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From Producer to the World

**FOR IMMEDIATE RELEASE  
JANUARY 7, 2019**

**SYMBOL: TSX: AGT**

**AGT Food and Ingredients Inc. Announces Tender Offer and Consent Solicitation  
For Its 5.875% Senior Notes Due 2021**

**REGINA, JANUARY 7, 2019** – AGT Food and Ingredients Inc. (TSX:AGT) (“**AGT**”) today announced it has commenced a cash tender offer (the “**Tender Offer**”) to purchase all of AGT’s outstanding 5.875% Senior Notes due December 21, 2021 (“**Notes**”). In connection with the Tender Offer, AGT has also commenced a solicitation of consent (the “**Consent Solicitation**”) from the holders of the Notes (“**Holders**”) to certain proposed amendments (the “**Proposed Amendments**”) to the trust indenture governing the Notes dated as of December 21, 2016 (the “**Indenture**”) between AGT and TSX Trust Company, as trustee. The Proposed Amendments would amend and restate certain provisions of the Indenture to eliminate substantially all of the restrictive and reporting covenants, certain events of default and certain other provisions contained in the Indenture. The Proposed Amendments must be consented to by Holders of not less than a majority of the aggregate principal amount of the Notes then outstanding in order to be adopted.

The complete terms of the Tender Offer and the Consent Solicitation are set forth in the Offer to Purchase and Solicitation of Consent dated January 7, 2019 (as it may be amended or supplemented from time to time, the “**Offer to Purchase and Solicitation of Consent**”) and in the accompanying Consent and Letter of Transmittal (the “**Consent and Letter of Transmittal**”).

**Indicative timetable for the Tender Offer and the Consent Solicitation:**

- **Commencement:** January 7, 2019
- **Early Consideration Time:** 5:00 p.m. (Eastern Time) on January 22, 2019, unless extended or earlier terminated by AGT in its discretion.
- **Expiration Time:** 5:00 p.m. (Eastern Time) on February 4, 2019, unless extended or earlier terminated by AGT in its discretion.
- **Acceptance Date:** Subject to the satisfaction or waiver of the conditions to the Tender Offer and the Consent Solicitation, a date promptly following the completion of the Transaction Condition (as defined herein).
- **Payment Date:** Expected to occur within three business days following completion of the Transaction.

# **Certain terms of the Tender Offer and the Consent Solicitation:**

Issuer	Security Description	CUSIP/ISIN Number	Outstanding Aggregate Principal Amount	Early Consideration <sup>(1)(2)</sup>	Regular Consideration <sup>(1)</sup>
AGT Food and Ingredients Inc.	5.875% Senior Notes due 2021	001264AA8 / CA001264AA82	\$200 million	\$1,015	\$1,010

- (1) Per \$1,000 principal amount of Notes validly tendered and accepted, excluding accrued but unpaid interest thereon. Holders will also receive accrued and unpaid interest up to, but not including, the Payment Date.
- (2) Per \$1,000 principal amount of Notes validly tendered and accepted on or prior to the Early Consideration Time.

Consummation of the Tender Offer and the Consent Solicitation is subject to a number of conditions, including the satisfaction or waiver of all conditions precedent to the previously-announced transaction pursuant to which a group led by AGT’s President and Chief Executive Officer, Murad Al-Katib, and including Fairfax Financial Holdings Limited and Point North Capital Inc. (the “**Buyer Group**”), will indirectly acquire all of the issued and outstanding common shares of AGT not already held by the Buyer Group for \$18.00 per share in cash (the “**Transaction**”). Subject to applicable law, AGT may waive any of these conditions (other than condition that all conditions precedent to the consummation of the Transaction having been satisfied or waived (other than the condition for the Offer and Solicitation to be consummated) on or prior to June 4, 2019 (the “**Transaction Condition**”)) or extend, terminate or withdraw the Tender Offer and/or the Consent Solicitation.

The Tender Offer and the Consent Solicitation will expire at 5:00 p.m. (Eastern Time) on February 4, 2019, unless extended (such date and time, as the same may be extended, the “**Expiration Time**”). No tenders will be valid if submitted after the Expiration Date. Any Holder who wishes to tender Notes pursuant to the Tender Offer must also deliver a consent to the Proposed Amendments (a “**Consent**”) pursuant to the related Consent Solicitation in order for such tender to be valid. Holders who validly tender their Notes pursuant to the Tender Offer will be deemed to have validly delivered their Consents pursuant to the Consent Solicitation by virtue of such tender. Holders may not deliver Consents without also tendering their Notes. Notes validly tendered on or prior to the Expiration Time may not be withdrawn at any time. Consents are irrevocable once delivered in accordance with the terms of the related Consent Solicitation and may not be withdrawn.

