands)* | Six months ended September 30 | |
|---|---|---|
| | **2015** | 2014 |
| Net Cash Provided by (used in) | | |
| Operating activities | **$ 9,758** | $ 701 |
| Investing activities | **(24,896)** | (10,601) |
| Net Cash Provided (Used) Before Financing Activities | **(15,138)** | (9,900) |
| Financing Activities | **71,303** | 10,551 |
| Foreign Exchange Cash Flow Adjustment on Accounts Denominated in a Foreign Currency | **1,458** | 1,053 |
| Increase in Cash and Cash Equivalents | **$ 57,623** | $ 1,704 |
| Cash and Cash Equivalents | **$ 62,759** | $ 13,713 |

**Operating Activities**

Cash from operating activities was $9.1 million higher in 2015 predominantly due to the change in non-cash working capital accounts of $10.4 million from a net increase of $156 thousand for the six months ended September, 30, 2014, to $10.6 million for the same six months ended 2015.

**Investing Activities**

The Corporation's primary investing activities are acquisitions of property, plant and equipment. During the six months ended September 30, 2015, investing activities used were $24.9 million of cash, which was entirely due to additions of property, plant and equipment. The cash used for investing activities at NCLC totaled $23.5 million of the $24.9 million for the six-month period ended September 30, 2015.

**Financing Activities**

During the six months ended September 30, 2015, the Corporation had a net increase of $71.3 million in cash provided by financing activities compared to $10.6 million for the same six months in 2014. The increase in cash provided by financing activities of $71.3 million was primarily attributable to net proceeds of $90.0 million of increased borrowings on the revolving credit facility, partially offset by repayments of repurchase obligations of 18.6 million.

During the quarter ended September 30, 2015, the Corporation redeemed an investment in intercompany preferred shares. One wholly-owned subsidiary, a Canadian corporation, owned USD $30 million in preferred shares of a second wholly-owned subsidiary, being a corporation formed in America. Dividends associated with those preferred shares represented a deductible expense for American income tax purposes and were non-taxable dividend revenue for Canadian income tax purposes. During the quarter, the US entity, through Riverland Ag Corp., borrowed USD $43 million on Riverland Ag Corp.'s revolving line of credit to repay the preferred shares of USD $30 million plus the accrued cumulative dividends payable of USD $13 million. As at September 30, 2015, the Corporation has on deposit cash of CAD $57 million relating to this redemption. The increase in financing activities of CAD $71.3 million was primarily driven by borrowing on the line of credit to fund the redemption of these preferred shares.

**Available Sources of Liquidity**

The Corporation's sources of liquidity as at September 30, 2015 are cash and cash equivalents and available funds under its revolving credit facility ("credit facility"). Management believes that cash flow from operations will be adequate to fund operating expenditures, maintenance capital, interest, and any income tax obligations. Growth capital expenditures in the next twelve months will be funded by cash on hand and borrowing against the credit facility. Any additional debt incurred will be serviced by the anticipated increases in cash flow and will only be borrowed within the Corporation's debt covenant limits.

In addition, the Corporation's credit facilities at September 30, 2015 have certain covenants, including minimum working capital of not less than $30 million. As at September 30, 2015 the Corporation's working capital – defined as current assets less current liabilities – totaled $76.3 million. In addition to working capital, the covenants include the maintenance of "consolidated debt" to "consolidated tangible net worth" (as defined in the agreement) of not more than 4.0 to 1.0; and consolidated tangible net worth of not less than $130 million. As at September 30 and March 31, 2015), the Corporation was in compliance with all the above mentioned financial covenants.

As at September 30, 2015, the Corporation was unable to fulfill its interest coverage ratio financial covenant as required under its term loan facility agreement. Subsequent to September 30, but prior to the issuance of the Interim Condensed Consolidated Financial Statements, Ceres received an irrevocable waiver of the covenant violation from its lender, and as a result, the lender cannot demand payment of the debt as a result of the breach.

However, while the waiver of the September 30, 2015, financial covenant occurred subsequent to September 30, 2015, but prior to the issuance date, IFRS requires this liability to be classified as current, since, according to IFRS, the Corporation did not have an unconditional right at the balance sheet date to defer the settlement of the debt for at least 12 months.

Therefore, the term loan less unamortized financing cost are classified within "Current portion of long-term debt" on the Interim Condensed Consolidated Balance Sheet as at September 30, 2015. The Corporation expects that the debt will be repaid in accordance with the original payment terms described above.

