These materials are important and require your immediate attention. These materials require shareholders of AGT Food and Ingredients Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your professional advisors.

NOTICE OF SPECIAL MEETING

AND MANAGEMENT INFORMATION CIRCULAR

WITH RESPECT TO A SPECIAL MEETING OF SHAREHOLDERS

OF

AGT FOOD AND INGREDIENTS INC.

TO BE HELD ON FEBRUARY 5, 2019 AT 10:00 A.M. (EASTERN TIME)

RECOMMENDATION TO SHAREHOLDERS:

YOUR VOTE IS IMPORTANT, TAKE ACTION AND VOTE TODAY. THE BOARD OF DIRECTORS OF AGT RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION.

January 7, 2019

Dear Shareholders:

On behalf of the Board of Directors (the "**Board**") of AGT Food and Ingredients Inc. (the "**Company**" or "**AGT**"), we would like to invite you to attend a special meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares of AGT ("**Common Shares**") to be held at the Confederation Room 5/6 of the Fairmont Royal York, 100 Front Street West, Toronto, Ontario, M5J 1E3, at 10:00 a.m. (Eastern time) on February 5, 2019.

THE ARRANGEMENT

On December 4, 2018, the Company entered into an arrangement agreement (the "**Arrangement Agreement**") with 2667980 Ontario Inc. (the "**Purchaser**") in respect of a proposed statutory plan of arrangement (the "**Arrangement**") under Section 182 of the *Business Corporations Act* (Ontario). The purpose of the Arrangement is to, among other things, permit the acquisition by the Purchaser of all of the issued and outstanding Common Shares, other than the Common Shares owned by the Purchaser or its affiliates. If the Arrangement becomes effective, each Shareholder, other than the Purchaser, and Murad Al-Katib, Gaetan Bourassa, Lori Ireland, Omer Al-Katib and certain other members of AGT's management and other employees of AGT or its subsidiaries, together with any entities beneficially owned or controlled by such persons (collectively, the "**Management Participants**"), Fairfax Financial Holdings Limited ("**Fairfax**"), Point North Capital ("**Point North**" and collectively with Fairfax and the Management Participants, the "**Rolling Shareholders**") and any registered Shareholder who has validly exercised its dissent rights, will receive cash consideration of C$18.00 for each Common Share held (the "**Consideration**"). The Consideration represents a 36.7% premium to the closing price of the Common Shares on the Toronto Stock Exchange on July 25, 2018, the last trading day prior to the public announcement of the Purchaser's proposal with respect to the Arrangement.

The Common Shares held by each Rolling Shareholder shall be exchanged for shares in the capital of the Purchaser pursuant to rollover agreements entered into by each Rolling Shareholder and the Purchaser, all in accordance with the Arrangement. In addition, the Company will cancel all outstanding deferred share units granted under the Company's incentive plans and, in respect of each outstanding deferred share unit, whether vested or unvested, the holder shall be entitled to an amount in cash equal to the Consideration. The Company's restricted share units shall be continued on the same terms and conditions as applicable prior to the Effective Time, except that, following the amalgamation of the Purchaser and the Company as contemplated by the Arrangement, the value of such restricted share units will be based on the shares in the capital of the entity resulting from such amalgamation.

At the Meeting, Shareholders will, among other things, be asked to consider and, if deemed advisable, pass a special resolution (the "**Arrangement Resolution**") approving the Arrangement. The accompanying management information circular ("**Circular**") contains a detailed description of the Arrangement and other information relating to AGT. Assuming that all of the conditions to the Arrangement are satisfied or waived, AGT expects the Arrangement to be completed in the first quarter or early second quarter of 2019.

BOARD RECOMMENDATIONS

The Board, after having received the unanimous recommendation of the Independent Committee, unanimously approved the Arrangement Agreement, and with Howard Rosen, Murad Al-Katib, Hüseyin Arslan and Bradley Martin having declared their interests and refrained from voting on the matter, unanimously concluded that the Arrangement is in the best interests of the Company (considering the interests of all stakeholders) and **is unanimously recommending that Public Shareholders vote FOR the Arrangement Resolution at the Meeting**.

APPROVAL REQUIREMENTS

In order to become effective, the Arrangement Resolution must be approved by an affirmative vote of: (i) at least 66 2/3% of the votes cast at the Meeting in person or by proxy by the Shareholders; and (ii) a simple majority of the votes cast at the Meeting in person or by proxy by all Shareholders, excluding the votes cast in respect of Common

Shares beneficially owned or over which control or direction is exercised by the Purchaser, Bradley Martin (given that he is an officer of Fairfax) and the Rolling Shareholders. The Arrangement also requires the approval of the Ontario Superior Court of Justice (Commercial List) and is subject to the satisfaction of certain other conditions.

This is an important matter affecting the future of AGT and your vote is important regardless of the number of Common Shares you own.

If you are a registered holder of Common Shares (shareholders whose names appear on the central securities register of the Company) but are unable to be present at the Meeting in person, we encourage you to vote by completing the enclosed form of proxy. Voting by proxy will not prevent you from voting in person if you attend the Meeting but will ensure that your vote will be counted if you are unable to attend. Forms of proxy must be returned to TSX Trust Company ("**TSX Trust**"), the Company's transfer agent, at its offices at 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, fax: (416) 361-0470, Attention: Proxy Department, prior to 5:00 p.m. (Eastern time) on January 31, 2019 or at least three days (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment or postponement of the Meeting. The time limit for the deposit of proxies may be waived by the Chairman of the Meeting in his sole discretion without notice.

If you are a non-registered holder of Common Shares (shareholders who hold Common Shares with a bank, broker or other financial intermediary) and have received these materials through your broker or through another intermediary, please complete and return the proxy, voting instruction form or other authorization provided to you by your broker or by such other intermediary in accordance with the instructions provided with the proxy, voting instruction form or other such authorization. Failure to do so may result in your Common Shares not being eligible to be voted at the Meeting. Non-registered holders of Common Shares who received a voting instruction form or other authorization provided by your broker or by such other intermediary must, in sufficient time in advance of the Meeting, submit such voting instruction form or other authorization as required by your broker or by such other intermediary.

Registered holders of Common Shares should complete and return the enclosed letter of transmittal printed on blue paper which, when properly completed and duly executed and returned to TSX Trust, the depositary in respect of the Arrangement, together with a certificate(s) representing Common Shares or Direct Registration System ("**DRS**") advice(s), as applicable, and such additional documents, certificates and instruments as TSX Trust may reasonably require, will enable each registered Shareholder to obtain the Consideration to which such registered Shareholder is entitled under the Arrangement. You are not required to send in your certificate(s) representing Common Shares or DRS advice(s) to validly cast your vote in respect of the Arrangement at the Meeting. However, we encourage registered Shareholders to complete, sign, date and return the letter of transmittal, together with their certificate(s) or DRS advice(s), as applicable, to TSX Trust as soon as possible, and preferably no later than two business days prior to the effective date of the Arrangement, which will assist in arranging for the prompt payment of the Consideration to which such registered Shareholders are entitled once the Arrangement is completed.

We urge you to carefully consider all of the information in the Circular. If you require assistance, please consult your financial, legal or other professional advisors.

On behalf of AGT, we would like to thank all Shareholders for their ongoing support.

Yours truly,

"Geoffrey S. Belsher"
Geoffrey S. Belsher
Chairman of the Independent Committee

6200 E. Primrose Green Dr.
Regina, Saskatchewan S4V 3L7
Phone: (306) 525-4490

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that, pursuant to an interim order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 7, 2019 (the "**Interim Order**"), a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of AGT Food and Ingredients Inc. ("**AGT**" or the "**Company**") will be held at the Confederation Room 5/6 of the Fairmont Royal York, 100 Front Street West, Toronto, Ontario, M5J 1E3, at 10:00 a.m. (Eastern time) on February 5, 2019, for the following purposes:

1. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") to approve a plan of arrangement (the "**Plan of Arrangement**") under Section 182 of the *Business Corporations Act* (Ontario) (the "**OBCA**") involving AGT and 2667980 Ontario Inc. (the "**Purchaser**") pursuant to an arrangement agreement dated December 4, 2018 between AGT and the Purchaser. The full text of the Arrangement Resolution is set forth in Appendix A to the accompanying management information circular dated January 7, 2019 (the "**Circular**"); and

2. to transact such other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Circular. Completion of the proposed Plan of Arrangement is conditional upon certain matters described in the Circular, including the approval of the Court, receipt of required regulatory approvals and satisfaction or waiver of certain conditions precedent.

THE BOARD OF DIRECTORS OF AGT, AFTER CONSULTATION WITH ITS OUTSIDE LEGAL COUNSEL AND FINANCIAL ADVISORS, RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION.

The Board of Directors of AGT has fixed the record date for determining the Shareholders entitled to receive notice of, and vote at, the Meeting as the close of business on December 17, 2018 (the "**Record Date**"). Only registered Shareholders as of the Record Date are entitled to receive notice of, attend and vote at the Meeting. A registered Shareholder may attend the Meeting in person or may be represented at the Meeting by proxy. Registered Shareholders who are unable to attend the Meeting, or any postponement or adjournment thereof, in person are requested to complete, date, and sign the accompanying form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the accompanying Circular. The time limit for the deposit of proxies may be waived by the Chairman of the Meeting in his sole discretion without notice.

If you are a non-registered (beneficial) Shareholder and have received these materials through your broker or through another intermediary, please complete and return the voting instruction form provided to you by your broker or other intermediary in accordance with the instructions provided therein.

Pursuant to and in accordance with the Plan of Arrangement, attached as Appendix B to the accompanying Circular, the Interim Order and the provisions of Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement), registered Shareholders have the right to dissent in respect of the Arrangement Resolution. If the Arrangement is completed, dissenting Shareholders who comply with the procedures set forth in Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) will be entitled to be paid the fair value of

their Common Shares by the Purchaser. **There can be no assurance that a dissenting Shareholder will receive consideration for his or her Common Shares of equal value to the consideration that such dissenting Shareholder would have received under the Arrangement.** This dissent right is summarized in the Circular. Failure to strictly comply with the requirements set forth in Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) may result in the loss or unavailability of any right to dissent with respect to the Arrangement.

Persons who are beneficial Shareholders who wish to dissent in respect of the Arrangement Resolution should be aware that only registered Shareholders are entitled to dissent. Accordingly, a beneficial Shareholder desiring to exercise this right of dissent must make arrangements for the Common Shares beneficially owned by such person to be registered in his, her or its name prior to the time the written notice of dissent to the Arrangement Resolution is required to be received by AGT or, alternatively, make arrangements for the registered Shareholder to dissent on his, her or its behalf.

In order for registered Shareholders to receive the consideration they are entitled to upon completion of the Arrangement, such registered Shareholders must complete and sign the letter of transmittal and return such letter of transmittal, together with their share certificates or DRS advice(s), as applicable, and related documents to the depositary in accordance with the procedures set out in the letter of transmittal.

Your vote is very important, regardless of the number of securities that you own. Whether or not you expect to attend the Meeting in person, we encourage you to vote your form of proxy or voting instruction form, as applicable, as promptly as possible to ensure that your vote will be counted at the Meeting.

DATED at Regina, Saskatchewan this 7th day of January 2019.
BY ORDER OF THE BOARD OF DIRECTORS

"*Geoffrey S. Belsher*"
Geoffrey S. Belsher
Chairman of the Independent Committee

QUESTIONS AND ANSWERS ABOUT THE MEETING AND THE ARRANGEMENT

The following is a summary of certain information contained in or incorporated by reference into this Circular, together with some of the questions that you, as a Shareholder, may have and answers to those questions. You are urged to read the remainder of this Circular, the attached Appendices and the form of proxy carefully, because the information contained below is of a summary nature, and is qualified in its entirety by the more detailed information contained elsewhere in or incorporated by reference into this Circular, the attached Appendices and the form of proxy, all of which are important and should be reviewed carefully.

Q: Does the Board support the Arrangement?

A: Yes. The Board, after having received the unanimous recommendation of the Independent Committee, unanimously approved the Arrangement Agreement, and with the Interested Directors having declared their interests and refrained from voting on the matter, unanimously concluded that the Arrangement is in the best interests of the Company (considering the interests of all stakeholders) and is unanimously recommending that Public Shareholders vote FOR the Arrangement Resolution at the Meeting.

Prior to entering into the Arrangement Agreement, the Board established the Independent Committee, comprised of Geoffrey S. Belsher (Chair), Marie-Lucie Morin, Drew Franklin, John Gardner and Greg Stewart, each an independent director of AGT, to negotiate the Arrangement Agreement and to advise the Board with respect to any recommendation that the Board should make to the Shareholders.

The Independent Committee, after careful consideration and having received advice from its independent financial and legal advisors and the Valuation and Fairness Opinion, unanimously recommended that the Board approve the Arrangement and recommend that Public Shareholders vote FOR the Arrangement Resolution at the Meeting.

In making its recommendation, each of the Board and the Independent Committee considered a number of factors, including the Valuation and Fairness Opinion, which determined that the fair market value of the Common Shares is in the range of C$17.00 to C$21.00 per Common Share, and that the Consideration payable to the Shareholders (other than the Purchaser and the Rolling Shareholders) under the Arrangement Agreement is fair, from a financial point of view, to such Shareholders.

See "*The Arrangement — Background to the Arrangement*" and "*The Arrangement — Reasons for the Arrangement*".

Q: When will the Arrangement become effective?

A: Subject to obtaining Court and other regulatory approvals as well as the satisfaction or waiver of all other conditions precedent, if Shareholders approve the Arrangement Resolution, it is anticipated that the Arrangement will be completed in the first quarter or early second quarter of 2019.

Q: What will I receive for my Common Shares under the Arrangement?

A: If the Arrangement is completed, each holder of Common Shares at the Effective Time (other than the Purchaser, the Rolling Shareholders, and any Shareholder who has validly exercised its Dissent Rights) will receive, for each Common Share, C$18.00 in cash.

Q: What will happen to AGT if the Arrangement is completed?

A: If the Arrangement is completed, the Purchaser will acquire all of the issued and outstanding Common Shares at the Effective Time, other than the Common Shares already owned by the Purchaser, and the Corporation will be amalgamated with the Purchaser.

