



P.O. Box 30029
Regina, SK CANADA S4N 7K9 Phone: (306) 525-4490
www.agtfoods.com Fax: (306) 525-4463

FOR IMMEDIATE RELEASE
MARCH 8, 2018

SYMBOL: TSX: AGT

**AGT Food and Ingredients Inc. Announces Proposed Amendment
to Outstanding Warrants and NCIB**

REGINA, MAR 8, 2018 – AGT Food and Ingredients Inc. (TSX:AGT) ("**AGT**" or the "**Company**") is announcing that, subject to approval of the Toronto Stock Exchange (the "**TSX**"), it will amend the terms of the outstanding common share purchase warrants (the "**Warrants**") (the "**Amendment**") held by Fairfax Financial Holdings Limited, through certain of its subsidiaries (collectively, "**Fairfax**" or the "**Holder**"), which will allow Fairfax to purchase the Common Shares of AGT (the "**Common Shares**") in accordance with the terms set out below. The Warrants were issued in connection with Fairfax's C\$190 million investment in AGT through the purchase of the 5.375% interest bearing securities (the "**Preferred Securities**") on August 31, 2017. The Amendment will provide that for a period of one-year from TSX approval, the Warrants shall not be exercisable for a number of Common Shares of AGT, when taken together with all other Common Shares beneficially owned directly or indirectly by the Holder of a Warrant and any affiliates of such Holder, that would result in such Holder and any affiliates of such holder acquiring beneficial ownership of greater than 19.99% of AGT's issued and outstanding Common Shares. Upon the expiration of such one-year period, the Warrants may be exercised for the full amount of Common Shares provided for therein in accordance with their terms and conditions. At any time prior to the 61st day that the one-year restriction above would expire, the Company and Holder of the Warrant may mutually elect to extend such restriction for another year.

AGT also intends to make a normal course issuer bid (a "**NCIB**") to purchase and cancel up to 1,610,698 Common Shares over a one-year period, representing up to approximately 10% of the public float of AGT's Common Shares issued and outstanding on the TSX as of March 7, 2018. The Company intends to fund such purchases through working capital. The Company believes that its current share price does not reflect the underlying value of the Company, and that purchasing shares for cancellation under the NCIB will increase the proportionate interest of, and be advantageous to, all remaining shareholders. The Company intends to buy back Common Shares for cancellation from time to time when it determines the price at which they are trading is undervalued and that such purchases provide the best use of available cash.

The NCIB is subject to acceptance by the TSX and, if accepted, will be made in accordance with the applicable rules and policies of the TSX. Common Shares will be purchased through the facilities of the TSX at prevailing market prices at the time of purchase. In accordance with the applicable TSX rules, the maximum amount of daily purchases may not exceed 25% of the average daily trading volume of the Common Shares for a six month period preceding the date of approval of the NCIB by the TSX, and the Company may make, once per calendar week, a block purchase of Common Shares not owned, directly or indirectly, by insiders of AGT that exceeds the daily repurchase restriction.



AGT will also seek shareholder approval for the redemption of the rights issued pursuant to its Shareholder Rights Plan (“SRP”) and the cancellation of the SRP at its forthcoming annual meeting of holders of Common Shares.

“We look forward to speaking to our shareholders on our next conference call but we believe that some shareholders may be misunderstanding the impact of the recent Indian tariffs on our business. Where our share price is today, management and our board of directors are of the view that our shares are significantly undervalued. Moreover, we are instituting the NCIB so the Company may repurchase shares for cancellation. Additionally, we are taking action to remove some of the restrictions and impediments to strategic and other investments in AGT, including in respect of Fairfax. We are amending the Warrants and propose to remove the Shareholder Rights Plan at AGT’s 2018 Annual General Meeting so that Fairfax, like our other shareholders can purchase our shares. The issues we were protecting against in the Shareholder Rights Plan are largely redundant as they are adequately covered by amendments to the Canadian take-over bid legislation that occurred in 2016. I cannot say emphatically enough that we believe that our business has very strong long-term fundamentals and I am keen to encourage investors to invest along with me and my fellow directors and management team as we realize the long-term value for the capital that we have deployed,” said Mr. Murad Al-Katib, President and CEO of AGT.

“When we undertook our investment in AGT in August, 2017, we indicated our belief in AGT’s long term strategy. Commodity cycles and tariffs are a reality in many businesses, including the agriculture business. We remain confident in management’s strategy to link with international markets and build a Canadian champion in value added pulses and related processed foods. The implementation of the NCIB and the commitment by AGT’s management and board of directors is further evidence of the conviction of such individuals in the long-term future of the business. These changes to our Warrants and the cancellation of the Company’s SRP give Fairfax and its executives, including myself, the flexibility to consider additional investments in AGT as opportunities may present themselves. We look forward to continuing to build our partnership with AGT around the globe,” added Mr. Paul Rivett, President of Fairfax.

AGT Food and Ingredients Inc. Profile

AGT Food and Ingredients Inc. (AGT) 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 and information in this press release constitute forward-looking statements and forward-looking information within the meaning of applicable securities laws. In particular, this press release contains forward looking statements with respect to the Amendment, the NCIB and the cancellation of the SRP. 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 other things, that the anticipated benefits of the Amendment the NCIB and the cancellation of the SRP may not materialize, the possibility that new investment will not materialize and that these factors may adversely affect the prospects for long-term profitability, the possibility that any regulatory or shareholder approvals required to complete the Amendment, the NCIB and the cancellation of the SRP may not be obtained. In addition, an investment in AGT is subject to those 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, 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.

For further information:**Investor Relations****Omer Al-Katib****(306) 525-4490**

ir@agtfoods.com