The following table provides a summary of available cash and unused credit facilities:

| *(in thousands)* | **September 30, 2015** | March 31, 2015 |
|---|---|---|
| Cash and cash equivalents | **$ 62,759** | $ 5,136 |
| Bank indebtedness | **(115,237)** | (18,736) |
| Repurchase obligations | **-** | (18,635) |
| Unused portion of credit facility | **45,591** | 132,741 |
| Unused portion of repurchase obligation | **134,090** | 107,785 |
| | **$ 127,203** | $ 208,291 |

## 4. CAPITAL RESOURCES

The Corporation utilizes its revolving credit facility to finance its grain trading operations, which primarily consist of purchases of grain inventories, financing of accounts receivable, and hedging activities, less accounts payable. Levels of short-term debt fluctuate based on changes in underlying commodity prices and the timing of grain purchases.

**Credit Facility**
As disclosed in the Annual Consolidated Financial Statements, on December 30, 2014, the Corporation amended and extended its syndicated uncommitted US$120 million 364-day revolving credit agreement with Macquarie Bank Ltd. ("Macquarie Bank"). Borrowings bear interest at 2.875% plus overnight LIBOR. Interest is calculated and paid on a monthly basis. Amounts under the credit agreement that remain undrawn are not subject to a commitment. Prior to this agreement, through Riverland Ag, the Corporation had a revolving credit agreement that was substantially identical as it was syndicated and for US$120 million with borrowing bearing interest at 2.875% plus overnight LIBOR.

**Term Debt**
In addition, also as noted in the Annual Consolidated Financial Statements, on June 27, 2014, Ceres entered into a senior secured term loan facility agreement (the "Loan") for US$20 million with Macquarie Bank to finance further development and early stage construction of Northgate.

Subsequent to that, and in conjunction with amending and extending the syndicated uncommitted credit agreement described above, on December 30, 2014, the Corporation entered into a senior secured term loan facility agreement (the "New Loan") for US$25 million with Macquarie Bank. This New Loan is for a term of 5 years with an interest rate of one month LIBOR plus 5.25%. This New Loan extinguished and replaced the previous loan originated on June 27, 2014, which had an initial term maturing on December 29, 2014.

**Equity Financing & Rights Offering**
On December 4, 2014, the Corporation successfully completed a fully backstopped rights offering. The rights offering was fully subscribed at a price of $5.84. The Corporation issued 12,842,465 common shares for aggregate gross proceeds of approximately $75 million. Costs incurred relating to the issuance of shares totaled $1,640,421.

## 5. ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

**Changes in Accounting Policies and Standards Issued But Not Yet Effective**
Refer to Note 4 to the Interim Condensed Consolidated Financial Statements for information pertaining to accounting changes effective for the current fiscal year ending March 31, 2016, and information on standards issued buy not yet effective.

**Critical Accounting Estimates**
The discussion and analysis of Ceres' financial condition and results of operations are based upon the Corporation's Consolidated Financial Statements, which have been prepared in accordance with IFRS. Ceres' significant accounting policies and accounting estimates are contained in the Annual Consolidated Financial Statements (see Notes 3 and 4, respectively, for the description of policies or references to notes where such policies are contained). The critical accounting estimates are valuation of investments; valuation of inventories and commodity derivatives; fair value of financial instruments; income taxes and the valuation of warrant obligations; and deferred share units, because they require Ceres to make assumptions about matters that are potentially uncertain at the time the accounting estimate is made and due to the likelihood that materially different amounts could be reported under different conditions or using different assumptions.

## 6. OUTLOOK

### MARKET OUTLOOK

**Grain Division**

During the quarter ended September 30, 2015, the Corporation has amended its existing third-party storage and rental agreements while entering into a new such agreements that meet the Corporation's internal hurdles and optimize space and utilization for company-owned inventories. Due to attractive carries in its core commodities, the Corporation has increased its inventory levels since March 31 and June 30, 2015 by 27% and 41%, respectively.

While this has provided consistent income for some products and favorably positions the Corporation going forward, the last six months have been challenging. Due to flat markets we have not been able to generate consistent trading margins we anticipate to earn over the following two fiscal quarters.

The Corporation continues to execute on its strategy as being a preferred supplier to end-users throughout North America and Europe. The high-speed inland grain terminal at Northgate is key to this effort and significant progress has been made to reach key gateways into the United States, Latin America and Asia, with Phase 1 having been completed in October. With advancement at Northgate, along with greater utilization of the terminal assets in our network, consistent momentum is expected to yield desirable results as our year progresses.

**Logistics Division**

Concurrent with our grain operations at Northgate, as disclosed in our MD&A for the quarter ended June 30, 2015, and in conjunction with our partnership with Elbow River Marketing Ltd. ("ERM"), a wholly owned subsidiary of Parkland Fuel Corporation, we continue to unload liquefied petroleum gas ("LPG") from inbound trucks loading LPG into railcars for shipment into the US market via the BNSF from Northgate, Saskatchewan. This provides a direct link and an added access point for LPG to enter the US market. We anticipate that this business will continue to grow throughout the second half of this year and into the following fiscal year. We are continuing to renegotiate and extend our current transloading agreement with ERM while exploring opportunities to build out and further develop the NCLC LPG transloading business with additional tenant customers. In addition, the Corporation is pursuing opportunities that further leverage the international port advantages of NCLC with other oilfield and agricultural inputs products.

