



CERES

GLOBAL AG CORP.

## Investor Presentation

March 2017



# FORWARD-LOOKING STATEMENTS

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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.

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CERES GLOBAL AG

Focused on making  
the grain supply  
chain more efficient

Strategic location, infrastructure, network of facilities and  
commodity expertise deliver competitive advantage

# UNIQUE BUSINESS MODEL

## GRAIN DIVISION

- Operates grain terminals across North America
- Provides storage, handling, merchandizing and blending of assorted grains
- Opportunity to increase volumes, margins and product mix

## COMMODITY LOGISTICS DIVISION

- Operates logistics hub in Northgate, SK
- Provides only direct rail access to US
- Current commodities serviced:
  - Grains
  - Propane
  - Fertilizer
- Opportunity to expand into other commodities

DELIVERS INCREASED SUPPLY CHAIN EFFICIENCY AND RISK MITIGATION





# GRAIN DIVISION

# KEY SERVICES FOR GRAIN GROWERS & BUYERS

Handling  
Trading  
Merchandizing  
Blending  
Storage



ASSETS ARE STRATEGICALLY LOCATED NEAR POINTS OF ORIGINATION



# OUR ASSETS AND CAPABILITIES



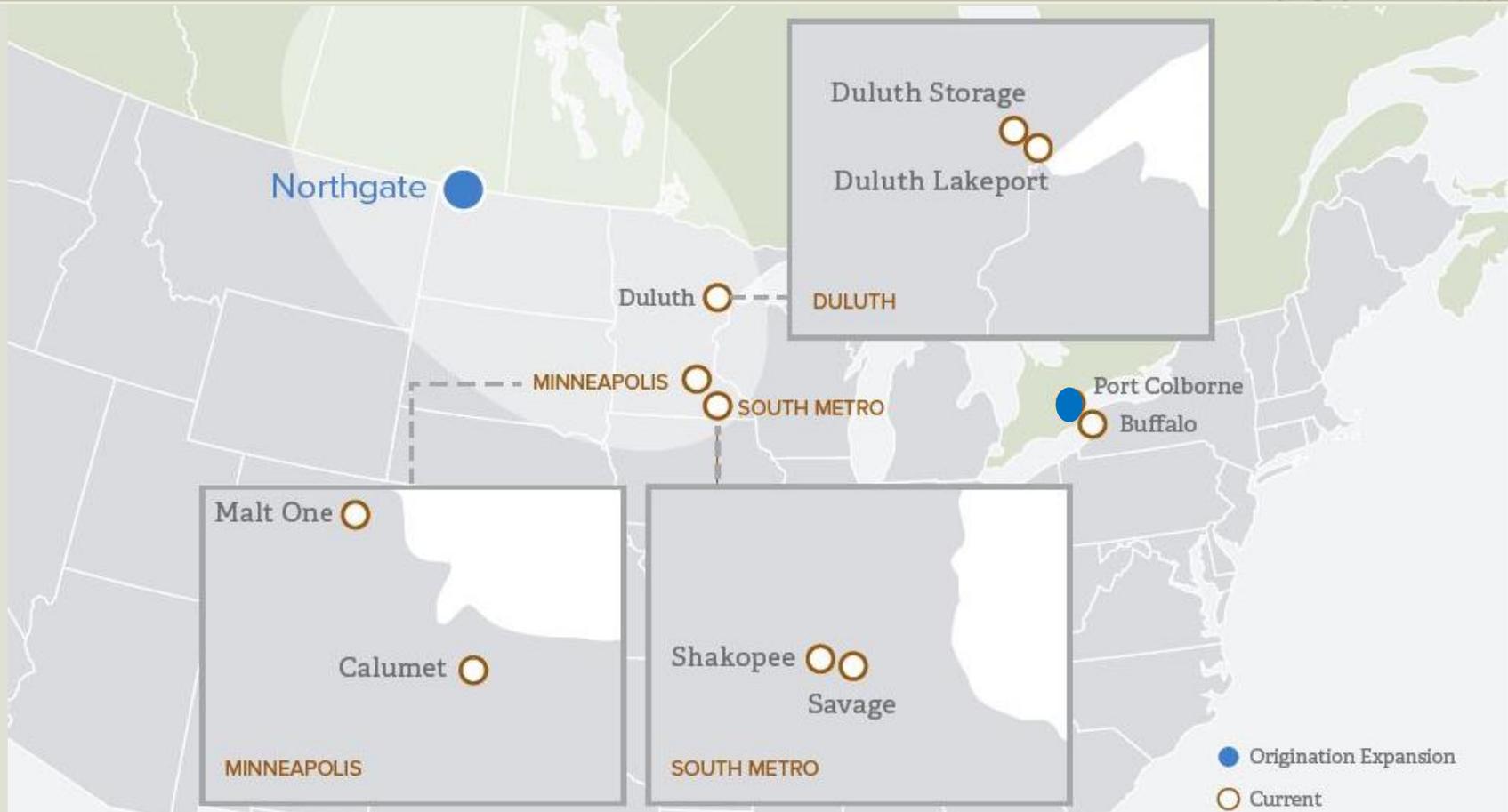
9 assets

43M bushel capacity

50 points of origination

200+ merchandizing customers

# STRATEGICALLY-LOCATED ASSETS



NEAR POINTS OF ORIGINATION  
WITH GATEWAYS TO GLOBAL MARKETS





NORTHGATE



## What Northgate delivers:

- **1,300** acres for potential expansion
- **2.7M** bushel capacity
- **26,000t** fertilizer storage capacity
- **~150** rail cars of energy transloading per month
- Connection to BNSF's **32,000** mile network



# DULUTH



## What Duluth delivers:

- Lakes vessel export: Europe, Middle East & Latin America
- Shuttle unloading & loading
- **12M** bushel capacity
- Over 280 segregations for quality management
- Connection to all railways in western US and Canada

# BROAD COMMODITIES PORTFOLIO

## Traded Commodities

- Oats
  - Canola
  - Durum
  - Flax
