



**CERES GLOBAL AG CORP. ANNOUNCES  
RESULTS FOR THE FIRST QUARTER ENDED JUNE 30, 2012**

**FOR IMMEDIATE RELEASE**

**TORONTO, ON, (August 9, 2012)** – Ceres Global Ag Corp. (“Ceres” or the “Corporation”) announces its results for the first quarter ended June 30, 2012:

The following summarizes the financial results for the fiscal quarter ended June 30, 2012, for Ceres on a consolidated basis and for its operating subsidiary Riverland Ag:

- Revenues:
  - Consolidated and Riverland Ag revenues were \$42.9 million (2011: \$89.6 million).
- Gross profit:
  - Consolidated and Riverland Ag gross profit was \$1.4 million (2011: \$6.2 million).
- EBITDA:
  - Consolidated EBITDA was a loss of (\$2.6 million) (2011: income of \$3.5 million), representing EBITDA loss per share of (\$0.18) (2011: EBITDA income per share of \$0.23).
  - Riverland Ag EBITDA was \$1.1 million (2011: \$4.9 million), representing EBITDA per share of \$0.08 (2011: \$0.35).
- Net income (loss):
  - Consolidated net loss was (\$4.0 million) (2011: net income of \$0.3 million), representing basic and fully diluted loss per share of (\$0.28) for 2012 (2011: basic and diluted earnings per share of \$0.02).
  - Riverland Ag’s net loss was (\$0.4 million) (2011: net income of \$2.2 million), representing basic and fully diluted loss per share of (\$0.03) (2011: basic and fully diluted earnings per share of \$0.14).
- Cash and portfolio investment assets:
  - As at June 30, 2012, cash and portfolio investments totalled \$35.4 million, representing \$2.45 per share (March 31, 2012: \$39.6 million, \$2.72 per share).
- Shareholders’ equity per common share:
  - As at June 30, 2012, consolidated shareholders’ equity per common share was \$10.61 (March 31, 2012: \$10.69; December 31, 2011: 10.83; September 30, 2011: \$11.07; June 30, 2011: \$10.58).
- Normal Course Issuer Bid
  - On October 13, 2011, Ceres announced a normal course issuer bid commencing on October 17, 2011 with the intention of purchasing up to 1,184,334 shares. For the quarter ended June 30, 2012, Ceres purchased 118,400 shares for a total cost of approximately \$764,000. The average purchase price during this quarter, under the

normal course issuer bid, was \$6.45 (quarter ended March 31, 2012: 109,800 shares were purchased for \$635,000; average purchase price was \$5.78).

Consolidated EBITDA for the Corporation for the quarter ended June 30, 2012 was a loss of \$2.6 million (quarter ended March 31, 2012: consolidated EBITDA was income of \$1.2 million). EBITDA for Riverland Ag for the fiscal quarter ended June 30, 2012 was \$1.1 million (quarter ended March 31, 2012: Riverland Ag EBITDA was \$0.3 million). Consolidated EBITDA was lower primarily due to a reduction in the value of portfolio investment (\$1.4 million) and a realized currency hedging loss (\$1.0 million).

As at June 30, 2012, the Corporation's net book value per share was \$10.61, down from \$10.69 as at the prior quarter-end, but up from \$10.58 as at June 30, 2011. The decrease during the quarter is attributable to the consolidated net loss, which was partially offset by a currency exchange gain of \$2.3 million related to the un-hedged portion of Ceres' investment in the net assets of Riverland Ag, denominated in U.S. dollars and by discounts totaling \$0.4 million realized on shares repurchased in the Normal Course Issuer Bid. This currency exchange gain was caused by a decrease in the value of the Canadian dollar against the U.S. dollar of approximately 2.1% during the quarter.

After quarter-end, we entered into a new 2-year credit facility for USD \$180.0 M. This renewed facility has an accordion feature for additional funds, which will provide ample funds to support the rebuilding of our inventories and take advantage of the changes caused by the elimination of the CWB monopoly.

The challenged results of past quarters continued in the first quarter of fiscal 2013, and were due primarily to the performance of our wholly owned subsidiary, Riverland Ag. As mentioned in previous quarter results, its challenged performance was the result of a combination of lower inventory levels and reduced carrying income. Management is cautiously optimistic this trend will begin to reverse heading into the 2012 harvest, as the cereal grain harvest in the northern U.S. plains and western Canada appears to be strong.

The removal of the Canadian Wheat Board monopoly on wheat and barley sales, effective August 1, 2012, is now official. While still in its infancy, we are now seeing Canadian wheat and barley markets operate in a more market-driven and integrated manner. Riverland Ag has now started booking Canadian wheat purchases, which are a key component to the company rebuilding its inventories going forward. The combination of expected large supplies from this year's harvest and high prices caused by the drought in the U.S. corn and soybean growing areas is creating an ideal environment for Riverland Ag to acquire grain at attractive levels. With the potential for a large Canadian canola crop this year, other crops could face challenges for ex-North America export space, which could result in more grain flowing to the United States. The Minneapolis spring wheat futures market has seen rapidly expanding volumes and open interest as the market factors in Canadian supplies and the trade uses this futures contract to hedge its spring wheat positions. With over 30% of the delivery space on this contract, Riverland Ag is in a strong position to benefit from these changes. This potential increase in movement of Canadian Grain to the United States for U.S. domestic consumption and to utilize the American grain export infrastructure should increase the demand for storage space in the United States, and Riverland Ag is well placed to meet this demand.

