



6200 E. Primrose Green Dr.
Regina, SK CANADA S4V 3L7
www.agtfoods.com

Phone: (306) 525-4490
Fax: (306) 525-4463

From Producer to the World

FOR IMMEDIATE RELEASE
JANUARY 23, 2019

SYMBOL: TSX: AGT

ISS Recommends AGT Shareholders Vote FOR Special Resolution Approving Management Led Take-Private and AGT Receives Consent from the Holders of its 5.875% Senior Notes due 2021 for its Proposed Amendments

REGINA, JANUARY 23, 2019 - AGT Food and Ingredients Inc. (TSX:AGT) (“**AGT**”, or the “**Company**”) announces that Institutional Shareholder Services Inc. (“**ISS**”), a leading independent proxy advisory firm, recommends that the Company’s shareholders vote FOR a special resolution approving 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**”) at its Special Meeting of shareholders to be held on February 5, 2019.

In reaching its recommendation, ISS stated the following:

“The strategic review process undertaken by the company’s board is deemed adequate given that negotiations took place over a period of over five months, the consideration remained unchanged, even as the company’s operational environment became more challenging, and it appears that during that period no third party emerged to make a superior proposal to acquire the company. Given the various challenges that company currently faces, the buyout may represent the best alternative for the Public Shareholders and gives them an opportunity to cash out their investment at a significant premium for a cash consideration which provides certainty of value. Given those factors, the going private transaction is supported.”

AGT also announces the results to date of its (i) pending cash tender offer (the “**Tender Offer**”) to purchase all of AGT’s outstanding 5.875% Senior Notes due December 21, 2021 (the “**Notes**”) and (ii) related pending solicitation of consents (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.

As of the Early Consideration Time (as defined below), the aggregate principal amount of Notes validly tendered and in respect of which, Consents (as defined below) were validly delivered is \$163,237,115, which represents approximately 81.62% of the aggregate principal amount of Notes and which exceeds the Consents of the holders of not less than a majority of the aggregate principal amount of the



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outstanding Notes required to adopt the Proposed Amendments (the “**Requisite Consents**”). As a result of AGT receiving the Requisite Consents, AGT will, if the remaining conditions to the consummation of the Tender Offer and the Consent Solicitation are satisfied or waived, execute the supplemental indenture effecting the Proposed Amendments.

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. All terms and conditions of the Tender Offer and the Solicitation remain unchanged as set forth in the Offer to Purchase and Solicitation of Consent. Any Holder who tenders Notes pursuant to the Tender Offer must also deliver a consent to the Proposed Amendments (a “**Consent**”) pursuant to the 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.

The following table sets forth the aggregate principal amount of Notes that were tendered and in respect of which Consents were delivered on or before 5:00 p.m. (Eastern Time) January 22, 2019 (the “**Early Consideration Time**”) and the aggregate principal amount of Notes eligible to receive the Early Consideration (as defined below) on the Payment Date (as defined below).

Issuer	Security Description	CUSIP/ISIN Number	Outstanding Aggregate Principal Amount	Aggregate Principal Amount of Notes Tendered and in respect of which Consents were Delivered	Early Consideration ⁽¹⁾
AGT Food and Ingredients Inc.	5.875% Senior Notes due 2021	001264AA8 / CA001264AA82	\$200 million	\$163,237,115	\$1,015

(1) Per \$1,000 principal amount of Notes validly tendered and accepted for purchase in the Tender Offer (exclusive of any accrued interest, which will be paid by AGT in addition to the Early Consideration to, but not including, the Payment Date).

Notes validly tendered and Consents validly delivered may not be withdrawn at any time. AGT expects to accept for purchase all of the Notes validly tendered prior to the Early Consideration Time, subject to the satisfaction of the conditions to the Tender Offer and the Consent Solicitation. AGT expects that payment for Notes validly tendered (the “**Payment Date**”) will occur within three business days following completion of the previously-announced Transaction, assuming that all of the other conditions to the Tender Offer and the Consent Solicitation are satisfied or waived.



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The total consideration for each \$1,000 principal amount of Notes tendered, and in respect of which Consents were delivered, prior to the Early Consideration Time is set forth in the table above (the “**Early Consideration**”) and is expected to be paid on the Payment Date to the holders of Notes tendered and accepted for purchase as of the Early Consideration Time. In addition to the Early Consideration, all Holders of Notes accepted for purchase pursuant to the Tender Offer and the Consent Solicitation will also receive accrued and unpaid interest on the Notes from the last interest payment date to, but not including, the Payment Date.

The Tender Offer and the Consent Solicitation remain open and will expire at 5:00 p.m. (Eastern Time) on February 4, 2019 (such date and time, as it may be extended, the “**Expiration Time**”). No tenders will be valid if submitted after the Expiration Time. AGT expects to purchase all Notes tendered following the Early Consideration Time that have been validly tendered at or prior to the Expiration Time and accepted for purchase, subject to all conditions to the Tender Offer and Consent Solicitation having been either satisfied or waived by AGT on the Payment Date.

The Tender Offer and the Consent Solicitation remain 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.

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 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



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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.

Closing of the Transaction remains subject to other customary closing conditions, including shareholder and Court approval and regulatory approvals, including under the *Competition Act (Canada)*. Assuming the satisfaction or waiver of these closing conditions, closing of the Transaction is expected to occur in the first quarter or early second quarter of 2019.

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 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, AGT's expectation to accept for purchase and pay for validly tendered Notes and the timing of same, and the expected timing for closing of 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, "Risk Factors Relating to the Arrangement" in AGT's management information circular dated January 7, 2019 relating to the Transaction which is available on SEDAR at www.sedar.com, as well risk factors referred to in the section entitled "Risk Factors" in the Annual Information Form of AGT which is also available on SEDAR. 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



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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

Omer Al-Katib

(306) 525-4490

ir@agtfoods.com