



## CERES GLOBAL AG REPORTS FINANCIAL RESULTS FOR FY2016

**TORONTO, ON, (September 22, 2016)** – Ceres Global Ag Corp. (TSX: CRP) (“Ceres” or the “Corporation”) today announced its financial and operational results for the three- and 15-month periods ended June 30, 2016. All amounts are in Canadian currency unless otherwise noted.

“Despite the impact of a \$11.7 million durum wheat loss and a backdrop of low commodity prices, we made considerable progress in FY2016 to ramp up our operations, better utilize our infrastructure and strengthen our relationships with farmers and buyers of grains and other commodities,” said Robert Day, President and Interim CEO of Ceres Global Ag. “Most notably, our performance in FY2016 was marked by the buildout of Northgate, the increase in the number of customers served and bushels handled, the growth in number rail cars loaded with grains, oilseed or propane, and the addition of Koch Fertilizer Canada as one of our strategic partners.”

Mr Day added, “We ended the year with a more diverse mix of products handled, a larger inventory of tradeable grains and a reduced exposure to risk than when we began FY2016. This progress positioned us to capitalize on the high demand for handling and storage services during the recent harvest season given the record output of grains, canola, and pulses. This record supply should also help to sustain increased trading activities across our network throughout FY2017.”

### Summary Financial and Operational Results

	3-month period ended June 30, 2016	3-month period ended June 30, 2015	FY2016	FY2015
Revenue	\$149.3 Million	\$59.3 Million	\$505.5 Million	\$192.8 Million
Gross profit (loss)	\$2.4 Million	\$1.9 Million	\$(0.7 Million)	\$11.7 Million
EBITDA <sup>2</sup>	\$0.7 Million	\$0.1 Million	\$(7.3 Million)	\$3.7 Million
Income (loss) from operations	\$(0.4 Million)	\$(0.6 Million)	\$(14.0 Million)	\$1.0 Million
Net income (loss)	\$(1.9 Million)	\$(1.7 Million)	\$(15.8 Million)	\$(1.4 Million)
Earnings (loss) per share basic and fully diluted	\$(0.07)	\$(0.06)	\$(0.58)	\$(0.08)
Total bushels handled	18.7 million	6.7 million	55.8 million	37.9 million
Total railcars loaded at Northgate	1,146	317	3,200	416

### **Financial and Operational Highlights for FY2016**

- Generated revenue of \$505.5 million for the 15-month period ended June 30, 2016, compared to \$192.8 million for the 12-month period ended March 31, 2015.
- Incurred a gross loss of \$700,000 largely as a result of a durum wheat loss of \$11.7 million, which the Company previously disclosed with its Q3 results for the period ended December 31, 2015.
- Net loss was \$15.8 million compared to a net loss of \$1.4 million for FY2015.
- Completed the buildout of the grain handling and shipping facility at Company's Northgate Commodities Logistics Hub.
- Appointed Robert Day as President and Interim CEO, following Patrick Bracken's decision to retire from day-to-day management responsibilities.
- Loaded 3,200 railcars of grain, oilseed and propane destined for markets in the U.S., Latin America, and Asia out of the Company's Northgate Facilities, up from 416 railcars in FY2015.
- Renewed and extended the Corporation's agreement with Elbow River Marketing to unload liquefied petroleum gas.
- Sold product to Mexico and US gateways to supply customers in Asia and Europe for the first time.
- Began construction of the fertilizer storage warehouse in support of the agreement signed with Koch Fertilizer Canada, ULC to handle and store fertilizer at Northgate. The availability of fertilizer products at Northgate will make it possible for grain suppliers to improve their transportation costs by back-hauling agriculture inputs to points of origination.

### **Working Capital and Liquidity**

As at June 30, 2016, Ceres had working capital of \$73.5 million and access to unused credit facilities totaling \$84.2 million. These compare to working capital of \$80.6 million and access to unused credit facilities of \$77.8 million at the end of March 31, 2016.

### **Change in reporting periods**

As previously announced, Ceres has changed its fiscal year reporting period from April 1 to March 31 to July 1 to June 30, effective with the start of FY 2017. The change is designed to make Ceres' reporting of its financial results consistent with industry norms and the traditional crop season. Effective with the start of FY 2017 on July 1, 2016, Ceres will begin to report its results in U.S. dollars.

### **Outlook**

"The high demand for our grain handling and storage services during this year's harvest season was very encouraging for a number of reasons," said Mr. Day. "It suggests that we are establishing a strong reputation among farmers for the quality of our infrastructure, allowing farmers to penetrate markets across North America and through to U.S. export gateways more efficiently. Just as important, higher demand for our services has allowed us to develop capabilities at handling a wide assortment of commodities beyond our core grains. These new capabilities will help to ramp up operations and increase utilization of our network."

Mr Day also said, "Over the longer term, we continue to explore opportunities where we can add new commodities for trans-loading at Northgate in addition to propane gas and phosphate fertilizer. The introduction of new commodities will strengthen Northgate's economics and its ability to attract grain growers."

### **Conference Call Details**

Ceres will hold a conference call to discuss its FY2016 financial and operational results on Friday, September 23, 2016 at 10:00 a.m. ET. Robert Day, Ceres' President and Interim CEO, and Mark Kucala, Ceres' CFO, will co-chair the conference call.

All interested parties in Ceres' Q5 financial and operational results can join the conference call by dialing 1-888-231-8191 or 647-427-7450, conference ID: 72110742. Please dial in 15 minutes prior to the call to secure a line. The conference call will be archived for replay until Friday, October 7, 2016 at midnight, ET. To access the archived conference call, please dial 1-855-859-2056 and enter the encore code 72110742.

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

<http://event.on24.com/r.htm?e=1253055&s=1&k=3F2D9B962DE94B61212D0F2D0A2952FC>

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.

## **<sup>2</sup>Non-IFRS Financial Measures**

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) is not a standardized financial measure prescribed by IFRS; however, 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.

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.

Investors are cautioned that EBITDA 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)**

Headquartered in Minneapolis, Ceres Global Ag Corp. is focused on two primary businesses: a Grain Storage, Handling and Merchandising unit; and a Commodity Logistics unit.

Ceres operates in two business units, one of which is a grain storage, handling, and merchandising unit anchored by a collection of nine (9) grain storage and handling assets in Minnesota, New York, Saskatchewan and Ontario having aggregate storage capacity of approximately 43 million bushels as at June 30, 2016, including 5.4 million bushels of idle capacity.

Ceres' Commodity Logistics unit is focused on the development of a Commodity Logistics Centre in Northgate, SK. The Northgate Commodities Logistics Centre is a state-of-the-art grain, agriculture services and oilfield supplies transloading site.

Ceres also has a 25% interest in Stewart Southern Railway Inc., a short-line railway with a range of 130 kilometres that operates in South-eastern Saskatchewan.

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*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 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 interim MD&A for the year and quarter ended March 31, 2015. 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.*