The Common Shares, which are currently listed for trading on the TSX, will be de-listed from the TSX concurrently with completion of the Arrangement.

Q: Who is entitled to vote on the Arrangement Resolution at the Meeting and how will votes be counted?

A: All Shareholders as of the close of business on the Record Date are entitled to vote on the Arrangement Resolution at the Meeting on the basis of one vote for each Common Share held. TSX Trust, the Company's transfer agent and registrar, will count the votes.

Q: What approvals are required to be given by Shareholders at the Meeting?

A: To become effective, the Arrangement Resolution must be approved by the affirmative vote of: (i) at least 66 2/3% of the votes cast at the Meeting in person or by proxy by the Shareholders; and (ii) a simple majority of the votes cast at the Meeting in person or by proxy by the Shareholders excluding the votes cast in respect of Common Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded and any of its related parties or joint actors, all in accordance with MI 61-101, which, in this case, consists of the Common Shares held by the Purchaser, Bradley Martin (given that he is an officer of Fairfax) and the Rolling Shareholders.

All Rolling Shareholders (other than Fairfax), directors and certain officers of AGT, holding in aggregate approximately 31% of the Common Shares as of January 7, 2019, have entered into Voting Agreements, as applicable, pursuant to which they have agreed, subject to certain exceptions, to vote their Common Shares in favour of the Arrangement Resolution. Fairfax has committed to use reasonable commercial efforts to do all such acts and things as may be necessary or advisable to consummate the Arrangement.

See "*The Arrangement – Required Approvals*".

Q: What is the quorum for the Meeting?

A: For all purposes contemplated by this Circular, the quorum for the transaction of business at the Meeting shall be two or more individuals present in person either holding personally or representing as proxies not less in aggregate than 10% of the votes attached to all outstanding Common Shares entitled to be voted at the Meeting.

Q: Are Shareholders entitled to Dissent Rights?

A: Only Registered Shareholders are entitled to Dissent Rights on the Arrangement Resolution if they follow the procedures specified in the OBCA, as modified by the Interim Order, the Final Order, and the Plan of Arrangement. If you are a Registered Shareholder and wish to exercise Dissent Rights, you should review the requirements summarized in this Circular and the Interim Order, Section 185 of the OBCA and the Plan of Arrangement, which are attached to this Circular as Appendices D, F and B, respectively, carefully and consult with your professional advisors and legal counsel.

See "*Rights of Dissenting Shareholders*".

Q: What other conditions must be satisfied to complete the Arrangement?

A: In addition to the applicable approvals by the Shareholders at the Meeting, the Arrangement is conditional upon, among other things, the receipt of the Final Order from the Court and the satisfaction or waiver of the conditions precedent set out in the Arrangement Agreement.

See "*The Arrangement Agreement – Conditions of Closing*".

Q: What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated. If this occurs, AGT will continue to carry on its business operations in the normal and usual course. However, the Corporation has determined that, effective December 4, 2018, it will cease paying dividends on its Common Shares for the foreseeable future, regardless of whether the Arrangement is completed. See "*Risk Factors Relating to the Arrangement*" and "*Dividend Policy*". In certain termination circumstances, AGT will be required to pay to the Purchaser (i) its reasonable out-of-pocket fees and expenses incurred in connection with the preparation, negotiation, execution and performance of matters relating to the Arrangement, or (ii) a Termination Fee in the amount of C$11.5 million.

See "*The Arrangement Agreement — Termination*".

Q: What do I need to do now in order to vote at the Meeting?

A: You should carefully read and consider the information contained in this Circular. Registered Shareholders should then complete, sign and date the enclosed Proxy and return the applicable form in the enclosed return envelope or by facsimile as indicated in the Notice of Meeting as soon as possible so that your Common Shares may be represented at the Meeting. To be eligible for voting at the Meeting, the Proxy must be returned by mail or by facsimile to the Depositary not later than 5:00 p.m. (Eastern time) on January 31, 2019, or the third business day (excluding Saturdays, Sundays and holidays) before any adjournment or postponement thereof. Additionally, Shareholders may vote using the internet or by telephone.

See "*General Proxy Information – Proxy Instructions*" and "*General Proxy Information – Appointment of Proxyholder*".

Non-Registered Shareholders whose Common Shares are held in the name of a nominee, bank, broker or other financial intermediary, should follow the instructions provided by your intermediary to ensure your vote is counted at the Meeting.

See "*General Proxy Information – Proxy Instructions*", "*General Proxy Information – Appointment of Proxyholder*", "*General Proxy Information – Revocation of Proxies*" and "*General Proxy Information – Special Instructions for Voting by Non-Registered Shareholders*".

Q: If my Common Shares are held by my broker, will my broker vote my Common Shares for me?

A: A broker will vote the Common Shares held by you only if you provide instructions to your broker on how to vote. Without instructions, those Common Shares may not be voted. Non-Registered Shareholders should instruct their brokers to vote their Common Shares by following the directions provided to them by their brokers. Unless your broker gives you its proxy, voting instruction form or other method to provide voting instructions to vote the Common Shares at the Meeting, you cannot vote your Common Shares in person at the Meeting.

See "*General Proxy Information — Special Instructions for Voting by Non-Registered Shareholders*".

Q: Should I send in my Proxy now?

A: Yes. To ensure that your vote is counted, you should complete and submit the applicable enclosed Proxy or, if applicable, provide your broker with voting instructions as soon as possible to ensure your Common Shares are counted at the Meeting.

See "*General Proxy Information — Proxy Instructions*".

Q: Can I revoke my proxy after I have voted by proxy?

A: Yes. A Shareholder executing the enclosed Proxy has the right to revoke it. A Shareholder may revoke a proxy by depositing an instrument in writing executed by him or her, or by his or her attorney authorized in writing, at the registered office of AGT, at any time up to and including the last day (other than a Saturday, Sunday or other holiday in Toronto, Ontario) preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, or in any other manner permitted by law. Non-Registered Shareholders that wish to change their voting

instructions must, in sufficient time in advance of the Meeting, contact their intermediary to arrange to change their voting instructions.

Q: What are the Canadian and U.S. federal income tax consequences of the Arrangement to the Shareholders?

A: For a summary of certain material Canadian income tax consequences of the Arrangement, see "*Certain Canadian Federal Income Tax Considerations*" and for a summary of certain material United States income tax consequences of the Arrangement, see "*Certain United States Federal Income Tax Considerations*". **Such summaries are not intended to be legal or tax advice to any particular Shareholder.**

Tax matters are complicated, and the income tax consequences of the Arrangement to you will depend on your particular circumstances. Because individual circumstances may differ, you should consult with your tax advisor(s) as to the specific tax consequences of the Arrangement to you.

Q: Should I send my share certificate(s) or DRS Statement now?

A: You are not required to send your certificate(s) or DRS Statement representing Common Shares to validly cast your vote in respect of the Arrangement Resolution. We encourage those Registered Shareholders to complete, sign, date and return the enclosed Letter of Transmittal, together with their certificate(s) or DRS Statement representing Common Shares, as soon as possible and in any event no later than 5:00 p.m. (Eastern time) on January 31, 2019 or the third Business Day immediately prior to the date of any adjournment or postponement of the Meeting.

Q: When can I expect to receive the Consideration for my Common Shares?

A: Assuming completion of the Arrangement, if you hold your Common Shares through a broker, investment dealer or other intermediary, then you are not required to take any action and the Consideration you are entitled to receive will be delivered to your intermediary through the procedures in place for such purposes between CDS & Co. or similar entities and such intermediaries. You should contact your intermediary if you have questions regarding this process.

In the case of Registered Shareholders, as soon as practicable after the Effective Date, assuming due delivery of the required documentation, including the applicable certificate(s) or DRS Statement representing Common Shares and a duly and properly completed Letter of Transmittal, the Purchaser will cause the Depositary to forward a cheque representing the Consideration to which the Registered Shareholder is entitled by first class mail to the address of the Shareholder as shown on the register maintained by the Transfer Agent unless the Registered Shareholder indicates in the Letter of Transmittal an alternate address or that it wishes to pick up the cheque representing the Consideration, as applicable, from the office of the Depositary, located at 100 Adelaide St West, Suite 301, Toronto ON M5H 4H1, Fax: (416) 361-0470, Attention: Proxy Department.

Shareholders who do not deliver their certificate(s) or DRS Statement representing Common Shares and all other required documents to the Depositary on or before the date which is three years after the Effective Date will lose their right to receive the Consideration.

See "*The Arrangement – Letter of Transmittal*".

Q: How will I know when the Arrangement will be completed?

A: The Effective Date will occur upon satisfaction or waiver of all of the conditions to the completion of the Arrangement. If the requisite level of approval is obtained at the Meeting and all other conditions of the Arrangement are satisfied, the Effective Date is expected to occur in the first quarter or early second quarter of 2019. On the Effective Date, the Company and the Purchaser will publicly announce that the conditions are satisfied or waived and that the Arrangement has been completed.

Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?

A: Yes. Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (i) conditions precedent to closing of the Arrangement may not be satisfied; (ii) the Arrangement Agreement may be terminated by the parties in certain circumstances; (iii) if the Arrangement Agreement is terminated, the Company may be required to pay the Termination Fee or the Purchaser Expense Fee in certain circumstances; (iv) directors and executive officers of AGT may have interests in the Arrangement that are different from those of Shareholders generally; (v) if the Company is unable to complete the Arrangement or if completion of the Arrangement is delayed, there could be an adverse effect on the Company's business, financial condition, operating results and the price of its Common Shares; (vi) risks of non-completion of the Arrangement; (vii) no guarantee of the Purchaser's obligations; (viii) the pending Arrangement may divert the attention of the Company's management; (ix) AGT will incur costs; and (x) AGT and/or its directors and officers may be the targets of legal claims, securities class action, derivative lawsuits and other claims.

See "*The Arrangement – Risks Associated with the Arrangement*".

Q: What will happen to the Common Shares that I currently own after completion of the Arrangement?

A: Upon completion of the Arrangement, certificates or DRS Statements representing Common Shares will represent only the right of the Registered Shareholder to receive for each Common Share held the Consideration of $18.00. Trading in Common Shares on the TSX will cease.

Copies of this Circular and the Meeting materials may also be found on the Company's website at www.agtfoods.com and under the Company's profile on SEDAR at www.sedar.com.

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GLOSSARY OF TERMS

In this Circular, the following capitalized words and terms shall have the following meanings:

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement, any offer, proposal or inquiry (written or oral) from any Person or group of Persons "acting jointly or in concert" (within the meaning of National Instrument 62-04 – *Take-Over Bids and Issuer Bids*) other than the Purchaser (or any affiliate of the Purchaser) relating to: (i) any direct or indirect sale, disposition, alliance or joint venture (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), in a single transaction or a series of related transactions, of assets (including shares of Subsidiaries of the Company) representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries or of 20% or more of the voting, equity or other securities of the Company (or rights or interests therein or thereto); (ii) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting, equity or other securities or any other equity interests (including securities convertible into or exercisable or exchangeable for securities or equity interests) of the Company; (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Company or any of its Subsidiaries; or (iv) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries;

"**AGT Management**" has the meaning ascribed thereto under "*The Arrangement – Valuation and Fairness Opinion – Scope of Review*";

"**AGT Management Forecast**" has the meaning ascribed thereto under "*The Arrangement – Valuation and Fairness Opinion – Prior Valuations*";

"**affiliate**" has the meaning specified in National Instrument 45-106 - *Prospectus Exemptions*;

"**Amalco**" has the meaning ascribed to it in Section (k) under the heading "*Summary of the Circular – Arrangement"*;

"**Antitrust Approvals**" means the Competition Act Approval, the HSR Act Approval and those approvals listed in Schedule E to the Arrangement Agreement;

"**APP**" means Alliance Pulse Processors Inc.;

"**APP Drawdown Amount**" has the meaning ascribed to it in Section (d) under the heading "*Summary of the Circular – Arrangement"*;

"**ARC**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Regulatory Approvals*";

"**ARC Application**" has the meaning ascribed thereto under "*The Arrangement Agreement – Regulatory Approvals*";

"**Arrangement**" means an arrangement under Section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;

"**Arrangement Agreement**" means the arrangement agreement (including the schedules attached thereto) dated December 4, 2018 and entered into among the Purchaser and the Company, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms thereof;

"**Arrangement Resolution**" means the special resolution approving the Plan of Arrangement to be considered at the Meeting, in the form and content of Appendix A attached hereto;

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement required by the OBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably;

"**Board**" means the board of directors of the Company, as constituted from time to time;

"**Board Recommendation**" means the unanimous determination of the Board (with the Interested Directors having declared their interests, recused themselves and abstained from voting), having received the unanimous recommendation of the Independent Committee, that the Arrangement Resolution is in the best interests of the Company and recommending that the Shareholders vote in favour of the Arrangement Resolution;

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any statutory holiday in Regina, Saskatchewan or Toronto, Ontario;

"**Canada Transportation Act**" means the *Canada Transportation Act* (Canada);

"**Canada Transportation Act Approval**" means any of: (i) confirmation from the Minister of Transport that the transactions contemplated by the Arrangement Agreement are not subject to section 53.1 of the Canada Transportation Act; (ii) notice of an opinion from the Minister of Transport that the transactions contemplated by the Arrangement Agreement do not raise issues with respect to the public interest as it relates to national transportation, pursuant to section 53.1 of the Canada Transportation Act; or (iii) approval of the transactions contemplated by the Arrangement Agreement from the Governor in Council pursuant to section 53.2 of the Canada Transportation Act;

"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to Section 183(2) of the OBCA in respect of the Articles of Arrangement;

"**Change of Control Agreements**" has the meaning ascribed thereto under "*The Arrangement – Interests of Certain Directors and Executive Officers of AGT in the Arrangement – Change of Control Agreements*";

"**Change in Recommendation**" has the meaning ascribed thereto under "*The Arrangement Agreement – Termination Rights*";

"**Circular**" means this management information circular and accompanying Notice of Meeting (including all schedules, appendices and exhibits hereto) including any amendments or supplements hereto in accordance with the terms of the Arrangement Agreement;

"**Code**" means the United States *Internal Revenue Code of 1986*, as amended;