  - Pulses
- Wheat
- Hard Red Spring
  - Cdn Western Red Spring
  - Soft Red Winter
  - Hard Red Winter

## Third-Party Commodities

- Propane
- Rye
- Fertilizer
- Barley

## Commodities with potential for expansion

- Crude Oil
- Franc sand
- Dried Distiller's Grain (Cattle feed)
- Non-grain feed ingredients

OPPORTUNITIES TO MAXIMIZE VOLUME THROUGHPUT





# COMMODITY LOGISTICS

# COMMODITIES AND LOGISTICS SERVICES

Transportation to market gateways  
Partnership with BNSF  
Energy transloading (propane)  
Backhauling (fertilizers)



ONLY DIRECT RAILWAY ACCESS TO US MARKETS



# MANAGEMENT & DIRECTORS

## SENIOR MANAGEMENT

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

25 years of industry experience in the U.S., Asia and Latin America; joined Ceres in 2015; Director at Cargill; Managing Director at ED&F Mann

### **Mark Kucala, CFO**

30 years of commodity, finance and accounting experience; CFO at Riverland Ag, US Commodities, Minnesota Grain and ConAgra

## BOARD OF DIRECTORS

### **Doug Speers, Chairman**

Chairman & CEO at Hydro One, Emco, Imperial Oil and Exxon; Professional Engineer in Ontario

### **Patrick Bracken, Director**

President & CEO of Ceres until May 2016; Executive and VP at Cargill with international experience

### **Harvey Joel, Director**

Over 30 years of corporate leadership experience; VP at CN Rail and Norbord Industries

### **Gary Mize, Director**

32 years of experience running commodity based trading and processing businesses; COO at Noble Group, ConAgra and Cargill

### **James Vanasek, Director**

Principal at VN Capital and JPMorgan; Director of American Locker Group; Member of New York State Bar Association

**SOLID OPERATING EXPERIENCE ACROSS  
COMMODITY AND ENERGY INDUSTRIES**



# CAPITAL STRUCTURE

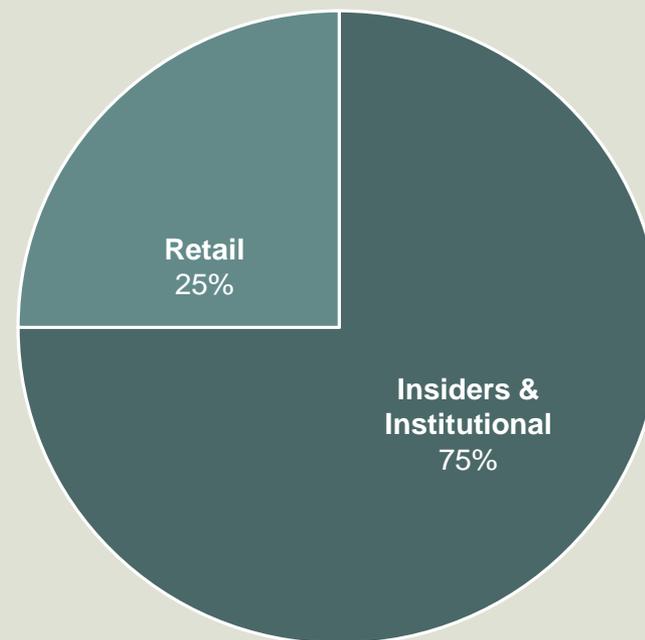
## CURRENT CAPITAL STRUCTURE

TSX	CRP
Share Price ( <i>As of March 20</i> )	\$ 5.75
Avg. 3-mth volume	3,700
52-week range	\$4.65 – 5.88
Market Cap.	\$160.3M
Shares O/S	28.1M
Working Capital	\$45.9M*
Year End	June 30