A large cereal grain crop is expected in the northern U.S. plains and western Canada, helping to push the Minneapolis spring wheat futures markets into a contango structure that should be favourable for our earnings going forward. The combination of this large crop and the

deregulation of the Canadian Wheat Board should help Riverland Ag to rebuild its inventories. In addition, the harvest around our Ralston, Wyoming facility has been excellent with high yields and top quality, and Riverland Ag's Manitowoc, Wisconsin facility has benefited from being under the company's control at harvest and has been building rapidly its inventories.

While Riverland Ag's results for this past year were disappointing, Management is starting to see a more positive outlook as the 2012 harvest begins. As one of the largest independent grain companies, with 55 million bushels of storage located in the Upper Lakes and Mississippi River area strategically close to the Canadian border, Riverland Ag is in a unique position to benefit from the structural changes occurring in the North American cereal grain market. We are confident in the enhanced strategic location and value of Riverland Ag's assets, and continue to assess complementary upstream and downstream investment opportunities.

Our 25% investment in Stewart Southern Railway ("SSR"), located in the southeastern area of Saskatchewan, continued to improve its performance during the quarter. It achieved profitability for the first time since Ceres made its investment. This improvement is directly attributable to shipping increasing volumes of oil by rail. Daily volume of oil shipments averaged approximately 13,000 barrels per day in June, up from 4,000 barrels per day in March, and is expected to continue to increase in coming quarters. Shipments of agricultural commodities could also rise significantly as the local area looks to have a very promising harvest. SSR management continues to identify opportunities for expanding the volume and efficiency of this rail line. Ceres' management is also working hard to expand and diversify Ceres' emerging commodity logistics division, with several initiatives gaining momentum during the quarter.

The interim condensed consolidated financial statements for the quarter ended June 30, 2012 and the notes related thereto, and the Interim Management's Discussion and Analysis are available under Ceres' profile on [www.sedar.com](http://www.sedar.com) and have been posted on the company's web site at [www.ceresglobalagcorp.com](http://www.ceresglobalagcorp.com). Unless otherwise indicated, all amounts are reported in Canadian dollars.

"While very disappointed in the results of this past quarter, we have positioned Riverland Ag to benefit from the expected strong harvest in cereal grains as well as structural changes caused by the elimination of the CWB monopoly in the North American cereal grain market." said Michael Detlefsen, President of Ceres. Mr. Detlefsen added, "In addition, our emerging commodities logistics business, including the SSR and other promising initiatives, progressed well during the quarter."

Jason Gould, Chief Financial Officer of Ceres, said: "The renewal of a new 2-year credit facility has put Riverland Ag in a strong financial position to take advantages of the strong 2012 cereal grain harvest as well as the current higher price environment." Mr. Gould added, "In addition, Ceres continues to have a strong balance sheet to support the growth of its grain and commodity logistics businesses."

### **Non-IFRS Financial Measures**

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) is not a standardized financial measure prescribed by IFRS; however, management believes that most of its shareholders, creditors, other stakeholders and investment analysts benefit from using this performance measure in analyzing Ceres' results. Ceres also uses this measure internally to monitor the Corporation's performance.

In calculating EBITDA, Ceres excludes its share of the net income (loss) from investments in associates and the loss on 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 an alternative to net income or loss, or to other standardized financial measures determined in accordance with IFRS, and is not intended to represent cash flows or results of operations in accordance with IFRS.

**About Ceres Global Ag Corp.**

Ceres Global Ag Corp. owns 100% of Riverland Ag Corp., owns a 25% interest in Stewart Southern Railway Inc., and has significant capital available to invest in this and related businesses. Riverland Ag Corp. is an agricultural grain storage and handling and supply chain business operating 15 grain storage facilities in Minnesota, North Dakota, Wyoming, New York, Wisconsin and Ontario having aggregate storage capacity of approximately 55 million bushels. Stewart Southern Railway Inc. is a short line rail company that operates in Southeastern Saskatchewan as our commodities logistics division. Ceres common shares trade on the Toronto Stock Exchange under the symbol "CRP".

*For further information, contact Jason Gould, Chief Financial Officer, at (416) 915-2426.*

*This news release contains forward-looking statements concerning the Corporation's business and operations. The Corporation cautions that, by their nature, forward-looking statements involve risks and uncertainty. The Corporation's future actual results could vary materially from those expressed or implied in such statements. Reference should be made to the Corporation's annual audited financial statements, its management discussion and analysis, or the initial public offering prospectus dated December 13, 2007 for a description of the major risk factors.*