"**Commissioner**" means the Commissioner of Competition appointed pursuant to Subsection 7(1) of the Competition Act or any other Person duly authorized to perform duties on behalf of the Commissioner;

"**Common Shares**" means the common shares without par value in the capital of the Company;

"**Company ARSUs**" means the RSUs of the Company which vest and settle on each of April 15, 2020 and April 15, 2021 (each as to 50% of such RSUs);

"**Company Disclosure Letter**" means the disclosure letter dated December 4, 2018 regarding the Arrangement Agreement that has been executed by the Company and delivered to the Purchaser with the Arrangement Agreement;

"**Company DSUs**" means the deferred share units issued by the Company;

"**Company Employees**" means the employees of the Company and its Subsidiaries;

"**Company Filings**" means all documents publicly filed on SEDAR by or on behalf of the Company since December 31, 2017;

"**Company LTIP**" means the Long Term Incentive Plan of the Company as amended and restated on March 17, 2016 and effective April 3, 2012;

"**Company Net Debt**" means the Company's consolidated indebtedness for borrowed money less cash and cash equivalents;

"**Company Options**" means the options to purchase Common Shares granted under the Stock Option Plan;

"**Company RSUs**" means the restricted share units issued by the Company;

"**Company Securityholders**" means collectively, the Shareholders and the holders of Company ARSUs, Company RSUs and Company DSUs;

"**Company Transaction Costs**" means, collectively, all costs of the Company (whether incurred, accrued or billed) in connection with the Arrangement including, without limitation, fees and expenses of financial advisors, any amount paid to current or purported finders, advisors or dealers, legal advisors, auditors, or other professionals or consultants, and printing, mailing and other costs and expenses relating to the Meeting (excluding costs and expenses associated with any Pre-Acquisition Reorganization contemplated and any amounts paid or payable by the Company pursuant to the terms of the Plan of Arrangement or to repurchase Senior Notes tendered to the Consent Solicitation);

"**Company Warrants**" means a common share purchase warrant of the Company which entitles the holder thereof to acquire one Common Share upon exercise and payment of the exercise price thereof;

"**Competition Act**" means the *Competition Act* (Canada), R.S.C. 1985, c. C-34;

"**Competition Act Approval**" means any of: (i) the Commissioner has issued an advance ruling certificate pursuant to section 102 of the Competition Act in respect of the transactions contemplated by the Arrangement Agreement; (ii) the Commissioner has advised the Parties that he does not intend to apply to the Competition Tribunal for an order under section 92 of the Competition Act in respect of the transactions contemplated by the Arrangement Agreement and has waived the requirement to notify under Part IX pursuant to paragraph 113(c) of the Competition Act; or (iii) notification of the transactions contemplated by the Arrangement Agreement pursuant to section 114 of the Competition Act has been given by both Parties and the Commissioner has advised the Parties to the effect that he does not intend to apply to the Competition Tribunal for an order under section 92 of the Competition Act in respect of the transactions contemplated by the Arrangement Agreement;

"**Competition Challenge**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Regulatory Approvals*";

"**Competition Tribunal**" means the Competition Tribunal established by subsection 3(1) of the *Competition Tribunal Act*, R.S.C. 1985, c. 19 (2nd Supp.), as amended;

"**Confidentiality Agreement**" means the agreement dated August 24, 2018 between the Company and certain members of the Purchaser Group, as same may be amended from time to time;

"**Consent Solicitation**" means the solicitation by the Company of consents from the holders of the Senior Notes to certain waivers and/or amendments to the indenture governing such Senior Notes;

"**Consideration**" means C$18.00 in cash per Common Share, without interest;

"**Consolidated Net Assets**" as of any date means the total amount of total assets of the Company and its Subsidiaries excluding amounts that should be accumulated in other comprehensive income and recognized in equity, determined as of such date on a consolidated basis in accordance with IFRS, after deducting therefrom: (a) all current liabilities of the Company and its Subsidiaries as of such date (excluding any current liabilities for non-cash derivative swaps for hedging liabilities that by their terms are extendable or renewable at the option of the obligor thereon to a time more than 12 months after the time as of which the amount thereof is being computed and excluding the current portion of long-term debt and amounts outstanding under operating facility as of such date), and (b) all goodwill, trade names, trademarks, patents, licenses, copyrights and other intangible assets as of such

date, in the case of each of the foregoing clauses (a) and (b), determined on a consolidated basis in accordance with IFRS;

"**Contract**" means any agreement, commitment, engagement, contract, franchise, licence, lease, obligation, undertaking or joint venture (written or oral) to which the Company or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or affected or to which any of their respective properties or assets is subject;

"**Cooperation Agreement**" means the Cooperation Agreement dated August 1, 2018, as amended, entered into between the Company, Fairfax and Murad Al-Katib, among others, in connection with the Proposal;

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"Credit Facility" means the credit agreement, as amended on June 29, 2018, among Alliance Pulse Processors Inc. as borrower, the financial institutions party thereto, as lenders, and The Bank of Nova Scotia, as agent;

"**Debt Commitment Letter**" means the commitment letter between the Company and the Lenders dated December 3, 2018, providing for certain amendments to the Credit Facility;

"**Debt Financing**" means the agreement of the Lenders to lend, subject to the terms and conditions of the Debt Commitment Letter, the amounts set forth in the Debt Commitment Letter, including the amendments to the Credit Facility set forth in the Debt Commitment Letter;

"**Depositary**" means TSX Trust in its capacity as depositary for the receipt of Common Shares and for payment of the Consideration in relation to the Arrangement, with approval of the Company, acting reasonably;

"**Director**" means the Director appointed pursuant to Section 278 of the OBCA;

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement;

"**Dissenting Shareholder**" means a registered holder of Common Shares who has duly and validly exercised the Dissent Rights in respect of the Arrangement Resolution in strict compliance with the Dissent Rights and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of Common Shares in respect of which Dissent Rights are validly exercised by such holder;

"**DOJ**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Required Approvals – Regulatory Approvals*";

"**DRS advice**" means an advice under the direct registration system;

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Purchaser and the Company may agree to in writing before the Effective Date.;

"**Employment Agreements**" has the meaning ascribed thereto under "*The Arrangement – Interests of Certain Directors and Executive Officers of AGT in the Arrangement – Executive Employment Agreements*";

"**Engagement Agreement**" has the meaning ascribed thereto under "*The Arrangement – Background to the Arrangement*"

"**Exclusivity Period**" has the meaning ascribed thereto under "*Summary of the Circular - Cooperation Agreement*";

"**Fairfax**" or the "**Sponsor**" means Fairfax Financial Holdings Limited, together with its affiliates, successors or permitted assigns;

"**Fairfax Africa**" has the meaning ascribed thereto under "*The Arrangement – Valuation and Fairness Opinion – Independence of TD Securities*";

"**Fairly Disclosed**" means information has been disclosed in the Company Filings in sufficient detail to enable the Purchaser to identify and make a reasonably informed assessment of the nature and scope of the fact, matter or circumstance so disclosed;

"**Final Order**" means the final order of the Court pursuant to Section 184(4) of the OBCA in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal;

"**FTC**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Required Approvals – Regulatory Approvals*";

"**GAAP**" means generally accepted accounting principles as set out in the Canadian Institute of Chartered Accountants Handbook - Accounting, as applicable to the Company, at the relevant time, applied on a consistent basis;

"**Goodmans**" has the meaning ascribed thereto under "*The Arrangement – Background to the Arrangement*";

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange;

"**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations promulgated thereunder;

"**HSR Act Approval**" means the expiration or early termination of the waiting period, including any extension thereof, under the HSR Act;

"**HSR Form**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Required Approvals – Regulatory Approvals*";

"**IFRS**" means the international financial reporting standards issued by the International Accounting Standards Board that are applicable to public issuers in Canada;

"**Independent Committee**" means the special committee of independent directors established by the Board in connection with the transactions contemplated by the Arrangement Agreement;

"**Independent Voting Agreements**" means the voting and support agreements entered into between the Purchaser and the directors and officers of the Company party thereto (other than the Management Participants) pursuant to which, among other things, such parties have agreed, subject to the terms and conditions of Arrangement Agreement, to vote all Common Shares held by them in favour of the Arrangement Resolution and against any resolution submitted by any Person that is inconsistent with the Arrangement and otherwise support the transactions contemplated by the Arrangement Agreement;

"**Information**" has the meaning ascribed thereto under "*The Arrangement – Valuation and Fairness Opinion – Assumptions and Limitations*";

"**Interested Directors**" means Murad Al-Katib, Hüseyin Arslan and Bradley Martin; Howard Rosen was an Interested Director at the time of the meeting of the Board to approve the Arrangement Agreement as he was a Rolling Shareholder, but he has since elected to not enter into a Rollover Agreement and is no longer a Rolling Shareholder;

"**Interested Parties**" has the meaning ascribed thereto under "*The Arrangement – Valuation and Fairness Opinion – Independence of TD Securities*";

"**Interim Order**" means the interim order of the Court providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably;

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise;

"**Lenders**" means the lenders under the Credit Facility and any other person who becomes a lender in respect of the Credit Facility pursuant to the Debt Commitment Letter;

"**Letter of Transmittal**" means the letter of transmittal accompanying this Circular;

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute;

"**Locked-up Shareholders**" means Shareholders who have entered into an Independent Voting Agreement or PG Voting Agreement;

"**Management Participants**" means Murad Al-Katib, Gaetan Bourassa, Lori Ireland, Omer Al-Katib and certain other members of AGT Management and other employees of AGT or its subsidiaries, together with any entities beneficially owned or controlled by such persons;

"**Matching Period**" has the meaning ascribed thereto under "*The Arrangement Agreement – Covenants of the Company Regarding Non-Solicitation*";

"**Material Adverse Effect**" means (a) any fact or state of facts, circumstance, change, effect, occurrence or event that, individually or in the aggregate, is, or individually or in the aggregate would reasonably be expected to be material and adverse to the business, operations, results of operations, financial condition or liabilities (contingent or otherwise) or obligations, in each case except for any such fact or state of facts, circumstance, change, effect, occurrence or event to the extent resulting from: (i) any change generally affecting the industries in which the Company or any of its Subsidiaries operate; (ii) any change in Law, GAAP or regulatory accounting requirements or in the interpretation, application or non-application of the foregoing by any Governmental Entity, (iii); any change in general economic, business, regulatory, political, financial, capital, securities, credit, commodity or currency market conditions in any jurisdiction in which the Company or any of its Subsidiaries operate (iii) any natural disaster or act of war or terrorism (or worsening thereof); (iv) any action taken (or omitted to be taken) by the Company or any of its Subsidiaries, which is required to be taken (or omitted to be taken) pursuant to the Arrangement Agreement or that is consented to the Purchaser; (v) the announcement of the Arrangement Agreement or the pendency or consummation of the Arrangement or the transactions contemplated hereby; (vi) any litigation or threatened litigation relating to the Arrangement Agreement or the transactions contemplated hereby; (vii) any matter that has been Fairly Disclosed by the Company in the Company Disclosure Letter or in the Company Filings (other than any disclosures contained under the captions "Risk Factors" or "Forward-Looking Information" and any other disclosures contained in such documents that are predictive, cautionary or forward-looking in nature); (viii) any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price or trading volume may, to the extent not otherwise excluded, be taken into account in determining whether a Material Adverse Effect has occurred); (ix) any failure of the Company or any of its Subsidiaries to meet any internal or published projections, forecasts, guidance or estimates of revenues, earnings or cash flows (it being understood that the causes underlying such failure may, to the extent not otherwise excluded, be taken into account in determining whether a Material Adverse Effect has occurred); or (x) any change or announcement of a potential change in the credit ratings in respect of the Company or any of its Subsidiaries or any change in any analyst recommendations or ratings with respect to the Company (it being understood that the causes underlying such change may, to the extent not otherwise excluded, be taken into account in determining whether a Material Adverse Effect has occurred) but, in the case of each of the foregoing (i) through (iii), only to the

extent such matter does not have a material disproportionate effect on the Company and its Subsidiaries, taken as a whole, relative to other companies and entities operating in the industries in which the Company and/or its Subsidiaries operate, and references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretative for the purposes of determining whether a Material Adverse Effect has occurred; and (b) means any fact, or state of facts, circumstances, change, effect, occurrence or event that has, or that is reasonably likely to have, either individually or in the aggregate, the effect of, any time from the date hereof to twelve (12) months after the Effective Date (A) a reduction in the Consolidated Net Assets of the Company and its Subsidiaries taken as a whole by at least 10% below $1,003,961,000, (B) a reduction in the consolidated revenue of the Company and its Subsidiaries taken as a whole for the trailing 12 month period as of the end of Q3 2018 of more than 10% below $1,519,000,000, or (C) an event of default under the Debt Financing;

"**Material Contract**" means any Contract: (i) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect; (ii) containing any rights on the part of any Person, including joint venture partners or entities, to acquire property rights from the Company or any of its Subsidiaries; (iii) in respect of which the applicable transaction has not yet been consummated for the acquisition or disposition of assets or securities or other equity interests of another Person; (iv) restricting the ability of the Company or any of its Subsidiaries to offer to purchase or purchase the assets or equity securities of another Person; (v) which entitles a party to rights of termination, the terms or conditions of which may or will be altered, or which entitle a party to any fee, payment, penalty or increased consideration, in each case as a result of the execution of the Arrangement Agreement, the consummation of the transactions contemplated hereby or a "change in control" of the Company or any of its Subsidiaries; (vi) in respect of a partnership, joint venture or similar arrangement in which the interest of the Company and/or its Subsidiaries exceeds $5,000,000 (book value or fair market value); (vii) pursuant to which the Company or any of its Subsidiaries will, or would reasonably be expected to, expend more than an aggregate of $500,000 or receive or be entitled to receive revenue of more than $500,000 in either case in the next 12 months and is out of the Ordinary Course; (viii) relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness (currently outstanding or which may become outstanding) for borrowed money; (ix) restricting the incurrence of indebtedness by the Company or any of its Subsidiaries or (including by requiring the granting of an equal and rateable Lien), the incurrence of any Liens on any properties or assets of the Company or any of its Subsidiaries, or restricting the payment of dividends by the Company or by any of its Subsidiaries; or (x) that limits or restricts in any material respect (A) the ability of the Company or any Subsidiary to engage in any line of business or carry on business in any geographic area, or (B) the scope of Persons to whom the Company or any of its Subsidiaries may sell products or deliver services;

