



# CERES

GLOBAL AG CORP.

**2017 ANNUAL GENERAL  
MEETING PRESENTATION**

**Robert Day, President & CEO**



# FORWARD LOOKING STATEMENTS

This presentation contains "forward-looking information" within the meaning of applicable Canadian securities legislation and United States securities laws. Such forward-looking information is provided for the purposes of assisting the reader in understanding the business operations, strategy, financial performance and condition of Ceres. Readers are cautioned that such statements may not be appropriate for other purposes.

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, expectations or projections about the future, strategies and goals for growth, anticipated capital projects, construction and completion dates and 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", "scheduled", "intends", "anticipates" or "does not anticipate", "believes" 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 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 Annual Information Form.

Although Ceres believes that the expectations reflected in such forward-looking statements are reasonable and represent Ceres' internal projections, expectations and beliefs at this time, such statements involve known and unknown risks and uncertainties which may cause Ceres' actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from the fund's expectations include, among other things, 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 operating performance of the Corporation's assets, the availability and price of commodities and regulatory environment, processes and decisions. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

The forward-looking information contained in this presentation relate only to events or information, as of the date of this presentation. Except as specifically required by law, Ceres undertakes no obligation update forward-looking information if circumstances or management's estimates or opinions should change, except as required by applicable securities laws.





SAVAGE



# NORTHGATE

# CERES' JOURNEY: A LOOK BACK (2+ years ago)

## Turnaround (Riverland)

- High fixed costs
- Limited people/talent
- Limited strategic supply & customer base
- Mix of valuable and subpar assets

## Startup (Northgate)

- Large up-front capital investment
- Grain transloader & propane early 2015
- All sales were newly established trade flows
- Challenging margin environment & high cost

## Overall Ceres

- **High cost & limited stable revenues: USD -25 mln/year before carry & trading**
- **Legacy investments with little to no value**
- **Company culture lacked accountability**

CERES REQUIRED SIGNIFICANT CHANGE



# CERES' TURNAROUND: QUESTIONS TO ANSWER

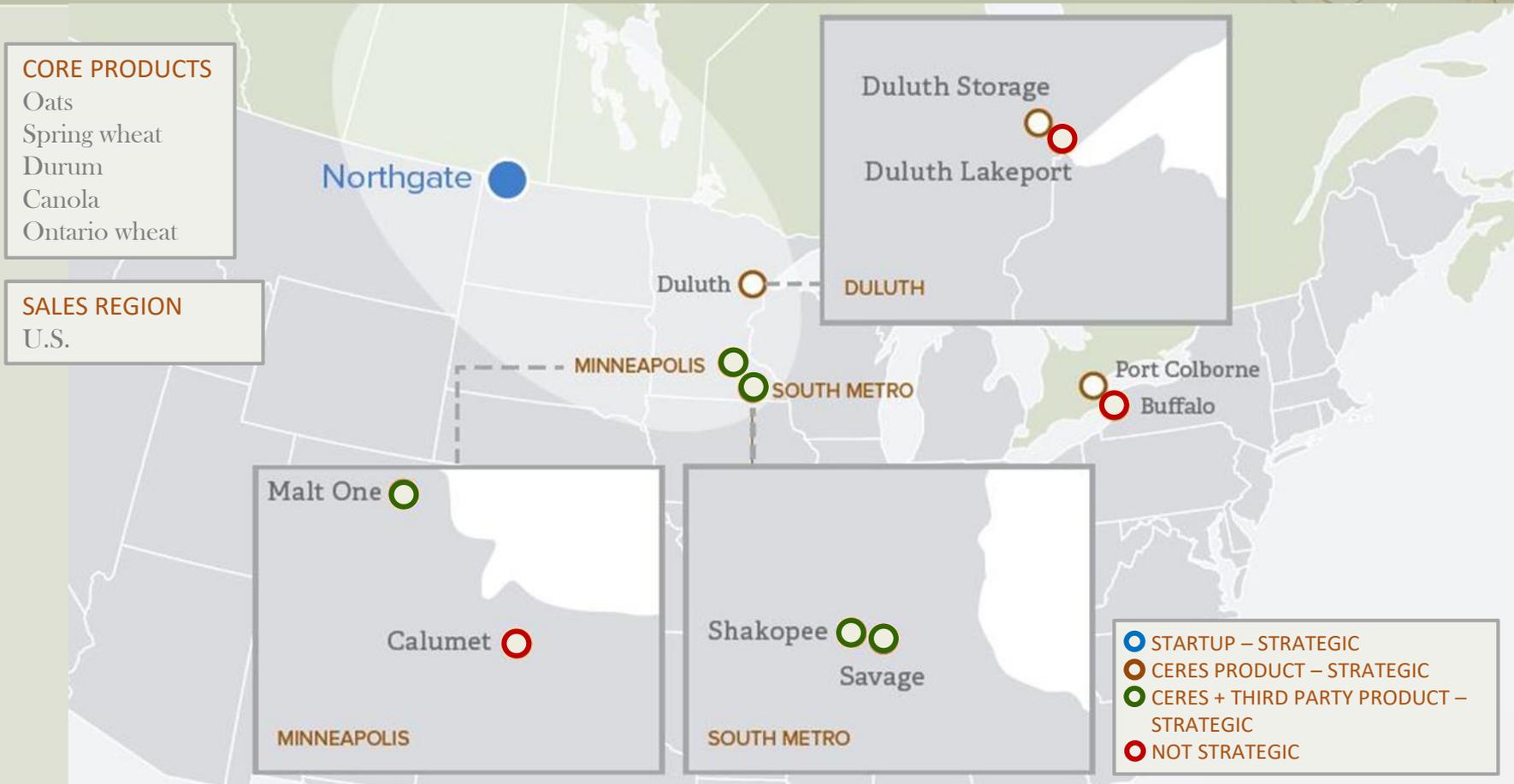
Prior to taking action we had several questions to answer:

1. Which **products** can we profitably merchandize and/or handle?
2. Which **assets** are a) Strategic for Ceres-owned products, b) Strategic for 3<sup>rd</sup> party customers' products, and c) Not strategic for anyone (limited or no value)?
3. From where can we competitively **buy** and to where can we competitively **sell**?
4. How will we attract the **people/talent** needed?

CERES REQUIRED SIGNIFICANT CHANGE TO REMAIN A GOING CONCERN



# CERES' FOOTPRINT & PRODUCTS TWO YEARS AGO



HIGH COSTS, LIMITED PRODUCT MIX, DOMESTIC REACH ONLY



# CERES' FOOTPRINT, PRODUCTS & REGIONS TODAY

## CORE PRODUCTS

### CERES-OWNED

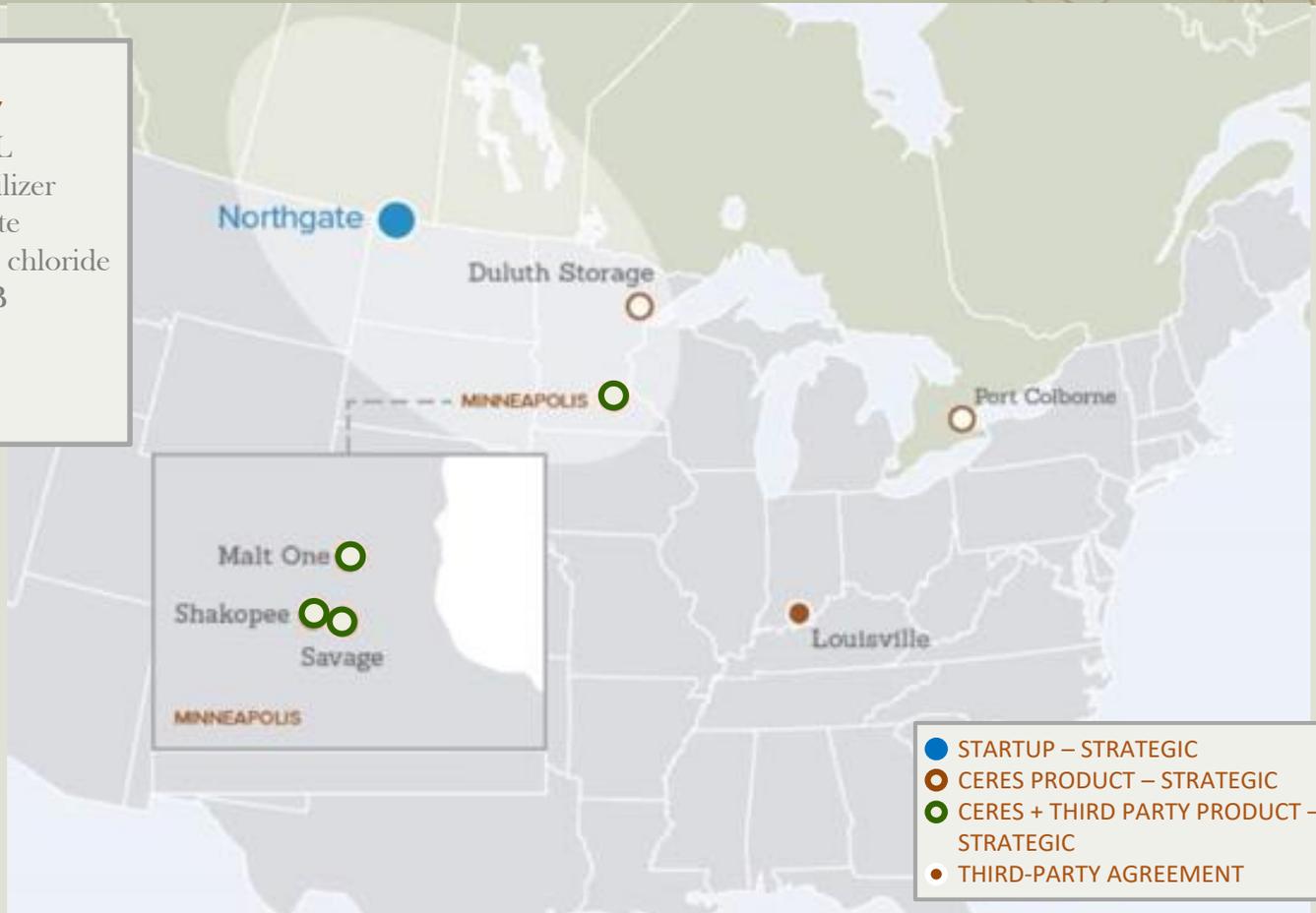
Oats  
Spring wheat  
Durum  
Canola  
Ontario wheat  
Peas  
Lentils  
Flax

### THIRD-PARTY

Barley  
Rye  
Corn  
Soybeans  
Organic  
Pea protein  
Pea starch  
Pea fiber  
NGL  
Fertilizer  
Barite  
Mag chloride  
OSB

## SALES REGION

U.S.  
Mexico  
Japan  
Southern Europe  
Northern Europe  
Middle East  
Nigeria



FEWER FACILITIES, GLOBAL REACH, MORE PRODUCTS, HIGHER VOLUMES AND LOWER FIXED COSTS PER UNIT HANDLED



# INCREASED AND UPGRADED TALENT POOL

## *Positions added since summer 2015*

### Commercial

#### **VP Trading & Risk Management**

Senior Wheat Trader

Senior Durum Trader

Wheat Trader

Oat Trader