## MAJOR INSTITUTIONAL SHAREHOLDERS

VN Capital Management	43.1%
Cowan Asset Management	18.2%
Highbridge Capital Management	9.2%

\*As at December 31, 2016



## CURRENT OWNERSHIP STRUCTURE

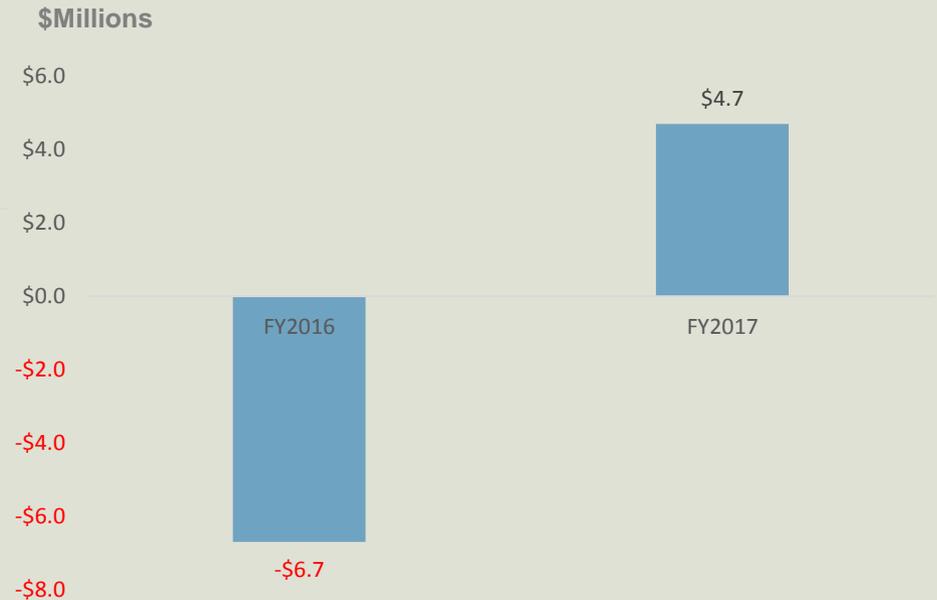


# RECENT FINANCIAL AND OPERATIONAL RESULTS

## Q2 GROSS PROFIT



## YTD GROSS PROFIT



### Turnaround driven by:

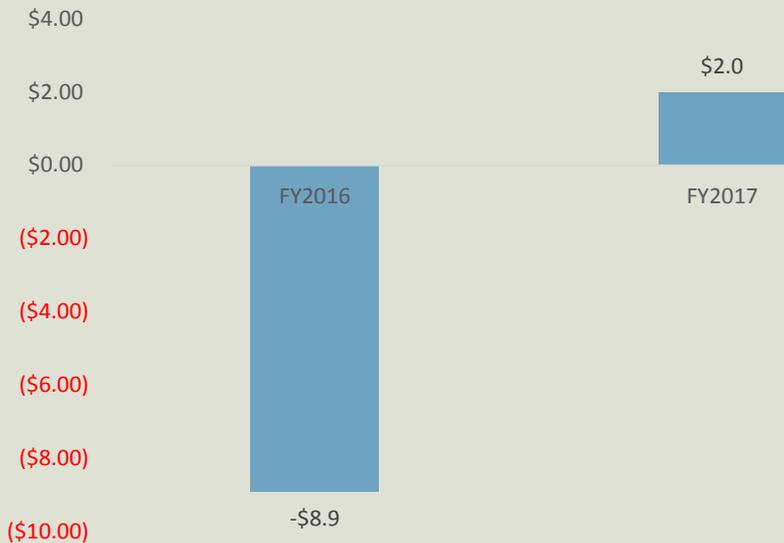
- Improved operational efficiencies
- Buildout of Northgate
- Idling of 3 inefficient facilities