"**Meeting**" means the special meeting of Shareholders to be held at the Confederation Room 5/6 of the Fairmont Royal York, 100 Front Street West, Toronto, Ontario, M5J 1E3, at 10:00 a.m. (Eastern time) on February 5, 2019;

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"**Misrepresentation**" has the meaning ascribed thereto under Securities Laws;

"**NI 54-101**" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer;*

"**Non-Objecting Beneficial Owners**" has the meaning ascribed thereto under "*General Proxy Information – Special Instructions for Voting by Non-Registered Shareholders*";

"**Non-Registered Shareholder**" has the meaning ascribed thereto under "*General Proxy Information – Special Instructions for Voting by Non-Registered Shareholders*";

"**Notice of Dissent**" has the meaning ascribed thereto under "*Rights of Dissenting Shareholders*";

"**Notice of Meeting**" means the Notice of Special Meeting accompanying this Circular;

"**Notifiable Transactions**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Regulatory Approvals*";

"**Notification**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Regulatory Approvals*";

"**OBCA**" means the *Business Corporations Act* (Ontario);

"**Objecting Beneficial Owners**" has the meaning ascribed thereto under "*General Proxy Information – Special Instructions for Voting by Non-Registered Shareholders*";

"**October Valuation**" has the meaning ascribed thereto under "*The Arrangement – Valuation and Fairness Opinion – Prior Valuations*";

"**Optionholder**" means a holder of one or more Company Options;

"**Ordinary Course**" means, with respect to an action taken by the Company, that such action is consistent with the past practices of the Company, is commercially reasonable in the circumstances and is taken in the ordinary course of the normal day-to-day operations of the business of the Company;

"**Outside Date**" means, subject to extension in accordance with Section 8.4 of the Arrangement Agreement, June 4, 2019, or such later date as may be agreed to in writing by the Parties, provided that if the Effective Date has not occurred by June 4, 2019 as a result of the failure to satisfy the condition set forth in Section 6.1(2) of the Arrangement Agreement (as it relates to the Final Order) or Section 6.1(3), Section 6.2(3) or Section 6.2(7) of the Arrangement Agreement then any Party may elect by notice in writing delivered to the other Party by no later than 5:00 p.m. (Toronto time) on a date that is on or prior to such date or, in the case of subsequent extensions, the date that is on or prior to the Outside Date, as previously extended, to extend the Outside Date from time to time by a specified period of not less than 10 days and not more than 15 days, provided that in aggregate such extensions shall not exceed 60 days from June 4, 2019; provided further that, notwithstanding the foregoing, a Party shall not be permitted to extend the Outside Date if the failure to satisfy any such condition is primarily the result of the breach by such Party of its representations and warranties set forth in the Arrangement Agreement or such Party's failure to comply with its covenants herein;

"**Parties**" means the Company and the Purchaser and "**Party**" means any one of them;

"**Permits**" has the meaning ascribed thereto under "*The Arrangement – Background to the Arrangement*";

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status;

"**PG Voting Agreements**" means the voting and support agreements entered into between Fairfax and the Rolling Shareholders, pursuant to which, among other things, such parties have agreed to vote all Common Shares held by them in favour of the Arrangement Resolution and against any resolution submitted by any Person that is inconsistent with the Arrangement and otherwise support the transactions contemplated by the Arrangement Agreement*;*

"**Plan of Arrangement**" means the plan of arrangement under Section 182 of the OBCA, substantially in the form of Appendix B, subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;

"**Point North**" means Point North Capital (O) LP and Point North Capital (PNG) LP;

"**Pre-Acquisition Reorganization**" has the meaning ascribed thereto under "*The Arrangement Agreement – Pre-Acquisition Reorganization*";

"**Preferred Securities**" means the aggregate $190 million 5.375% preferred securities issued pursuant, and subject, to the indenture dated August 31, 2017 among *inter alia* the Company and TSX Trust;

"**Preferred Security Non-Resident Holder**" means a holder of Preferred Securities that is not a not a resident of Canada pursuant to the Tax Act;

"**Preferred Security Resident Holder**" means a holder of Preferred Securities that is a resident of Canada pursuant to the Tax Act;

"**Proposal**" has the meaning ascribed thereto under "*The Arrangement – Background to the Arrangement*";

"**Proxy**" has the meaning ascribed thereto under "*General Proxy Information – Proxy Instructions*";

"**Public Shareholders**" means Shareholders other than the Purchaser Group, as applicable;

"**Purchaser**" means 2667980 Ontario Inc.;

"**Purchaser Expense Fee**" has the meaning ascribed thereto under *"The Arrangement Agreement – Expenses and Expense Reimbursement"*;

"**Purchaser Group**" means the Sponsor, Point North and the Management Participants and any other co-investor identified by the Sponsor prior to the Effective Time;

"**Record Date**" means December 17, 2018;

"**Registered Shareholder**" means a registered holder of Common Shares as recorded in the central securities register of AGT maintained by TSX Trust;

"**Regulatory Approval**" means, any material consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case required or advisable under Laws in connection with the Arrangement, including the Antitrust Approvals and the Canada Transportation Act Approval, but excluding the Interim Order, the Final Order and any such consent, waiver, permit, exemption, review, order, decision, approval, registration, filing, expiry, waiver or termination required in connection with a Pre-Acquisition Reorganization;

"**Representatives**" has the meaning ascribed thereto under "*The Arrangement Agreement – Covenants of the Company Regarding Non-Solicitation*";

"**Required Approval**" has the meaning ascribed thereto under *"Summary of the Circular – Shareholder Approval"*;

"**Right to Match**" has the meaning ascribed thereto under "*The Arrangement Agreement – Covenants of the Company Regarding Non-Solicitation*";

"**Rolling Shareholders**" means, collectively, the Management Participants, Fairfax and Point North, each of whom has entered into a Rollover Agreement;

"**Rollover Agreement**" means each rollover agreement pursuant to subsection 85(1) of the Tax Act entered into between the Purchaser and a holder of Rollover Shares;

"**Rollover Shares**" means any Common Share which is the subject of a rollover agreement between the Purchaser and the holder of such Common Share as of the Effective Date;

"**Second Request**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Regulatory Approvals*";

"**Securities Act**" means the *Securities Act* (Ontario);

"**Securities Laws**" means the Securities Act and all rules, regulations, published notices and instruments thereunder, and all comparable securities Laws in each of the provinces and territories of Canada;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Senior Notes**" means the senior notes of the Company in the maximum aggregate principal amount of Cdn.$200,000,000 5.875% senior notes due 2021 issued pursuant to the 2016 Note Issuance and any replacement or refinancing thereof, as the same may be extended, refinanced, renewed or replaced from time to time;

"**Shareholders**" means the Registered Shareholders and/or Non-Registered Shareholders, as the context requires;

"**SIR**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Regulatory Approvals*";

"**Sponsor Commitment Letter**" means the commitment letter between the Purchaser, the Company, APP and the Sponsor dated December 4, 2018, as amended or replaced in accordance with the terms of the Arrangement Agreement;

"**Sponsor Financing**" means the agreement of the Sponsor to provide financing to both the Purchaser and APP, subject to the terms of the Sponsor Commitment Letter, the amounts set forth in the Sponsor Commitment Letter, which will be partially used by the Purchaser and APP for purposes of financing the transactions contemplated by the Arrangement Agreement;

"**Stock Option Plan**" means the Company's stock option plan effective June 17, 2010;

"**Subsidiary**" has the meaning ascribed thereto in the Securities Act;

"**Superior Proposal**" means any unsolicited bona fide written Acquisition Proposal from a Person who is an arm's length third party made after the date of the Arrangement Agreement: (i) to acquire not less than all of the outstanding Common Shares (other than any Common Shares owned by the Person making such Acquisition Proposal or its Affiliates) or all or substantially all of the assets of the Company and its Subsidiaries on a consolidated basis solely for cash consideration; (ii) that complies with Securities Laws and did not result from a breach of Article 5 of the Arrangement Agreement or any agreement between the Person making such Acquisition Proposal and the Company; (iii) that is reasonably capable of being completed without undue delay, taking into account, all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal; (iv) that is not subject to any financing condition and in respect of which it has been demonstrated to the satisfaction of the Board (other than any member of the Purchaser Group), acting in good faith (after receipt of advice from its financial advisors and its outside legal counsel), that adequate arrangements have been made in respect of any required financing to complete such Acquisition Proposal at the time and on the basis set out therein; (v) that is not subject to any due diligence and/or access condition; and (vi) in respect of which the Board (other than any member of the Purchaser Group) determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, (A) such Acquisition Proposal would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to Shareholders (other than the Purchaser Group) than the transactions contemplated by the Arrangement Agreement (including any amendments to the terms and conditions of the Arrangement Agreement proposed by the Purchaser pursuant to Section 5.4(2) of the Arrangement Agreement and (B) that recommending such Acquisition Proposal to the Shareholders and entering into a definitive agreement with respect to such Acquisition Proposal would not be inconsistent with its fiduciary duties;

"**Superior Proposal Notice**" has the meaning ascribed thereto under "*The Arrangement Agreement – Covenants of the Company Regarding Non-Solicitation*";

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, unclaimed property, import or export, and including all license and registration fees and all employment insurance, health insurance and

government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party;

"**Tax Act**" means the *Income Tax Act* (Canada);

"**TD Bank**" has the meaning ascribed thereto under "*The Arrangement – Valuation and Fairness Opinion – Independence of TD Securities*";

"**TD Securities**" means TD Securities Inc.;

"**Termination Fee**" means C$11.5 million;

"**Termination Fee Event**" has the meaning ascribed thereto under "*The Arrangement Agreement – Termination Fee*";

"**TSX**" means the Toronto Stock Exchange;

"**TSX Trust**" means TSX Trust Company;

"**Valuation and Fairness Opinion**" means the independent formal valuation of TD Securities to the effect that, as of the date of the Arrangement Agreement, the Consideration to be received by the Shareholders (other than the Purchaser Group) pursuant to the Arrangement is fair, from a financial point of view, to such holders;

"**Voting Agreements**" means collectively the PG Voting Agreements and the Independent Voting Agreements;

"**Waiver**" has the meaning ascribed thereto under "*The Arrangement – Description of the Arrangement – Regulatory Approvals*"; and

"**Willful Breach**" means a breach of the Arrangement Agreement that is a consequence of an act undertaken by the breaching Party with the actual knowledge that the taking of such act would, or would be reasonably expected to, cause a breach of the Arrangement Agreement.

REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES

Unless otherwise indicated, all references to "$" or "C$" in this Circular refer to Canadian dollars.

Shareholders in the United States should be aware that the financial statements and financial information of the Company are prepared in accordance with IFRS and are subject to Canadian auditing and auditor independence standards, each of which differ in certain material respects from U.S. generally accepted accounting principles and auditing and auditor independence standards and thus may not be comparable in all respects to financial statements and information of U.S. companies.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Circular and the documents incorporated herein by reference contain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation (collectively referred to as "**forward-looking statements**"). All statements other than statements of historical fact included, or incorporated by reference in this Circular, are forward-looking statements. Forward-looking statements are based on expectations, estimates and projections as at the date of this Circular or the dates of the documents incorporated herein by reference, as applicable. These forward-looking statements may include, but are not limited to, statements with respect to the expected timing for the required approvals and completion of the Arrangement, the expected benefits of the Arrangement, the anticipated tax consequences of the Arrangement, the delisting of the Common Shares from the TSX following the Arrangement and the future financial or operating performance of the Company and its Subsidiaries. Often, but not always, forward-looking statements can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions such as the receipt of all required approvals, the satisfaction of the terms and conditions of the Arrangement, that the Arrangement will be completed within the expected time frame at the expected cost and that the Company and the Purchaser will not fail to complete the Arrangement for any other reason, including but not limited to the matters discussed under the "*Risk Factors Relating to the Arrangement*" section of this Circular.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of AGT to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the satisfaction or waiver of the conditions to complete the Arrangement including the approval of the Arrangement by Shareholders and the Court, the receipt of all required approvals to complete the Arrangement, the anticipated Effective Date of the Arrangement and the absence of any event, change or other circumstances that could give rise to the termination of the Arrangement Agreement, the delay in or increase in cost of completing the Arrangement and the failure to complete the Arrangement for any other reason and the risks described under "Risk Factors Relating to the Arrangement" in this Circular. Additional risks and uncertainties regarding the Company are described in its most recent Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com.

Although the Company 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 to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this Circular and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. 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.

NOTICE TO SHAREHOLDERS NOT RESIDENT IN CANADA

The Company is a corporation organized under the laws of the Province of Ontario. The solicitation of proxies involves securities of a Canadian issuer and is being effected in accordance with applicable corporate and securities laws in Canada. Shareholders should be aware that the requirements applicable to the Company under Canadian laws may differ from requirements under corporate and securities laws relating to corporations in other jurisdictions.

The enforcement of civil liabilities under the securities laws of other jurisdictions outside Canada may be affected adversely by the fact that the Company is organized under the laws of the Province of Ontario, that all or substantially all of its assets are located in Canada and that all or substantially all of its directors and executive officers are residents of Canada. You may not be able to sue the Company or its directors or officers in a Canadian court for violations of foreign securities laws. It may be difficult to compel the Company to subject itself to a judgment of a court outside Canada.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THIS TRANSACTION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The Company is a foreign private issuer and permitted to prepare this Circular and related documents in accordance with Canadian disclosure requirements, which are different from those of the United States. Shareholders in the United States should be aware that the financial statements and financial information of the Company are prepared in accordance with IFRS and are subject to Canadian auditing and auditor independence standards, each of which differ in certain material respects from U.S. generally accepted accounting principles and auditing and auditor independence standards and thus may not be comparable in all respects to financial statements and information of U.S. companies.

Shareholders should be aware that, during the period of the offer described in this Circular, the Company or its affiliates, directly or indirectly, may bid for or make purchases of the securities described herein, as permitted by applicable laws or regulations of Canada or its provinces or territories.