Holders must validly tender their Notes at or before 5:00 p.m. (Eastern Time) on January 22, 2019, unless extended (such date and time, as the same may be extended, the “**Early Consideration Time**”) to be eligible to receive the Early Consideration (as set forth in the table above) per \$1,000 principal amount of Notes tendered by such Holder that are accepted for purchase. Holders who validly tender their Notes after the Early Consideration Time and on or before the Expiration Time will be eligible to receive the Regular Consideration (as set forth in the table above) per \$1,000 principal amount of Notes tendered by such Holder that are accepted for purchase. No tenders will be valid if submitted after the Expiration Date. In addition to the Early Consideration or the Regular Consideration, as applicable, all Notes accepted for purchase pursuant to the Tender Offer and the Consent Solicitation will, on the Payment

Date, also receive accrued and unpaid interest on the Notes from the last interest payment date to, but not including, the Payment Date.

If AGT receives valid consents from Holders of not less than a majority of the aggregate principal amount of the Notes then outstanding (the “**Requisite Consents**”), and the remaining conditions to the consummation of the Tender Offer and Consent Solicitation are satisfied or waived, AGT will execute the supplemental indenture (the “**Supplemental Indenture**”) effecting the Proposed Amendments.

Assuming the Tender Offer and the Consent Solicitation are not extended and the conditions to the Tender Offer and the Consent Solicitation are satisfied or waived, AGT expects that payment for Notes validly tendered on or before the Expiration Time will occur within three business days following completion of the Transaction (the “**Payment Date**”). In addition to the Early Consideration or the Regular Consideration, as applicable, all Notes accepted for purchase pursuant to the Tender Offer will, on the Payment Date, also receive accrued and unpaid interest on the Notes from the last interest payment date to, but not including, the Payment Date.

Subject to applicable law, the Tender Offer and the Consent Solicitation may be amended, extended, terminated or withdrawn at any time. If the Tender Offer is terminated, Notes tendered pursuant to the Tender Offer will promptly be returned to the tendering Holders.

Consummation of the Tender Offer and the Consent Solicitation is subject to, and conditioned upon, the satisfaction or waiver of certain conditions described in the Offer to Purchase and Solicitation of Consent, including the satisfaction or waiver of conditions precedent to completion of the Transaction and receipt of the Requisite Consents. AGT will file a copy of the Offer to Purchase and Solicitation of Consent under AGT’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on AGT’s website.

Scotia Capital Inc. is serving as the dealer manager and solicitation agent in connection with the Tender Offer and the Consent Solicitation. Questions regarding the terms of the Tender Offer and the Consent Solicitation should be directed to Scotia Capital Inc. at (416) 863-7438, Attention: Murray Neal. Any questions or requests for assistance or additional copies of the Offer to Purchase and Solicitation of Consent and the Consent and Letter of Transmittal or the documents incorporated by reference therein may be directed to D.F. King & Co. Inc., which is acting as the information agent for the Tender Offer and the Consent Solicitation, at (647) 351-3085, extension 3, Attention: Marcus Campbell.

None of AGT, its board of directors or its officers, the dealer manager and solicitation agent, the depositary, the information agent or the trustee with respect to the Notes, or any of their respective affiliates, makes any recommendation that Holders tender or refrain from tendering all or any portion of the principal amount of their Notes, and no one has been authorized by any of them to make such a recommendation. Holders must make their own decision as to whether to tender their Notes and, if so, the principal amount of Notes to tender. The Tender Offer is made only by the Offer to Purchase and Solicitation of Consent and the Consent and Letter of Transmittal. This news release is not an offer to purchase nor a solicitation of an offer to sell any Notes in the Tender Offer nor a solicitation of consents with respect to the Notes or any other securities. The Tender Offer and the Consent Solicitation are not being made to Holders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction in which the

Tender Offer and the Consent Solicitation are required to be made by a licensed broker or dealer, the Tender Offer and the Consent Solicitation will be deemed to be made on behalf of AGT by the dealer managers and solicitation agent or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

### **AGT Food and Ingredients Inc. Profile**

AGT Food and Ingredients Inc. is a processor of value-added pulses, staple foods and ingredients for export and domestic markets as well as a supplier of retail packaged and canned foods to retail and food service sectors. Through its offices and processing facilities located in some of the best agricultural growing regions in Canada, the U.S., Turkey, China, Australia and South Africa, merchandising and sales offices in the U.K., the Netherlands, Spain, Switzerland and India and origination offices in Russia, AGT produces a full range of pulses and specialty crops including lentils, peas, chickpeas, beans and canary seed as well as food ingredients such as pulse flours, proteins, starches and fibres. 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. In particular, this press release contains forward looking statements with respect to, among other things, the expected timing, size or other terms of the Tender Offer and the Consent Solicitation, AGT's ability to complete the Tender Offer and the Consent Solicitation and the Transaction. 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. Please see "Forward-Looking Information" in the Offer to Purchase and Solicitation of Consent, as well risk factors referred to in the section entitled "Risk Factors" in the Annual Information Form of AGT which is available on SEDAR at [www.sedar.com](http://www.sedar.com). 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.

### **For further information:**

#### **Investor Relations**

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