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**FOR IMMEDIATE RELEASE  
MAY 31, 2011**

**SYMBOL: TSX: AGT**

**Alliance Grain Traders Inc. Announces Q1 2011 Results and Increased Dividend**

REGINA, MAY 31, 2011 - Alliance Grain Traders Inc. (TSX: AGT) ("AGT") has announced its financial results for the three months ended March 31, 2011.

Results for the quarter include:

- Sales of \$168.1 million compared to sales of \$169.0 million for Q4 2010 and \$186.3 million for Q1 2010.
- Adjusted EBITDA\* of \$14.2 million compared to \$6.6 million for Q4 2010 and \$20.4 million for Q1 2010.
- Adjusted net income\* of \$6.6 million (\$0.33 per common share or \$0.33 on a diluted basis) compared to \$0.71 million for Q4 2010 (\$0.05 per common share or \$0.05 on a diluted basis) and \$16.2 million (\$0.95 per common share or \$0.93 on a diluted basis) for Q1 2010.

"We are pleased with the start to the fiscal 2011 year. The quality of the 2010 crop has certainly presented challenges for us, but with our processing expertise, market distribution globally and our origination reach, AGT is well equipped to mitigate many risks and challenges we faced as a global company in the international agricultural processing industry. We believe that demand is opening up and local market stocks in consumption markets are still low. These must be replenished in the near future and we believe that this quarter reflects the start of that. Good crop conditions in many of our origins of production, even with later seeding in Canada, points to good supply going forward through the year. Seeding brings a sense of optimism and renewal to the agricultural sector and we are optimistic about a return to normal in our operations in all origins," said Mr. Murad Al-Katib, President and CEO of Alliance Grain Traders Inc.

"Acreage is coming down in Canada this year after breaking records for plantings in 2010. Supply fluctuations are a part of agriculture as farmers grow what they think will make them money. The acres we see in Canada in pulses are estimated to remain significant and we believe Canadian farmers understand the importance of pulses in Canadian agriculture. This is also being understood by farmers in our other origins with increases to estimated pulse production in the U.S., Australia and China," added Mr. Al-Katib.

"We believe in our strategy and our approach as being the correct path for our company. Global demand cannot remain unfilled as this is staple, traditional vegetable protein that the populations of the world need. We see our company as well-positioned to fill the demand for our clients all over the world. We have the facilities, experience, capital and distribution to execute our growth strategies, creating long-term value for our shareholders, producers and clients," added Huseyin Arslan, Executive Chairman of the Board of Directors for AGT.



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AGT also announced it has increased its cash dividend for the quarter ending June 30, 2011 to \$0.15 per common share, up from \$0.135 per common share. The dividend will be payable on July 8, 2011 to shareholders of record on July 6, 2011. This dividend is an eligible dividend for Canadian income tax purposes. AGT's increased annualized cash dividend is approximately \$0.60 per common share up from approximately \$0.54 per common share.

The financial statements and notes for the three months ended March 31, 2011, as well as the related management's discussion and analysis have been filed under AGT's profile on [www.sedar.com](http://www.sedar.com) and have been posted on the AGT web site at [www.alliancegrain.com](http://www.alliancegrain.com). All amounts are reported in Canadian dollars. Quarterly results are now being reported based on International Financial Reporting Standards ("IFRS"). The new policies have been consistently applied to all periods noted in this news release and all prior period information has been restated or reclassified for comparative purposes unless otherwise noted. Further details on the transition to IFRS are provided in the notes to our interim consolidated financial statements for the three months ended March 31, 2011.

**Alliance Grain Traders invites you to join our first quarter 2011 conference call on Tuesday, May 31, 2011 at 11:30 a.m. Eastern time. To join the conference, please dial 1-800-319-4610 (Toll free in Canada & USA) or +1-604-638-5340 (Outside Canada & USA).**

A recording of the call will be available on our website at [alliancegrain.com](http://alliancegrain.com) on June 2, 2011. A telephone replay will also be available until midnight Eastern time, Tuesday, June 14, 2011. To access the replay, please call 1-800-319-6413 (Toll free from Canada & USA,) or +1-604-638-9010 (from outside Canada & USA). When prompted, enter the code 4537, followed by the number sign (#).

#### **Alliance Grain Traders Inc. Profile**

Alliance Grain Traders Inc. (AGT) is a pulse processor and exporter engaged in the business of value-added processing (cleaning, splitting, sorting and bagging) of pulses and specialty crops, for export and domestic markets. Through its offices and processing facilities located in some of the best pulse growing regions in Canada, the U.S., Turkey, Australia and China and merchandising and sales offices in the U.K., the Netherlands and Spain, AGT handles a full range of pulses and specialty crops including lentils, peas, chickpeas, beans and canary seed. Through its subsidiaries in Turkey, the Arbel Group, AGT also produces staple foods such as Arbella Pasta, rice, and milled wheat products, including bulgur and semolina.

#### **Cautionary Statements**

Certain statements in this press release are forward-looking statements. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by AGT at the time of preparation, may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of AGT (including its operating subsidiaries) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of harvests, fluctuations in the price of lentils and other crops, failure of plant, equipment or processes to operate as anticipated, accidents or labour disputes, risks relating to the integration of acquisitions or to international operations, whether AGT's insurance coverage will adequately cover all losses sustained as a result of the recent fire that



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occurred at the Mersin facility, as well as those factors referred to in the section entitled "Risk Factors" in the Annual Information Form of AGT dated March 28, 2011 which is available on SEDAR at [www.sedar.com](http://www.sedar.com), and which should be reviewed in conjunction with this document. Although AGT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. AGT expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

**\* Non-IFRS Financial Measures**

AGT provides some non-IFRS measures as supplementary information that management believes may be useful to investors to explain AGT's financial results. These non-IFRS measures include EBITDA\* (earnings before interest, income taxes, depreciation and amortization), Adjusted EBITDA\* (earnings before interest, income taxes, depreciation and amortization and any effects of non-cash foreign exchange adjustment) and Adjusted Net Income\*. Management believes that these are important measures in evaluating performance and in determining whether to invest in AGT. However, EBITDA\*, Adjusted EBITDA\* and Adjusted Net Income\* are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. In addition, AGT may calculate these measures differently than other companies; therefore they may not be comparable. Investors are cautioned that EBITDA\*, Adjusted EBITDA\* and Adjusted Net Income\* should not be construed as an alternative to net income or loss or cash flows as determined in accordance with IFRS as an indicator of AGT's performance or to cash flows. For a reconciliation of net income determined in accordance with IFRS to EBITDA\*, Adjusted EBITDA\* and Adjusted Net Income\*, see the table on page 33 in the management's discussion and analysis for the three months ended March 31, 2011 available under AGT's profile on [www.sedar.com](http://www.sedar.com) and on the AGT web site at [www.alliancegrain.com](http://www.alliancegrain.com).

**For further information:**

**Investor Relations**

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