The offer described in this Circular is being made for the securities of a Canadian company that does not have securities registered under Section 12 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). The offer described in this Circular is not subject to Section 14(d) of the U.S. Exchange Act, or Regulation 14D promulgated by the U.S. Securities and Exchange Commission thereunder, or Rule 14e-1 under the Exchange Act.

The solicitation of proxies made pursuant to this Circular is not subject to the requirements of Section 14(a) of the Exchange Act, by virtue of an exemption applicable to proxy solicitations by "foreign private issuers" as defined in Rule 405 of the Securities Act and Rule 3b-4 under the Exchange Act. Accordingly, this Circular has been prepared in accordance with disclosure requirements applicable in Canada, and the solicitations and transactions contemplated in this Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and Securities Laws. Shareholders in the United States should be aware that such requirements are different from those of the United States applicable to registration statements under the Securities Act and to proxy statements under the Exchange Act.

The securities referred to herein have not been registered under the Securities Act and may not be offered, sold or delivered in the United States except pursuant to an exemption from or a transaction not subject to, the registration requirements of the Securities Act.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES REGULATOR HAS OR WILL HAVE APPROVED OR DISAPPROVED OF THE SECURITIES DESCRIBED IN THIS CIRCULAR, OR HAS OR WILL HAVE DETERMINED IF THIS

CIRCULAR OR ANY RELATED DOCUMENTS ARE TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Shareholders who are foreign taxpayers should be aware that the Arrangement described in this Circular may have tax consequences both in Canada and such foreign jurisdiction. Such consequences for Shareholders are not described in this Circular. It is strongly recommended that all Non-Resident Holders consult their own legal and tax advisors with respect to the income tax consequences applicable in their place of residency of the disposition of their Common Shares.

NOTICE REGARDING INFORMATION

The information contained in this Circular is given as at January 7, 2019, except where otherwise noted and except that information in documents incorporated by reference is given as of the dates noted therein. No person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by AGT.

The information concerning the Purchaser contained in this Circular has been provided by the Purchaser for inclusion in this Circular. Although AGT has no knowledge that any statements contained herein taken from or based on such sources are untrue or incomplete, AGT assumes no responsibility for the accuracy or completeness of the information taken from or based upon such sources or for any failure by the Purchaser to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to AGT.

This Circular does not constitute the solicitation of an offer to purchase, or the making of an offer to sell, any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation or offer is not authorized or in which the person making such solicitation or offer is not qualified to do so or to any person to whom it is unlawful to make such solicitation or offer.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection therewith.

All references in this Circular to the unanimous approval of the Board refers to the unanimous approval by the Board, with the Interested Directors having declared their interest, recused themselves and abstained from voting.

Descriptions in this Circular of the terms of the Arrangement Agreement and the Plan of Arrangement are summaries of the terms of those documents and qualified in their entirety by reference to the full text of those documents. Shareholders should refer to the full text of each of the Arrangement Agreement and the Plan of Arrangement for complete details of those documents. The full text of the Arrangement Agreement may be viewed under the Company's profile on SEDAR at www.sedar.com. The Plan of Arrangement is appended hereto as Appendix B.

SUMMARY OF CIRCULAR

This summary should be read together with and is qualified in its entirety by the more detailed information and financial data and statements contained elsewhere in this Circular, including the appendices hereto and documents incorporated into this Circular by reference. Capitalized terms in this summary have the meanings set out in the Glossary of Terms. The full text of the Arrangement Agreement may be viewed under the Company's profile on SEDAR at www.sedar.com. Copies of this Circular and the Meeting materials may also be found on the Company's website at www.agtfoods.com *and under the Company's profile on SEDAR at www.sedar.com.*

The Meeting

Date, Time and Place of Meeting

The Meeting will be held on February 5, 2019, at the Confederation Room 5/6 of the Fairmont Royal York, 100 Front Street West, Toronto, Ontario, M5J 1E3, at 10:00 a.m. (Eastern time).

The Record Date

The record date for determining the Shareholders entitled to receive notice of and to attend and vote at the Meeting is December 17, 2018. Only Shareholders of record as of the close of business on the Record Date are entitled to receive notice of and to attend and vote at the Meeting.

Purpose of the Meeting

At the Meeting, AGT will ask the Shareholders to consider and, if deemed advisable, pass, with or without variation, the Arrangement Resolution to approve the Arrangement.

Effect of the Arrangement

If the Arrangement is completed, the Purchaser will acquire all of the Common Shares, other than the Common Shares already owned by the Purchaser, for cash consideration of C$18.00 per Common Share. The Common Shares held by the Rolling Shareholders will be exchanged for common shares in the capital of the Purchaser pursuant to the Rollover Agreements. The Company DSUs will be transferred to the Company and terminated and will be of no further force and effect, all in exchange for payment of C$18.00 per Company DSU, in accordance with the terms of the Arrangement. The Company ARSUs and Company RSUs will be continued on substantially the same terms and conditions as applicable prior to the Effective Time, except that, following the amalgamation of the Purchaser and the Company as contemplated in the Plan of Arrangement, the value of such Company ARSUs and Company RSU will be based on the shares in the capital of Amalco. The Company Warrants will be amended such that their exercise price is equal to the Consideration, the number of Common Shares issuable pursuant to the Company Warrants is reduced and the accelerated expiry provision is removed.

Shareholder Approval

To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (i) at least 66 2/3% of the votes cast at the Meeting in person or by proxy by the Shareholders; and (ii) a simple majority of the votes cast at the Meeting in person or by proxy by the Shareholders excluding the votes cast in respect of Common Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded and any of its related parties or joint actors, all in accordance with MI 61-101, which, in this case, consists of the Common Shares held by the Purchaser, Bradley Martin (given that he is an officer of Fairfax) and the Rolling Shareholders, being an aggregate of 7,570,612 Common Shares, or approximately 31.2% of the outstanding Common Shares (the "**Required Approvals**").

The Arrangement Resolution must be passed in order for AGT to seek the Final Order and implement the Arrangement on the Effective Date.

See "*The Arrangement – Required Approvals – Court Approval of the Arrangement*".

The Arrangement

If approved, the Arrangement will become effective at the Effective Time (which is expected to be at 12:01 a.m. (Toronto time)) on the Effective Date, which is expected to be in the first quarter or early second quarter of 2019. At the Effective Time, each of the following events shall occur sequentially in the order set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at two minute intervals starting at the Effective Time:

(a) Each of the following steps shall be deemed to occur simultaneously:

(i) Each Preferred Security held by a Preferred Security Non-Resident Holder shall be transferred to the Purchaser in exchange for 0.55555555 Class "A" common shares in the capital of the Purchaser for each such Preferred Security and an amount equal to the fair market value thereof shall be added to the stated capital of the Class "A" common shares so issued.

(ii) Each Preferred Security held by a Preferred Security Resident Holder shall be transferred to the Purchaser in exchange for 0.55555555 Class "B" common shares in the capital of the Purchaser for each such Preferred Security, and: either (a) if the Preferred Security Resident Holder has not entered into an agreement in writing with the Purchaser in respect of Section 85(1) of the Tax Act, an amount equal to the fair market value thereof shall be added to the stated capital of the Class "B" common shares so issued; or (b) if the Preferred Security Resident Holder has entered into an agreement in writing with the Purchaser in respect of Section 85(1) of the Tax Act, an amount equal to the lesser of (x) the principal amount of the Preferred Security; and (y) the elected amount in such written agreement, shall be added to the stated capital of the Class "B" common shares so issued.

(b) Each Rollover Share (except for any Common Shares held by Point North) shall be transferred by the holder thereof to the Purchaser in exchange for one Class "C" common share of the Purchaser on such terms and conditions as are set out in the applicable Rollover Agreement, and

(i) the holders of such Rollover Shares shall cease to be the holders thereof and to have any rights as holders of such Rollover Shares;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Rollover Shares (free and clear of all Liens, except those stated in any particular Rollover Agreement) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

(c) Each Common Share held by Point North shall be transferred by Point North to the Purchaser in exchange for one Class "D" common share of the Purchaser on such terms and conditions as are set out in the applicable Rollover Agreement and an amount equal to the elected amounts thereunder shall be added to the stated capital of the Class "D" common shares so issued, and:

(i) Point North shall cease to be the holders thereof and to have any rights as holders of such Common Shares;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

(d) The Stock Option Plan shall be terminated and be of no further force and effect.

(e) APP shall drawdown up to $90 million, as directed in writing by the Purchaser, pursuant to the Sponsor Financing (the "**APP Drawdown Amount**").

(f) APP shall loan an amount equal to the APP Drawdown Amount to the Company on the terms agreed to between the Company and APP or the APP Drawdown Amount will be made available to the Company pursuant to such other transaction(s) as agreed between the Company and the Purchaser.

(g) Each of the Common Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of any Liens, to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined in accordance with Section 3.1 of the Plan of Arrangement, and

(i) such Dissenting Shareholders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid fair value for such Common Shares as set out in Section 3.1 of the Plan of Arrangement;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Common Shares from the registers of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Share (free and clear of all Liens) and shall be entered into the registers of Common Shares maintained by or on behalf of the Company.

(h) Simultaneously:

(i) each Company DSU outstanding immediately prior to the Effective Time, whether vested or unvested, shall be transferred by such holder to the Company in exchange for, subject to Section 4.4 of the Plan of Arrangement, a cash payment by the Company equal to the Consideration, and each such Company DSU shall immediately be cancelled and, as of the effective time of such cancellation: (A) the holder thereof shall cease to be the holder of such Company DSU, (B) the holder thereof shall cease to have any rights as a holder in respect of such Company DSU or under the Company LTIP Plan, as applicable, other than the right to receive the consideration to which such holder is entitled pursuant to this section, (C) such holder's name shall be removed from the applicable register, and (D) all agreements, grants and similar instruments relating thereto shall be cancelled; and

(ii) each Company ARSU and Company RSU outstanding immediately prior to the Effective Time shall be continued on the same terms and conditions as were applicable prior to the Effective Time, except that, the terms of each such Incentive Security shall be amended so as to substitute after the amalgamation in step (l) below for the Common Shares subject to such Incentive Security such number of Class "C" common shares of Amalco equal to the number of Common Shares subject to such Incentive Security immediately prior to the Effective Time and the value of such amended Incentive Security shall be based on the fair market value of the Class "C" common shares of Amalco, as determined by the board of directors of Amalco, acting reasonably and in good faith and such amendment shall not constitute a disposition, novation, rescission or substitution of the holder's rights thereunder.

(i) Each outstanding Common Share other than (A) the Common Shares that are held by Dissenting Shareholders who have validly exercised their Dissent Rights in accordance with Article 3 of the Plan of Arrangement and who are ultimately entitled to be paid the fair value for such Common Shares, and (B) Common Shares (including for certainty, all Common Shares acquired by the Purchaser pursuant to Section 2.3(a)(ii) of the Plan of Arrangement) held by the Purchaser and its affiliates, shall, without any further action by or on behalf of a holder of Common Shares, be deemed to be assigned by the holder thereof to the Purchaser (free and clear of any Liens) in exchange for a cash payment equal to the Consideration less amounts withheld and remitted in accordance with Section 4.4 of the Plan of Arrangement, and:

(i) the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the rights to be paid the Consideration per Common Share in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

Upon completion of the above acquisition, the Company shall make an election to cease to be a "public corporation" under section 89(1) of the Tax Act and the Common Shares shall be delisted from the Toronto Stock Exchange.

(j) The outstanding Company Warrants shall be amended such that the exercise price is equal to the Consideration, to reduce the number of Common Shares issuable pursuant to the Company Warrants to 3,200,000 and to remove the accelerated expiry provision.

(k) The aggregate stated capital of the then outstanding Common Shares shall be, and shall be deemed to be, reduced to $1.00.

(l) The Company and the Purchaser shall be amalgamated and continued as one corporation ("**Amalco**") under the OBCA.

(m) Amalco shall repay an amount equal to the APP Drawdown Amount to the Sponsor pursuant to the Sponsor Financing.

Recommendation of the Independent Committee

The Independent Committee, after careful consideration and having received advice from its independent financial and legal advisors and the Valuation and Fairness Opinion, unanimously recommended that the Board approve the Arrangement and **recommend that Public Shareholders vote FOR the Arrangement Resolution at the Meeting**.

See "*The Arrangement – Independent Committee", "The Arrangement – Valuation and Fairness Opinion*".

Recommendation of the Board

The Board, after having received the unanimous recommendation of the Independent Committee, unanimously approved the Arrangement Agreement, and with the Interested Directors having declared their interests and refrained from voting on the matter, unanimously concluded that the Arrangement is in the best interests of the Company (considering the interests of all stakeholders) and **is unanimously recommending that Public Shareholders vote FOR the Arrangement Resolution at the Meeting**.

See "*The Arrangement – Recommendation of the Board*" and *"The Arrangement – Valuation and Fairness Opinion*".

Reasons for the Recommendations

The Independent Committee and the Board carefully considered the Arrangement and received the benefit of advice from independent financial and legal advisors. The Independent Committee and the Board considered a number of factors when making their determinations and recommendations, including (i) the significant premium of the Consideration to the market price; (ii) the Valuation and Fairness Opinion; (iii) the compelling value relative to reasonably available alternatives; (iv) the certainty of value and immediate liquidity; (v) the arm's length nature of negotiations; (vi) the ability to respond to Superior Proposals; (vii) the tax efficient structure of the Arrangement; (viii) the treatment of the Senior Notes; (ix) financing commitments; (x) Court and Shareholder approval; (xi) the reputation and track record of Fairfax; and (xii) the availability of Dissent Rights.

See "*The Arrangement – Reasons for the Recommendations*"

Voting Agreements

The Purchaser has entered into the Independent Voting Agreements and the PG Voting Agreements with the Locked-up Shareholders, as applicable, pursuant to which the Locked-up Shareholders have agreed, subject to the terms and conditions of the Independent Voting Agreements and the PG Voting Agreements, as applicable, to, among other things, vote their Common Shares in favour of the Arrangement Resolution. The Locked-up Shareholders collectively beneficially own or exercise control or direction over an aggregate of 7,532,672 Common Shares, representing approximately 31% of the outstanding Common Shares.