# RECENT FINANCIAL AND OPERATIONAL RESULTS

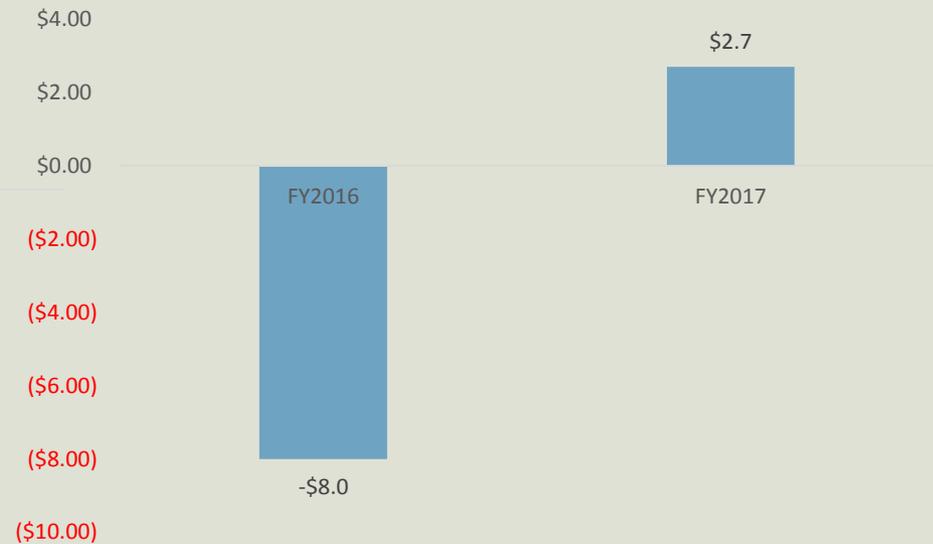
## Q2 EBITDA

\$Millions



## YTD EBITDA

\$Millions



### Turnaround driven by:

- Improved operational efficiencies
- Buildout of Northgate
- Idling of 3 inefficient facilities



# RECENT FINANCIAL AND OPERATIONAL RESULTS

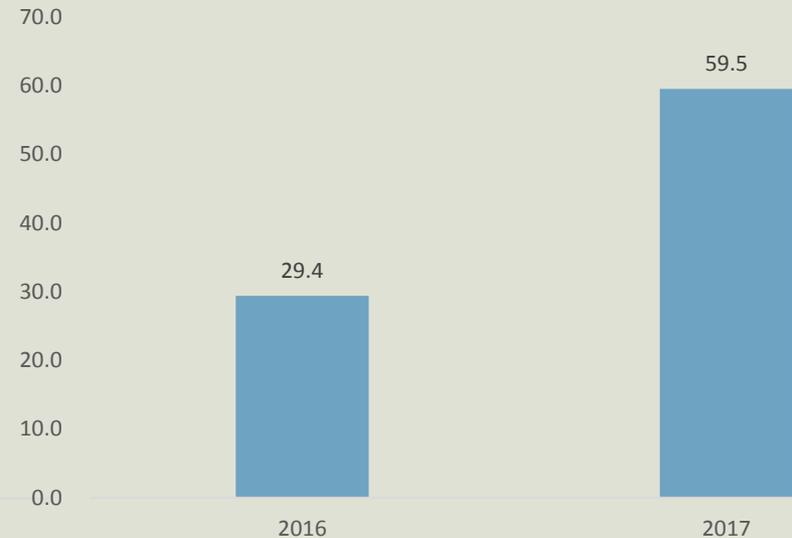
## Q2 TOTAL BUSHELLS HANDLED

Millions



## YTD BUSHELLS HANDLED

Millions of bushels



Improvements driven by:

- Focus on doubling throughput
- Diversification of product mix

On track to handle 100M bushels in FY2017

# PROFITABLE GROWTH GOING FORWARD

## The Right Balance

- Low-cost origination
- Superior merchandizing & positioning
- Chosen customer relationships
- Efficient operations

## Expected Results

- Higher volumes
- Lower cost per unit merchandized
- Consistent margins
- Increased asset utilization and throughput
- Improved financial results

STRENGTHENED SUPPLY CHAIN FROM END TO END



# WHAT TO EXPECT IN 2017

1. Increased origination volume directly from farmers
2. Lower fixed costs per unit handled
3. Expanded reach into new regions in the US and abroad
4. Expanded management and operational teams
5. Broadened product mix
6. Completion of fertilizer facility
7. Doubling of volume throughput to 100M bushels

# CERES INVESTMENT SUMMARY

Focused on making grain supply chain more efficient

- 1 Unique business model combining grains handling/trading with logistics operations
- 2 Grain facilities are strategically located around the Great Lakes
- 3 Gateways to end customers in the US, Mexico, Asia and Europe
- 4 Partnerships with BNSF and Koch Fertilizer
- 5 Focused on improving volumes, margins, product mix and operational efficiencies
- 6 Ramping up Northgate and buildout of fertilizer facility

LOCATION, INFRASTRUCTURE AND EXPERTISE  
DELIVER COMPETITIVE ADVANTAGE





# CERES

GLOBAL AG CORP.

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