In addition, the Corporation is in the process of finalizing a long-term agreement with a global fertilizer company to develop fertilizer distribution at Northgate. This development would allow Ceres to bring 65-80 car trains of phosphate-based fertilizer to Northgate, warehouse it, and load trucks out in a new, state of the art high-speed terminal. This arrangement would provide the Corporation's grain suppliers at Northgate with the ability to backhaul grain, as local grain suppliers would reload their trucks with fertilizer after having unloaded grain and return to their origination. This would greatly improve transportation economics, and further highlight Northgate as an advantageous pricing gateway.

## 7. OTHER

### CONTROLS ENVIRONMENT

**Disclosure Controls and Procedures**

Ceres maintains appropriate information systems, procedures and controls to ensure that new information disclosed externally is complete, reliable and timely. National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109") requires the Chief Executive Officer and the Chief Financial Officer to certify that they are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and that they have, as at September 30, 2015, designed the DC&P (or have caused such DC&P to be designed under their supervision) to provide reasonable assurance that material information relating to Ceres is made known to them by others, particularly during the period in which Ceres' annual filings are being prepared, and that information required to be disclosed by Ceres in its annual filings, interim filings or other reports filed or submitted by Ceres under applicable securities legislation is recorded, processed, summarized and reported within the time periods specified in applicable securities legislation.

**Internal Controls over Financial Reporting**

NI 52-109 also requires the Chief Executive Officer and the Chief Financial Officer to certify that they are responsible for establishing and maintaining internal control over financial reporting ("ICFR") and that they have, as at September 30, 2015, designed ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards (IFRS). The control framework used by the Chief Executive Officer and the Chief Financial Officer to design Ceres' ICFR is the *Risk Management and Governance: Guidance on Control* (COCO Framework) published by The Canadian Institute of Chartered Accountants. There have been no material changes in the Corporation's internal control over financial reporting during the three month period ended September 30, 2015 that materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

### FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation's financial instruments and other instruments, including a discussion of risks and relevant risk sensitivities, can be found in Note 6 of the Annual Consolidated Financial Statements.

### OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has not engaged in any off-balance sheet arrangements.

### SHARES OUTSTANDING

As at November 5, 2015, the issued and outstanding equity securities of the Corporation consisted of 27,057,655 common shares.

### CONTINGENCIES AND COMMITMENTS

See Note 18 of the Interim Condensed Consolidated Financial Statements for disclosure of the Corporation's contingencies and commitments as at September 30, 2015.

## 8. NON-IFRS FINANCIAL MEASURES AND RECONCILIATIONS

Certain financial measures in this MD&A and discussed below are not prescribed by and have a standardized meaning under IFRS. As such, they are unlikely to be comparable to similar measures presented by other issuers. These non-IFRS financial measures are included because management uses the information to analyze leverage, liquidity, and operating performance.

**Earnings Before Income Taxes, Depreciation and Amortization**
The Corporation believes the presentation of EBITDA can provide useful information to investors and shareholders as it provides increased transparency. EBITDA is one metric that is used by management to determine the Corporation's ability to service its debt and finance capital. EBITDA excludes gains and losses on property, plant and equipment and assets held for sale, as these items are considered to be non-reoccurring in nature.

The following table is a reconciliation of EBITDA for Ceres on a consolidated basis the three and six-month periods ended September 30, 2015 and 2014.

| | 3 months | | 6 months | |
|---|---|---|---|---|
| *(in thousands)* | **2015** | 2014 | **2015** | 2014 |
| Net income (loss) for the period | **$ 98** | $ 1,913 | **$ (1,602)** | $ (193) |
| Add/(Deduct): | | | | |
| Interest Expense | **949** | 524 | **1,716** | 1,169 |
| Revaluation of derivative warrant liability | **(698)** | - | **138** | - |
| Gain on sale or property, plant and equipment | **-** | - | **-** | - |
| Loss on impairment of assets held for sale | **-** | - | **-** | - |
| Income taxes (recovered) | **(7)** | 169 | **(327)** | 286 |
| Share of net (income) loss in investments in asscoiates | **54** | (202) | **(250)** | (1,249) |
| Depreciation on property, plant and equipment | **855** | 774 | **1,633** | 1,346 |
| | **$ 1,251** | $ 3,178 | **$ 1,308** | $ 1,359 |

**Net Loss Excluding Income in Associates and the Revaluation of Derivative Warrant Liability**
Management believes that the net income (loss) of the Corporation excluding the revaluation of the derivative warrant liability and income in investment in associates provides a transparent measure to assess the core operations of the Corporation. This is one metric that is used by management to evaluation the Corporation's operating profitability.