See "*The Arrangement – Voting Agreements*".

Cooperation Agreement

On August 1, 2018, the Company entered into the Cooperation Agreement in connection with the Proposal. Pursuant to the Cooperation Agreement, the Company agreed to certain non-solicitation and other restrictive covenants (including a prohibition on entering into or contemplating any competing transaction) for a period of 60 days following the date of the Cooperation Agreement (the "**Exclusivity Period**"). Upon expiry of the initial Exclusivity Period, the Cooperation Agreement was amended to extend the term of the Exclusivity Period.

Pursuant to the Cooperation Agreement, Murad Al-Katib agreed to cooperate with the Independent Committee in connection with the Independent Committee's evaluation of a proposed transaction with the Purchaser Group, including providing in a timely manner all information regarding the Company and its operations requested by the Independent Committee.

Valuation and Fairness Opinion

TD Securities was retained by the Independent Committee for the purposes of, among other things, preparing and delivering to the Independent Committee the independent formal valuation of the Common Shares required under MI 61-101. Based upon and subject to the analyses, assumptions, qualifications and limitations discussed in the Valuation and Fairness Opinion, TD Securities is of the opinion that, as of December 3, 2018, (i) the fair market value of the Common Shares is in the range of $17.00 to $21.00 per Common Share; and (ii) the Consideration to be received by the Shareholders, other than the Purchaser Group and their related parties, in connection with the Arrangement is fair, from a financial point of view, to such Shareholders.

The full text of the Valuation and Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Valuation and Fairness Opinion, are attached as Appendix C. The summary of the Valuation and Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Valuation and Fairness Opinion.

The Valuation and Fairness Opinion has been prepared for the use of the Independent Committee and for inclusion in this Circular. The Valuation and Fairness Opinion does not constitute a recommendation to any Shareholder as to whether such Shareholder should vote in favour of the Arrangement. The Board urges the Shareholders to read the Valuation and Fairness Opinion carefully and in its entirety.

See "*The Arrangement – Valuation and Fairness Opinion*" in this Circular and Appendix C.

Parties to the Arrangement

AGT is a company governed by the laws of the Province of Ontario. The registered address AGT is located at 2100, 40 King Street West, Toronto, Ontario M5H 3C2. The management of day-to-day operations of AGT is carried on in Canada from the head office of AGT's principal Canadian operating company, Alliance Pulse Processors Inc. at 6200 East Primrose Green Drive, Regina, Saskatchewan S4V 3L7 and in Turkey from the head office of AGT's principal Turkish operating company, Arbel Bakliyat Hububat Sanayi ve Ticaret A.Ş. at Yeni Mahalle, Cumhuriyet Bulvari, No:73/4, 33281 Kazanli, Mersin, Turkey.

The Purchaser is 2667980 Ontario Inc., a corporation incorporated under the laws of the Province of Ontario and a majority owned entity of Murad Al-Katib.

Letter of Transmittal

For each Registered Shareholder, accompanying this Circular is a Letter of Transmittal (printed on blue paper). The Company has enclosed an envelope with the Meeting materials in order to assist Shareholders with returning Letters of Transmittal and related documents to the Depositary under the Arrangement.

In order for a Registered Shareholder to receive the Consideration for each Common Share held by such Shareholder, such Registered Shareholder must deposit the certificate(s), or DRS advice(s), as applicable, representing his, her or its Common Shares with the Depositary. The Letter of Transmittal, properly completed and duly executed, together with all other documents and instruments referred to in the Letter of Transmittal or reasonably requested by the Depositary, must accompany all certificates, or DRS advice(s), as applicable, for Common Shares deposited for payment pursuant to the Arrangement.

Any Shareholder whose Common Shares are registered in the name of a broker, investment dealer, bank, trust corporation, trustee or other nominee should contact that nominee for assistance in depositing such Common Shares and should follow the instructions of such nominee in order to deposit such Common Shares with the Depositary.

See "*The Arrangement — Letter of Transmittal*".

Court Approval of the Arrangement

The Arrangement requires approval by the Court under Section 182 of the OBCA. A copy of the Notice of Application applying for the Final Order approving the Arrangement is attached hereto as Appendix E. Subject to the approval of the Arrangement Resolution by Shareholders at the Meeting, and the satisfaction or waiver of all other conditions to the Arrangement, the hearing in respect of the Final Order is expected to take place on or about February 11, 2019. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

See "*The Arrangement – Required Approvals – Court Approval of the Arrangement*".

Interests of Certain Directors and Executive Officers of AGT in the Arrangement

In considering the recommendation of the Board, Shareholders should be aware that members of the Board and the executive officers of AGT have interests in the Arrangement or may receive benefits that may differ from, or be in addition to, the interests of Shareholders generally.

See "*The Arrangement – Interests of Certain Directors and Executive Officers of AGT in the Arrangement*".

The Arrangement Agreement

The Arrangement Agreement provides for the Arrangement and matters related thereto. Under the Arrangement Agreement, AGT has agreed to, among other things, call the Meeting to seek approval of the Arrangement Resolution by the Shareholders and, if approved, apply to the Court for the Final Order.

Furthermore, the Arrangement Agreement provides, among other things, that the Purchaser is not obligated to proceed with the Arrangement in the event there is a Material Adverse Effect prior to the Effective Time, which includes any fact, or state of facts, circumstances, change, effect, occurrence or event that has, or that is reasonably likely to have, either individually or in the aggregate, the effect of, any time from the date of the Arrangement Agreement to twelve (12) months after the Effective Date (A) a reduction in the Consolidated Net Assets of the Company and its Subsidiaries taken as a whole by at least 10% below $1,003,961,000, (B) a reduction in the consolidated revenue of the Company and its Subsidiaries taken as a whole for the trailing 12 month period as of the end of Q3 2018 of more than 10% below $1,519,000,000, or (C) an event of default under the Debt Financing.

See "*The Arrangement Agreement*".

Rights of Dissenting Shareholders

The Interim Order expressly provides Registered Shareholders with Dissent Rights with respect to the Arrangement. As a result, any Dissenting Shareholder is entitled to be paid the fair value (determined as of the close of business on the day before the Arrangement Resolution is adopted) of all, but not less than all, of the Common Shares beneficially held by it in accordance with Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement), if the Shareholder dissents with respect to the Arrangement and the Arrangement becomes effective. It is a condition to completion of the Arrangement in favour of the Purchaser that there will not have been delivered and not withdrawn notices of dissent with respect to the Arrangement in respect of more than 10% of the Common Shares. Notwithstanding Section 185(6) of the OBCA (pursuant to which a written objection may be provided at or prior to the Meeting), a Dissenting Shareholder who seeks payment of the fair value of its Common Shares is required to deliver a written objection to the Arrangement Resolution to AGT not later than 5:00 p.m. (Eastern time) three Business Days immediately preceding the Meeting (or any adjournment or postponement thereof). Such notice must be delivered to the Corporate Secretary of AGT, at c/o Alliance Pulse Processors Inc. at 6200 East Primrose Green Drive, Regina, Saskatchewan S4V 3L7, with a copy to Cassels Brock & Blackwell LLP, Suite 3810, Bankers Hall West, 888 - 3rd Street SW, Calgary, Alberta, T2P 5C5, facsimile: (403) 648-1151, Attention: Kenton Rein.

See *"Rights of Dissenting Shareholders*".

Risks Associated with the Arrangement

There is a risk that the Arrangement may not be completed. If the Arrangement is not completed, the Company will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Additionally, failure to complete the Arrangement could materially and negatively impact the trading price of the Common Shares. The risk factors described under "*Risk Factors Relating to the Arrangement*" should be carefully considered by Shareholders.

Income Tax Considerations

Shareholders should consult their own tax advisors about the applicable Canadian, United States and foreign federal, provincial, state and local tax consequences of the Arrangement.

For a summary of certain material Canadian income tax consequences of the Arrangement, see "*Certain Canadian Federal Income Tax Considerations*" and for a summary of certain material United States income tax consequences of the Arrangement, see "*Certain United States Federal Income Tax Considerations*". **Such summary is not intended to be legal or tax advice to any particular Shareholder.**

MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of AGT Food and Ingredients Inc. ("AGT" or the "Company") for use at the special meeting of Shareholders to be held at the Confederation Room 5/6 of the Fairmont Royal York, 100 Front Street West, Toronto, Ontario, M5J 1E3, at 10:00 a.m. (Eastern time) on February 5, 2019, and at any adjournment(s) or postponement(s) thereof for the purposes set forth in the Notice of Meeting. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company.

The Company may retain the services of a proxy solicitation agent to assist with Shareholder communication and the solicitation of proxies. In the event that the Company does retain such an agent, the Company will issue a press release as soon as practicable following such engagement, which will include the material details of the engagement, including the payment of fees and reimbursement of out-of-pocket expenses. The Company will bear all costs of retaining any such proxy solicitation agent.

The Company may also reimburse brokers, investment dealers or other intermediaries holding Common Shares in their name or in the name of nominees for their costs incurred in sending proxy materials to their principals in order to obtain their proxies.

Proxy Instructions

Registered Shareholders who cannot attend the Meeting in person may vote by proxy, either by mail, by phone or over the internet. Proxies must be received by the Depositary no later than 5:00 p.m. (Eastern time) on January 31, 2019 or the third business day (excluding Saturdays, Sundays and holidays) before any adjournment or postponement thereof at its office, 100 Adelaide St West, Suite 301, Toronto ON M5H 4H1, Fax: (416) 361-0470, Attention: Proxy Department. The time limit for deposit of proxies may be waived by the Chairman of the Meeting in his sole discretion without notice.

A form of proxy ("**Proxy**") returned to the Depositary will not be valid unless dated and signed by the Registered Shareholder or by the Registered Shareholder's attorney duly authorized in writing or, if the Registered Shareholder is a company or association, the Proxy must be executed by an officer or by an attorney duly authorized in writing. If the Proxy is executed by an attorney for an individual shareholder or by an officer or attorney of a Registered Shareholder that is a company or association, documentation evidencing the power to execute the Proxy may be required with signing capacity stated. If not dated, the Proxy will be deemed to have been dated the date that it is mailed to the Shareholders.

The Common Shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if the Registered Shareholder specifies a choice with respect to any matter to be acted upon, the corresponding Common Shares will be voted accordingly. The Proxy confers discretionary authority upon the named proxyholder with respect to matters identified in the Notice of Meeting if a choice with respect to such matters is not specified. It is intended that the person designated by management in the Proxy will vote the securities represented by the Proxy in favour of each matter identified in the Proxy.

The Proxy confers discretionary authority upon the named proxyholder with respect to amendments to or variations in matters identified in the Notice of Meeting and other matters which may properly come before the Meeting. As at the date of this Circular, management is not aware of any amendments, variations, or other matters. If such should occur, the persons designated by management will vote thereon in accordance with their best judgment, exercising discretionary authority.

Appointment of Proxyholder

A Registered Shareholder has the right to designate a person (who need not be a shareholder of the Company), other than Geoffrey S. Belsher or John Gardner, both directors of the Company and who are the management proxy designees, to attend and act for the Shareholder at the Meeting. If you are returning your Proxy to the Depositary, such right may be exercised by inserting in the blank space provided in the enclosed Proxy the name of the person to be designated and striking out the names of the management designees or by completing another proper Proxy and delivering it to the Depositary as provided above, or by phone or over the internet. If you are using the internet, you may designate another proxyholder by following the instructions on the website. It is not possible to appoint an alternative proxyholder by phone. If you appoint a proxyholder, other than the management designees, that proxyholder must attend and vote at the Meeting for your vote to be counted.

Revocation of Proxies

In addition to revocation in any manner permitted by law, you may revoke your Proxy by an instrument in writing signed by you as Registered Shareholder or by your attorney duly authorized in writing, or if you are a representative of a Registered Shareholder that is a company or association, the instrument in writing must be executed by an officer or by an attorney duly authorized in writing, and deposited with the Company's registered office, 2100, 40 King Street West, Toronto, Ontario M5H 3C2, Attention: Kenton Rein at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof or, as to any matter in respect of which a vote shall not already have been cast pursuant to such Proxy, with the Chairman of the Meeting on the day of the Meeting, or at any adjournment thereof, and upon either of such deposits the Proxy is revoked. In addition, Registered Shareholders can also change their vote by phone or via the internet.

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders that wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact their intermediary to arrange to change their voting instructions.

Special Instructions for Voting by Non-Registered Shareholders

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Some Shareholders of the Company are "non-registered" Shareholders because the shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or trust company. More particularly, a person is not a Registered Shareholder in respect of shares which are held on behalf of the person (the "**Non-Registered Shareholder**") but which are registered in the name of an intermediary (the "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the shares. Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

There are two kinds of Non-Registered Shareholders – those who object to their name being made known to the Company (called OBOs for "**Objecting Beneficial Owners**") and those who do not object to the Company knowing who they are (called NOBOs for "**Non-Objecting Beneficial Owners**"). The Company has decided to take advantage of the provisions of NI 54-101 that allow it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a voting instruction form from the Company's transfer agent, TSX Trust Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding such Common Shares on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding the Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), the Company has distributed copies of the Meeting materials to the intermediaries for onward distribution to Non-Registered Shareholders. Intermediaries are required to forward the Meeting materials to Non-Registered Shareholders unless, in the case of certain proxy-related materials, the Non-Registered Shareholder has waived the right to receive them. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services ("**Broadridge**"). Broadridge

typically mails a scannable voting instruction form in lieu of the form of proxy. The voting instruction form, when properly completed and signed by such Non-Registered Shareholders and returned to the Intermediary or Broadridge, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares that they beneficially own.

