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Alliance Grain Traders Announces Australia: New South Wales Acquisition

REGINA, AUG 2, 2011 - Alliance Grain Traders Inc. ("AGT") (TSX:AGT) is pleased to announce that it has acquired all of the assets of Canz Commodities, (previously owned by Bodana Pty Ltd and the Pars Ram Punj Family), a chickpea and pulse processor in Narrabri, New South Wales Australia, located approximately 500 km from Sydney. The assets acquired include real property, storage and related handling equipment and a processing plant for pulses and grains, specializing in desi and kabuli chickpeas, faba beans, mung beans and albus lupins. The total investment, including the cash acquisition price and a budget for improvements, is CDN \$8.0 million. The Narrabri facility is currently operational with capital expansions and improvements planned to commence immediately. The new company will be owned and operated by AGT's wholly owned subsidiary, Australia Milling Group PTY Ltd.

The Narrabri facility acquired by AGT is located in the heart of New South Wales' rich pulse growing area for desi and kabuli chickpeas, faba beans, mung beans and lupins. Along with the Queensland area, New South Wales is the primary growing area for Australian chickpeas. The facility is equipped with direct rail access with three times dedicated weekly container train service direct from the facility to Sydney, one of Australia's main container ports.

"We are very pleased with this expansion into New South Wales. This is a new region in Australia that really complements our existing assets in Victoria and South Australia. The variety of pulses grown here, especially the mix of desi and kabuli chickpeas and beans goes a long way in solidifying our diversified global origination strategy focusing on production regions and the full range of pulse products to our global distribution channels. Australia is becoming a leader in the production and export of pulses, especially pulses like desi chickpeas, faba beans and mung beans that we do not grow or see limited production in many of our other origins. We see an excellent base of farmers in the region who are, like us, committed to the long-term strength and viability of the Australian pulse industry. This is another strategic 'tuck-in' acquisition for us that will allow us to be operational for what we currently estimate to be a promising start to new crop season in Australia for 2011. Direct rail service in containers is a strategic advantage for our business as we grow the market for value-added pulses and specialty crops originating in Australia for our clients worldwide." said Murad Al-Katib, President and CEO of AGT.

"As we have previously stated as one of our strategies, AGT continues working to grow our chickpea, faba bean, bean and lentil platforms globally. Australia is becoming a world class pulses producer and any major pulse company must look to Australia as a key origin for products and processing. We believe this acquisition assists us in executing our growth plans and building a sustainable value-added pulses business in Australia and worldwide. We now have factories and storage in three states in Australia, giving us shipping and logistical advantages from Sydney, Melbourne and Adelaide to the Indian Subcontinent and the rest of the world," added Huseyin Arslan, Executive Chairman of the Board of Directors of AGTI.



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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 UK, 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, 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, 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.

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