Prop/Hedge Desk Trader

Canola Trader

International Sales Manager

Northgate Origination team

Business Development Analyst

### Finance/Admin

#### **CFO**

Financial Controller

Commodity Controller

Accounting Manager (NG)

Commodity Accountant

Financial Reporting Manager

Compliance Manager

Compliance Coordinator

Accountant

Settlement Clerk

### Operations

Northgate Grain Manager

Port Colborne Manager

Fertilizer Plant Manager

Northgate Operations Team

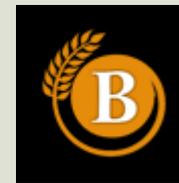
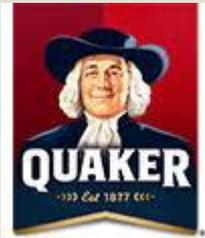
Northgate Grain Lab

Northgate NGL & Ind Product Team

EXPERIENCED PROFESSIONALS WITH TECHNICAL CAPABILITIES,  
MARKET KNOWLEDGE, AND CUSTOMER RELATIONSHIPS



# CUSTOMERS: SUPPLIERS, PARTNERS & BUYERS



PROFESSIONAL COUNTERPARTIES FROM NORTH AMERICA AND  
AROUND THE WORLD

# 15 Months (July 2016 – September 2017) IN REVIEW

1. Increased revenue by 71%
2. Increased number of bushels handled by 150%
3. Increased products traded and handled from 8 to > 20
4. Established dozens of new customers & trade flows
5. Commenced fertilizer business at Northgate
6. Increased natural gas liquids volumes
7. Began loading/unloading industrial products
8. Idled three facilities and sold two
9. Added and upgraded talent across all major job families