If a Non-Registered Shareholder wishes to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should insert the Non-Registered Shareholder's name (or the name of the person the Non-Registered Shareholder wants to attend and vote on the Non-Registered Shareholder's behalf) in the space provided for that purpose on the request for voting instruction form and return it to the Non-Registered Shareholder's Intermediary or send the Intermediary another written request that the Non-Registered Shareholder or its nominee be appointed as proxyholder. The Intermediary is required under NI 54-101 to arrange, without expense to the Non-Registered Shareholder, to appoint the Non-Registered Shareholder or its nominee as proxyholder in respect of the Non-Registered Shareholder's Common Shares. Under NI 54-101, unless corporate law does not allow it, if the Intermediary makes an appointment in this manner, the Non-Registered Shareholder or its nominee, as applicable, must be given authority to attend, vote and otherwise act for and on behalf of the Intermediary (who is the registered shareholder) in respect of all matters that come before the meeting and any adjournment or postponement of the meeting. An Intermediary who receives such instructions at least one business day before the deadline for submission of proxies is required to deposit the proxy within that deadline, in order to appoint the Non-Registered Shareholder or its nominee as proxyholder. If a Non-Registered Shareholder requests that the Intermediary appoint the Non-Registered Shareholder or its nominee as proxyholder, the Non-Registered Shareholder or its appointed nominee, as applicable, will need to attend the meeting in person in order for the Non-Registered Shareholder's vote to be counted.

The Company intends to pay for the Intermediaries to deliver the Meeting materials to the OBOs.

Non-Registered Shareholders that wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact their Intermediary to arrange to change their voting instructions.

Voting Securities and Principal Holders Thereof

AGT is authorized to issue an unlimited number of Common Shares and an unlimited number of Class A shares, issuable in series, the rights, privileges and restrictions attaching which are set out in AGT's annual information form dated March 20, 2018. As at December 17, 2018 (the "**Record Date**"), there were 24,236,536 Common Shares and no Class A shares issued and outstanding. Shareholders are entitled to vote their Common Shares at Shareholder meetings on the basis of one vote for each Common Share held.

As at the Record Date, the Carme Trust (the "**Trust**") holds 3,312,601 Common Shares, representing approximately 13.7% of the issued and outstanding Common Shares, calculated on a non-diluted basis. Mr. Murad Al-Katib, the President and Chief Executive Officer ("**CEO**") of AGT has voting control over the Common Shares held by the Trust by way of a voting instrument with the Trust administrator. Mr. Al-Katib additionally owns or controls 753,907 Common Shares, which are held: (i) personally, in the amount of 383,537 Common Shares, (ii) by Al-Katib Consulting Inc., a corporation controlled by Mr. Al-Katib in the amount of 170,370 Common Shares, and (iii) through a family trust (the "**Family Trust**") in the amount of 200,000 Common Shares, of which Mr. Al-Katib is the bare trustee, collectively representing approximately 3.1% of the issued and outstanding Common Shares, calculated on a non-diluted basis. Mr. Al-Katib is also party to a put option agreement dated as of January 4, 2019 among Lori Ireland, as seller, and Murad Al-Katib and Gaetan Bourassa, as purchasers, for the purchase by Murad Al-Katib and Gaetan Bourassa of 9,700 Common Shares each from Lori Ireland immediately prior to the Effective Time (see table in *"The Arrangement – Interests of Certain Directors and Executive Officers of AGT in this Arrangement – Holdings of Company Securities").* Collectively, the Common Shares Mr. Al-Katib owns and the Trust, the Family Trust and the other Common Share vehicles controlled by Mr. Al-Katib, represents approximately 16.8% of the issued and outstanding Common Shares, calculated on a non-diluted basis. To the knowledge of the Directors and Officers of AGT, no other person or other entity beneficially owns, directly or indirectly, or exercises control or direction over, in excess of 10% of the votes attaching to the outstanding Common Shares, except, based solely on information contained in early warning reports filed by Shareholders, for (i) Letko, Brosseau & Associates Inc., of Montreal, Quebec, which as of the Record Date (based on the most recent form 62-103F3 publicly filed in respect of the period ending March 31, 2018) beneficially owns, an aggregate of 4,258,000 Common Shares, or 17.6% of the current issued and outstanding shares of the Company, and (ii) Fairfax Financial Holdings Limited of Toronto,

Ontario, which as of the Record Date, holds, through certain of its subsidiaries, an aggregate of 183,700 Common Shares, or 0.8% of the current issued and outstanding Common Shares of the Company and 5,714,286 Company Warrants, each exercisable into one Common Share representing an aggregate of 5,714,286 Common Shares or 19.1% of the current issued and outstanding Common Shares (on a partially diluted basis).

THE ARRANGEMENT

Background to the Arrangement

The Arrangement Agreement is the result of arm's length negotiations between the Independent Committee and its independent legal and financial advisors, on the one hand, and representatives of the Purchaser Group and their legal advisors, on the other hand. The following is a summary of the meetings, negotiations, discussions and actions between the parties that preceded the execution and public announcement of the Arrangement Agreement.

Since 2017, a number of macroeconomic and political factors have created a challenging operating environment for the Company, including oversupply in global pulse markets, adverse trade policies in key markets (including India), foreign currency devaluations, and the political climate in Turkey, the Middle East and North Africa. These and other factors have adversely impacted the Company's business with respect to sales volumes, prices, margins and thereby earnings. These impacts have been reflected in depressed trading prices for the Common Shares during 2017 and the first half of 2018. While the Company's financial performance is expected to improve as market conditions normalize, the Independent Committee recognized that it is difficult to forecast the timing and extent of any recovery.

In early July of 2018, Mr. Murad Al-Katib, the Company's President and Chief Executive Officer, notified the Board that he was considering the possibility of making a proposal to take the Company private. In response to these communications, the Board discussed how to respond to any such proposal. The Board determined, based on the advice of the Company's legal counsel, that if Mr. Al-Katib delivered a formal proposal for a going private transaction, the Board would need to form a special committee of independent directors to evaluate the proposal.

On July 26, 2018, Mr. Al-Katib, on behalf of the Purchaser Group, delivered a non-binding proposal to the Board to take the Company private at a price of $18 per Common Share (the "**Proposal**"), representing a 36.7% premium to the closing price of the Common Shares on the TSX on July 25, 2018. The Proposal disclosed the interests of the other members of the Purchaser Group in the transaction and indicated that it had the financial support of Fairfax. The Proposal was not subject to a due diligence or financing condition. The Proposal was accompanied by a draft of the Cooperation Agreement and indicated that execution of the Cooperation Agreement by AGT was a condition of the Purchaser Group proceeding with the Proposal. The Company publicly announced its receipt of the Proposal by news release on July 26, 2018. Also on July 26, 2018, Letko Brosseau & Associates Inc., the Company's largest shareholder with investment control or direction over approximately 17.6% of the Common Shares (based on the most recent form 62-103F3 publicly filed in respect of the period ending March 31, 2018), announced that it intended to vote against the Proposal if a vote was put to Shareholders.

In response to the Proposal, the Board unanimously resolved to form the Independent Committee consisting of Geoffrey S. Belsher (Chair), Marie-Lucie Morin, Drew Franklin, John Gardner and Greg Stewart (being all of the directors who were unrelated to the Purchaser Group and management), and authorized the Independent Committee to prepare a proposed mandate for the Independent Committee for the Board to approve. Each of the members of the Independent Committee is independent within the meaning of MI 61-101 and NI 52-110.

After discussion with the other Independent Committee members, Mr. Belsher contacted Goodmans LLP ("**Goodmans**") about the possibility of Goodmans advising the Independent Committee with respect to its duties and responsibilities in evaluating the Proposal and in the negotiation of any potential transaction.

On July 29, 2018, the Independent Committee convened a meeting, during which representatives of Goodmans were present, to discuss how to respond to the Proposal. After concluding that Goodmans had no pre-existing material relationships with the Company or the Purchaser Group, the Independent Committee unanimously resolved to engage Goodmans. During the meeting, the Independent Committee received legal advice from Goodmans regarding the terms of the Proposal and the duties and responsibilities of the Independent Committee (including the Independent Committee's obligations under MI 61-101) in responding to the Proposal and making recommendations to the Board with respect thereto. After discussing the terms of the Proposal, the Independent Committee determined that the Proposal should be given due consideration, given that it appeared to be credible and the proposed purchase price reflected a significant premium to the trading price of the Common Shares at the time. During the meeting, the

Independent Committee also received legal advice regarding, and discussed, the terms of the Cooperation Agreement (including the obligation to negotiate exclusively with the Purchaser Group) and the fact that the Purchaser Group had conditioned the Proposal upon execution of the Cooperation Agreement by the Company. The Independent Committee determined that it should request that the Purchaser Group remove the exclusive negotiation clause from the Cooperation Agreement so that the Independent Committee had the flexibility, if it determined it was appropriate to do so, to solicit and/or respond to competing transaction proposals.

Following the meeting, Mr. Belsher communicated the Independent Committee's response to Mr. Al-Katib. During the discussions, Mr. Al-Katib reiterated the Purchaser Group's position that it was necessary that the Company execute the Cooperation Agreement with the exclusive negotiation clause. During the discussions, Mr. Belsher requested that even if the Company could not actively solicit competing transaction proposals, it be given the right to respond to unsolicited superior alternative transaction proposals that may be received by the Company.

By letter to Mr. Belsher on July 31, 2018, Mr. Al-Katib, on behalf of the Purchaser Group, offered to reduce the exclusivity period in the Cooperation Agreement from 90 days to 60 days, but confirmed that the Purchaser Group was unwilling to proceed unless the Company entered into the Cooperation Agreement with the 60 day exclusive negotiation clause in the form presented by the Purchaser Group. In his letter, Mr. Al-Katib also confirmed that the members of the Purchaser Group had entered into lock-up agreements covering approximately 27.5% of the Common Shares and were contractually prevented from supporting any other transaction.

On August 1, 2018, the Independent Committee met to consider the Purchaser Group's request that the Company enter into the Cooperation Agreement. The Independent Committee received legal advice from Goodmans regarding the fiduciary duties of the Independent Committee and the Board, and the implications of entering into the Cooperation Agreement, including the exclusive negotiation clause. Following extensive deliberations, the Independent Committee determined that the Company should enter into the Cooperation Agreement (subject to certain changes requested by the Independent Committee) because, among other things, the Independent Committee unanimously concluded that: (i) it was in the best interests of the Company and the Public Shareholders, given the financial terms of the Proposal, for the Independent Committee to be able to evaluate and potentially negotiate the Proposal, (ii) the Purchaser Group would not proceed with the Proposal unless the Company executed the Cooperation Agreement, (iii) if the Company received an alternative superior transaction proposal during the exclusive negotiation period, the Company could respond to such superior alternative transaction proposal upon the expiry of the exclusive negotiation period, (iv) any definitive agreement entered into with the Purchaser Group was expected to provide the Board with a "fiduciary-out" that would allow the Board to respond to superior alternative transaction proposals, and (v) the Purchaser Group controlled a sufficient number of shares to effectively block an alternative transaction and was unwilling, and contractually unable, to support any alternative transaction. During the meeting, the Independent Committee finalized the terms of its proposed mandate and discussed potential financial advisors who could serve as the Independent Committee's independent valuator.

Following the meeting, Goodmans and counsel to the Purchaser Group finalized the terms of the Cooperation Agreement and the Company and certain members of the Purchaser Group entered into the Cooperation Agreement.

On the morning of August 6, 2018, the Independent Committee met with representatives of TD Securities to receive a presentation regarding the qualifications of TD Securities to act as independent valuator and financial advisor to the Independent Committee, as well as TD Securities' independence from the Company and the Purchaser Group. Among other things, the Independent Committee received information concerning all relationships between TD Securities and its affiliates, on the one hand, and the Company or members of the Purchaser Group, on the other hand. The meeting was reconvened in the afternoon with all of the Independent Committee members present to discuss TD Securities' presentation. During the meeting, the Independent Committee received legal advice from Goodmans regarding the legal considerations applicable to selecting an independent valuator and financial advisor. After deliberations, the Independent Committee unanimously resolved to engage TD Securities as the Independent Committee's independent valuator and financial advisor to assist the Independent Committee in evaluating the Proposal and, if necessary, providing a formal valuation of the Common Shares and an opinion as to the fairness of the consideration to be received by Shareholders under the Arrangement.

Later on August 6, 2018, the Board held a regularly scheduled meeting to approve the Company's second quarter financial reports. During the meeting, the Board formally constituted the Independent Committee, approved the

mandate for the Independent Committee in the form proposed by the Independent Committee, and ratified all prior action taken by the Independent Committee consistent with its mandate (including the Cooperation Agreement). Under its mandate, the Independent Committee was given the exclusive responsibility to evaluate and negotiate the Proposal, including, to the extent the Independent Committee deemed necessary or advisable:

- to manage the process to be carried out by the Company and its professional advisors in dealing with the Proposal;
- to manage the process to be followed by the Company in evaluating and responding to the Proposal, including exploring and considering all strategic alternatives (including a potential acquisition by a third party as well as the status quo), all with a view to the best interests of the Company;
- to report and make recommendations to the Board in respect of the Proposal or any other strategic alternative;
- to supervise and conduct the negotiation of any definitive agreements related to the Proposal or any other strategic alternative; and
- to engage its own independent legal and financial advisors.

On August 7, 2018, the Company issued a news release (in a form approved by the Independent Committee) publicly announcing the formation of the Independent Committee and the engagement of its independent advisors, as well as the execution of the Cooperation Agreement.

Between August 7, 2018 and September 30, 2018, TD Securities undertook extensive due diligence and analysis regarding the Company, its assets, business and operations, its existing business plan, the Proposal and relevant industry and economic factors. TD Securities was given full access to the Company's management and confidential information, including management's forecast of the Company's future financial performance. As part of its independent review, TD Securities made certain adjustments to management's forecasts based on its own independent analysis and professional judgment. During this period, the Independent Committee met on multiple occasions to receive progress reports from TD Securities regarding its analysis. During this period (or thereafter, to the date of this Circular), the Company did not receive any inquiries or proposals from any other party regarding a potential alternative transaction.

On August 14, 2018, the Company entered into a formal engagement letter (the "**Engagement Agreement**") with TD Securities in the form negotiated between TD Securities and the Independent Committee and its independent legal counsel. The Engagement Agreement provides that TD Securities' compensation is not based, in whole or in part, on the outcome of the Arrangement or the conclusions reached by TD Securities in the Valuation and Fairness Opinion.

On August 30, 2018, counsel to the Purchaser Group provided an initial draft of the Arrangement Agreement to counsel to the Company and Goodmans. During an Independent Committee meeting held on September 11, 2018, the Independent Committee received from Goodmans a summary of, and legal advice regarding, the terms of the draft Arrangement Agreement.