| | 3 months | | 6 months | |
|---|---|---|---|---|
| *(in thousands)* | **2015** | 2014 | **2015** | 2014 |
| Net income (loss) for the period | **$ 98** | $ 1,913 | **$ (1,602)** | $ (193) |
| Add/(Deduct): | | | | |
| Revaluation of derivative warrant liability | **(698)** | - | **138** | - |
| Share of net (income) loss in investments in asscoiates | **54** | (202) | **(250)** | (1,249) |
| | **$ (546)** | $ 1,711 | **$ (1,714)** | $ (1,442) |

**Return on Shareholders' Equity**
Ceres believes that the return on shareholders' equity can be an effective measure used to evaluate the performance of the business over time. Management uses this metric to analyze performance and set targets. Return on shareholders' equity is the quotient of the net income (loss) for the period and the total shareholders' as at the reporting date.

The following table is a calculation of return on shareholders' equity profit for the quarters and six-month periods ended September 30, 2015 and 2014:

| | 3 months | | 6 months | |
|---|---|---|---|---|
| *(in thousands)* | **2015** | 2014 | **2015** | 2014 |
| Net income (loss) for the period | **$ 98** | $ 1,913 | **$ (1,602)** | $ (193) |
| Total shareholders' equity as at reporting date | **224,468** | 135,027 | **224,468** | 135,027 |
| | **0.0%** | 1.4% | **-0.7%** | -0.1% |

## 9. KEY ASSUMPTIONS & ADVISORIES

### FORWARD LOOKING INFORMATION

This annual MD&A contains information that is "forward-looking information", "forward-looking statements" and "future oriented financial information" (collectively herein referred to as "forward-looking statements") within the meaning of applicable securities laws. Forward-looking statements in this document may include, among others, statements regarding future operations and results, anticipated business prospects and financial performance of Ceres and its subsidiaries, expectations or projections about the future, strategies and goals for growth, the action against Ceres initiated by the Scoular Company, expected and future cash flows, costs, planned capital expenditures, additional anticipated capital projects, construction and completion dates, including the plans, costs, timing and capital requirements for the development of the Northgate Commodities Logistics Centre ("NCLC"), operating and financial results, critical accounting estimates and the expected financial and operational consequences of future commitments.

Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "outlook", "likely", "probably", "going forward", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", "may have implications" or similar words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking statements in this document are intended to provide Ceres' shareholders and potential investors with information regarding Ceres and its subsidiaries, including Management's assessment of future financial and operational plans and outlook for Ceres and its subsidiaries.

Forward-looking statements are based on the opinions and estimates of management at the date the information is made, and are 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 statements. Actual results or events may differ from those predicted in these forward-looking statements. All of the Corporation's forward-looking statements are qualified by the assumptions that are stated or inherent therein, including the assumptions listed below. Although Ceres believes these assumptions are reasonable, this list is not exhaustive of factors that may affect any of the forward-looking statements.

**KEY ASSUMPTIONS**

Key assumptions have been made in connection with the forward-looking statements in this interim MD&A. These assumptions include, but are not limited to, the following (in no particular order of importance):

- No material change in the regulatory environment in Canada and the United States;
- Supply and demand factors as well as the pricing environment for grains and other agricultural commodities;
- Fluctuation of currency and interest rates;
- General financial conditions for Western Canadian and American agricultural producers;
- Market share that will be achieved by the Corporation;
- Adequate and timely service from the railroad companies, and in particular from the Burlington Northern Santa Fe railroad at the NCLC;
- The ability of Ceres to successfully build and operate the Northgate grain elevator;
- The Corporation's ability to successfully defend itself against, or settle, the dispute with The Scoular Company;
- Realization of economic benefits resulting from the synergies with NCLC;
- The Corporation's ability to maintain existing customer contracts and relationships coupled with its ability to increase its customer portfolio; and

The preceding list is not exhaustive of all possible factors. All factors should be considered carefully when making decisions with respect to Ceres. Many such factors and events are not within the control of Ceres. Factors that could cause actual results or events to differ materially from current expectations include, among others, risks related to weather, politics and governments, changes in environmental and other laws and regulations, competitive factors in the 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 operating performance of the Corporation's assets, the availability and price of commodities, and the regulatory environment, processes and decisions. Ceres has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements. However, there may be other factors that might 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 statements or information.

By its nature, forward-looking information is subject to various risks and uncertainties, including those risks discussed in other sections of this interim MD&A and in other filings and communications, any of which could cause Ceres' actual results and experience to differ materially from the anticipated results or published expectations. Additional information on these and other factors is available in the reports filed by Ceres with Canadian securities regulators. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date of this interim MD&A or otherwise, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. Ceres undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, change in management's estimates or opinions, future events or otherwise, except as required by law.