# June 2016 – September 2017 FINANCIAL SNAPSHOT

(in USD\$)	15 Months Ended September 30, 2017	15 Months Ended June 30, 2016
<b>Revenue</b>	\$659.1 million	\$385.8 million
<b>Gross profits (loss)</b>	\$10.9 million	(\$0.5 million)
<b>Income (loss) from operations</b>	(\$1.2) million	(\$10.6 million)
<b>Net income (loss)</b>	(\$14.5 million)	(\$12.1 million)
<b>Earnings (loss) per share basic and fully diluted</b>	(\$0.52)	(\$0.45)
<b>EBITDA (loss) <sup>1</sup></b>	\$4.1 million	(\$5.5 million)
<b>Cash Flow From Operations</b>	\$28.2 million	\$5.6 million

<sup>1</sup>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-recurring 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.



## CERES' VISION

**Our vision is to become the most trusted & valued buyer, handler and supplier of raw materials, value-added products and supply chain services across the agricultural, energy & industrial market sectors from North America to chosen and quality-conscious customers globally.**



# CERES' STRATEGY & PLANS



- **Integrate the supply chain** (to Mexico or U.S. end user)
  - Increase first-handle bushels at our locations
  - Add assets and long-term agreements to improve customer reach
- **Form long-term partnerships** across all product segments: agriculture, energy & industrial products
- **Broaden product mix** and focus on **value-added** where margins are more attractive
- Leverage asset base and skill-set to **deliver unique solutions** for customers

HIGHER MARGIN AREAS IN THE SUPPLY CHAIN + VALUE FOR CUSTOMERS + GREATER CONSISTENCY = ELIMINATION OF THE GAP BETWEEN STEADY REVENUES AND COSTS



# WHAT TO EXPECT IN 2018

- 1. Continue to right-size existing footprint**
- 2. Add assets that strengthen Ceres' position across the supply chain**
- 3. Expand marketing outlets for company-owned products**
- 4. Deepen relationships with key customers**
- 5. Focus on higher value trade flows and increasing efficiency and margins throughout our network**
- 6. Increase specialty product volumes**
- 7. Accelerate development of non-ag businesses at Northgate**
- 8. Invest in the learning & development of our employees**



# Stock Price Analysis

<b>As of November 11, 2017</b>	
Current	27,912,665
Share Price	3.80
Exchange Rate	0.7880
Market Value of Stock	83,581,684

<b>Asset Value (as of Sept 30, 2017)</b>	
Net Book of Fixed Assets	119,533,000
Working Capital	43,037,000
Investments	2,728,000
Term-Debt	(15,000,000)
Value of Assets	150,298,000

<b>Asset vs Market value of Equity</b>	
Value of Assets	150,298,000
Market value of Stock	83,581,684
Surplus	<b>66,716,316</b>



# MANAGEMENT & DIRECTORS

## SENIOR MANAGEMENT

### **Robert Day, President & CEO**

Formerly VP, Trading & Risk Management, Ceres; Managing Director, ED&F Man; Director, Grain & Oilseed Supply, Cargill;

### **Kyle Egbert, Vice-President & CFO**

Formerly VP Finance, Ceres; Global Derivative and Technical Accounting Manager, Royal Dutch Shell; Senior, PricewaterhouseCoopers

### **John Carroll, Vice-President of Trading & Risk Management**

Formerly Director, Commodity Risk Management, Guardian Energy; Trading and Supply Chain Risk Management, Cargill

## BOARD OF DIRECTORS

### **Doug Speers, Independent Director & Chairman**

Formerly Chairman & Director, Hydro One, Emco Corp; Former President & CEO, Emco Corp.; Imperial Oil, Exxon

### **Robert Day, Director & Officer**

President & CEO, Ceres

### **Harvey Joel, Independent Director**

Independent Consultant

### **Gary Mize, Independent Director**

Formerly COO, Noble Group; Former President Grain Processing, ConAgra; Former President & CEO, ConAgra Malt

### **James Vanasek, Independent Director**

Principal, VN Capital Management

DEPTH OF EXPERIENCE ACROSS  
COMMODITY, ENERGY AND LOGISTICS INDUSTRIES





CERES

GLOBAL AG CORP.