During the period between August 7, 2018 and September 30, 2018, the macroeconomic and political challenges described above persisted, creating further uncertainty as to the timing and extent of any recovery in global pulse markets.

During this period, representatives of the Independent Committee and its advisors negotiated the terms of the Arrangement Agreement with the Purchaser Group. Among other things, the Independent Committee sought to increase the Consideration, and otherwise improve the terms of the Arrangement for the Company and its stakeholders (including the Public Shareholders). While the Purchaser Group agreed to certain amendments to the draft Arrangement Agreement for the benefit of the Company and its stakeholders (including the Public Shareholders), the Purchaser Group expressly communicated that it was not in a position to increase the Consideration, and that the continued macroeconomic and political challenges the Company was facing had increased the risk of being able to consummate the Arrangement at a price of $18 per Common Share. Nonetheless,

the Purchaser Group communicated that it was prepared to proceed with negotiations for a Board-supported transaction based on a price of $18 per Common Share. The Purchaser Group also communicated that it needed additional time in order to finalize its financing arrangements for the Arrangement, and that it was a condition to the Purchaser Group's continued pursuit of the Arrangement that the Company agree to extend the Cooperation Agreement, which was set to expire on September 30, 2018, during the period of continued negotiations.

On September 30, 2018, the Independent Committee met with Goodmans and TD Securities to receive TD Securities' range of fair market values for the Common Shares, and to discuss whether to continue negotiating with the Purchaser Group. During the meeting, TD Securities provided a detailed presentation that set forth TD Securities' analysis as well as its verbal opinion that, subject to certain assumptions, limitations and qualifications, the fair market value of the Common Shares was between $17.50 and $21.50. During the meeting, the Independent Committee discussed whether to proceed with negotiations with the Purchaser Group at a purchase price of $18 per Common Share, in light of the Purchaser Group's consistent position that it was not able to increase the Consideration. After receiving further legal advice regarding the Independent Committee's duties and the terms of the draft Arrangement Agreement, and after weighing all of the relevant risks and benefits, the Independent Committee unanimously concluded that it was in the best interests of the Company (considering the interests of all stakeholders) to proceed with negotiations with the Purchaser Group on the basis of a transaction at a price of $18 per Common Share. The Independent Committee also resolved to authorize the Company to extend the term of the Cooperation Agreement, given that the Purchaser Group communicated that it would not proceed with negotiations if the Company did not extend the term of the Cooperation Agreement.

On October 1, 2018, the Company publicly announced TD Securities' formal valuation range for the Common Shares and that the Independent Committee had unanimously resolved to support a going private transaction at a price of $18 per Common Share, subject to negotiation of the Arrangement Agreement in a form satisfactory to the Independent Committee. The Company also publicly announced the extension of the Cooperation Agreement.

Between October 1, 2018 and December 3, 2018, representatives of the Independent Committee, with the assistance of its independent legal and financial advisors, and the representatives of the Purchaser Group and their legal advisors, negotiated and finalized (subject to the approval of the Independent Committee) the terms of the Arrangement and the relevant definitive agreements, including the Arrangement Agreement and the Sponsor Commitment Letter. During these negotiations, the Independent Committee and its independent advisors sought to negotiate the terms that were the most favourable to the Company and its stakeholders (including the Public Shareholders) that the Purchaser Group would agree to.

During this period, the Company (under the supervision of the Independent Committee and its independent advisors) and the Purchaser Group also negotiated the terms of the Debt Commitment Letter with a syndicate of senior Canadian financial institutions. TD Securities, at the request of the Independent Committee, continued to analyze the terms of the Arrangement and the fair market value of the Common Shares, in light of ongoing developments affecting the Company and its prospects, including the prolonged continuation of the macroeconomic and political issues described above.

On the evening of December 3, 2018, the Independent Committee met with its independent financial and legal advisors to decide what recommendation to make to the Board with respect to the Arrangement. During the meeting, the Independent Committee received a presentation from management regarding the risks of certain financial conditions to completion of the Arrangement not being satisfied. The Independent Committee also received legal advice from Goodmans regarding the terms of the Arrangement and the duties and responsibilities of the Independent Committee in making a recommendation to the Board regarding the Arrangement.

TD Securities also made a presentation to the Independent Committee setting out the analysis conducted by TD Securities with respect to the financial terms of the Arrangement and the fair market value of the Common Shares, following which TD Securities provided the Independent Committee with its verbal opinions (subsequently confirmed in writing) that, subject to certain assumptions, limitations and qualifications, the fair market value of the Common Shares was revised downwards to between $17.00 and $21.00, primarily as a result of factors that impacted the third quarter of 2018, including (i) cash flow from operations; (ii) changes in net working capital; (iii) financing expenses and dividends; and (iv) foreign exchange impacts, and the Consideration to be received by Public Shareholders is fair, from a financial point of view, to such shareholders. The Independent Committee, with the assistance of its independent financial and legal advisors, discussed and analyzed all of the benefits and risks

associated with completion of the Arrangement, including the factors set out below and under the heading "Reasons for the Recommendations", and unanimously resolved to recommend that the Board approve the Arrangement and that the Board recommend that Public Shareholders vote in favour of the Arrangement.

Later in the evening of December 3, 2018, the Board met to receive the recommendation of the Independent Committee regarding the Arrangement and to consider whether to approve the Arrangement. At the outset of the meeting, Mr. Al-Katib and Mr. Howard Rosen, being members of the Purchaser Group at the time (Mr. Rosen subsequently determined that he will not continue with the Company and is not a Rolling Shareholder), and Bradley Martin (being an officer of Fairfax), declared their interest in the Arrangement and recused themselves from the remainder of the meeting, and Mr. Al-Katib indicated that Mr. Huseyin Arslan, Chairman of the Board, who was not present at the meeting, requested that his interest in the Arrangement as a member of the Purchaser Group be noted in the minutes of the meeting. The remaining members of the Board (comprising the members of the Independent Committee) then unanimously approved the Arrangement Agreement, unanimously determined that the Arrangement is in the best interests of the Company (considering the interests of all stakeholders) and unanimously resolved to recommend that Public Shareholders vote in favour of the Arrangement Resolution.

On the morning of December 4, 2018, the Purchaser and the Company executed and delivered the Arrangement Agreement and the Company publicly announced the execution of the Arrangement Agreement.

Recommendation of the Independent Committee

The Independent Committee, after careful consideration and having received advice from its independent financial and legal advisors and the Valuation and Fairness Opinion, unanimously recommended that the Board approve the Arrangement and recommend that Public Shareholders vote FOR the Arrangement Resolution at the Meeting.

Recommendation of the Board

The Board, after having received the unanimous recommendation of the Independent Committee, unanimously approved the Arrangement Agreement, and with the Interested Directors having declared their interests and refrained from voting on the matter, unanimously concluded that the Arrangement is in the best interests of the Company (considering the interests of all stakeholders) and is unanimously recommending that Public Shareholders vote FOR the Arrangement Resolution at the Meeting.

Reasons for the Recommendations

The Independent Committee and the Board carefully considered the Arrangement and received the benefit of advice from independent financial and legal advisors. The Independent Committee and the Board considered a number of factors when making their determinations and recommendations, including those set out below.

- *Significant Premium to Market Price*. The Consideration of $18 per Common Share represents a 36.7% premium to the closing price of the Common Shares on the TSX on July 25, 2018, the last trading day prior to the public announcement of the Proposal.

- *Valuation and Fairness Opinion*. The Consideration of $18 per Common Share is within the fair market value range for the Common Shares as determined by TD Securities in the Valuation and Fairness Opinion. The Valuation and Fairness Opinion also includes TD Securities' opinion that, subject to the assumptions, limitations and qualifications set forth therein, the Consideration of $18 per Common Share is fair, from a financial point of view, to Public Shareholders. See "*The Arrangement – Valuation and Fairness Opinion*".

- *Compelling Value Relative to Alternatives*. Prior to entering into the Arrangement Agreement, the Independent Committee, with the assistance of its independent financial and legal advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings and prospects of the Company, as well as their collective knowledge of the current and prospective environment in which the Company operates (including economic and political conditions), assessed the relative benefits and risks of various alternatives to the Arrangement, including continued execution of the Company's existing strategic plan and the possibility of soliciting other potential buyers of the Company (subject to the terms of the Cooperation Agreement). As part of that process, the Independent Committee and the Board (other than the Interested Directors) unanimously concluded that (i) the Consideration represents greater value for the

Public Shareholders than would reasonably be expected from the continued execution of the Company's existing strategic plan, in light of the ongoing uncertainty surrounding the recovery of the global pulse market and the fact that the Company will cease paying any dividends for the foreseeable future even if the Arrangement is not completed due to the current financial position of the Company; and (ii) it was not reasonable to expect that the Company could consummate an alternative change of control transaction on terms that were more favourable to Public Shareholders than the Arrangement, given that the Purchaser Group controls a sufficient number of Common Shares to effectively block any alternative transaction and has indicated that it will not support an alternative transaction, as well as the fact that during the four month period in which the Proposal was public prior to the execution of the Arrangement Agreement, the Company did not receive any inquiries or proposals regarding an alternative transaction. The Independent Committee and the Board (other than the Interested Directors) continually assessed each of these alternatives throughout the process of evaluating and negotiating the Arrangement and ultimately concluded that entering into the Arrangement Agreement with the Purchaser was the most favourable alternative reasonably available.

- *Certainty of Value and Immediate Liquidity*. The Consideration of $18 per Common Share to be received by Public Shareholders is payable entirely in cash and therefore provides Public Shareholders with immediate liquidity at a value that may not be available to Public Shareholders in the absence of the Arrangement. In particular, the Independent Committee, based in part on the advice of TD Securities, concluded that if the Arrangement does not proceed, the trading price of the Common Shares is likely to decline materially below $18 per Common Share, and the concentration of the Company's share ownership among a limited number of institutional investors and low historical trading volumes are likely to limit alternative opportunities for liquidity for Public Shareholders.

- *Arm's Length Negotiation*. The Arrangement Agreement is the result of a robust negotiation process that was undertaken at arm's length between the Independent Committee and its independent advisors, on the one hand, and the members of the Purchaser Group and their advisors, on the other hand. The Independent Committee was comprised solely of the directors who are unrelated to the Purchaser Group and management, and was advised by experienced, qualified and independent financial and legal advisors. Based on the negotiations with the Purchaser Group, the Independent Committee concluded that $18 per Common Share is the highest price that the Purchaser Group was willing to pay to acquire the Company. The Independent Committee was successful in maintaining the Consideration of $18 per Common Shares throughout the process, notwithstanding the adverse impacts on the Company's financial position of the prolonged economic and political challenges facing the Company.

- *Ability to Respond to Superior Proposals*. Notwithstanding the Independent Committee's determination that the likelihood of another potential buyer emerging is low, the Board retains the ability under the terms of the Arrangement Agreement to respond to Superior Proposals and to terminate the Arrangement Agreement in order to enter into a definitive agreement providing for a Superior Proposal, subject to the specific terms and conditions set forth in the Arrangement Agreement, including payment of the Termination Fee. The Independent Committee unanimously concluded, based on advice received from their independent legal and financial advisors, that the $11.5 million Termination Fee is reasonable in the circumstances. See *"The Arrangement Agreement – Covenants of the Company Regarding Non-Solicitation"*.

- *Tax Efficient Structure of the Arrangement*. The Arrangement will generally result in taxable Public Shareholders realizing a capital gain or loss for Canadian income tax purposes. Furthermore, the proceeds received by Public Shareholders for their Common Shares generally will not be subject to Canadian withholding tax. See *"Certain Canadian Federal Income Tax Considerations"*.

- *Noteholder Treatment*. The Independent Committee considered the treatment of the holders of the Senior Notes under the Arrangement and unanimously concluded, based on the advice of its independent legal advisors, that the Arrangement and the Consent Solicitation have been structured in a manner that complies with the terms of the indenture governing the Senior Notes.

- *Financing Commitments*. The Independent Committee, based in part on the advice of its independent financial and legal advisors, concluded that the terms and conditions of the Debt Commitment Letter and

Sponsor Commitment Letter provide reasonable assurance that the required funds will be available for payment of the Consideration payable to Public Shareholders under the Arrangement if all of the conditions in the Arrangement Agreement are satisfied.

- *Court and Shareholder Approval*. The Arrangement Resolution must be approved by the affirmative vote of not less than two-thirds of the votes cast by Shareholders and a majority of the votes cast by Public Shareholders (in each case in person or by proxy) at the Meeting. The Arrangement must also be approved by the Court, which will consider the fairness and reasonableness of the Arrangement to all Shareholders.

- *Reputation and Track Record of Fairfax*. The Independent Committee and the Board concluded that it is likely that the Purchaser Group will complete the Arrangement if all conditions are satisfied, given Fairfax's extensive track record in completing large-scale transactions globally.

- *Dissent Rights*. Registered Shareholders have the right to exercise Dissent Rights in connection with the Arrangement, subject to strict compliance with the requirements applicable to the exercise of Dissent Rights. See *"Rights of Dissenting Shareholders"*.

In making their recommendations, the Independent Committee and the Board also considered a number of potential risks and other factors resulting from the Arrangement and the Arrangement Agreement, including those described under "*Risk Factors Relating to the Arrangement*" and those set out below.

- *Consideration Below Midpoint of Valuation Range.* The Consideration is below the midpoint of the fair market value range for the Common Shares as determined by TD Securities in its Valuation and Fairness Opinion.

- *Opposition from Largest Public Shareholder.* The Company's largest Public Shareholder – which controls a significant proportion of the Common Shares held by Public Shareholders – has publicly announced that it will not support the Arrangement at a price of $18 per Common Share.

- *No Opportunity for Future Capital Appreciation.* As global oversupply in the pulse markets are resolved, market conditions are expected to improve and with them the Company's financial performance. The Rolling Shareholders are exchanging their Common Shares for shares in the capital of the Purchaser Group, and will therefore realize any benefits of maintaining an investment in the Company following completion of the Arrangement, including any recovery in global pulse markets. Public Shareholders are only being offered the right to receive the Consideration, and are not being given any opportunity to acquire an interest in the Purchaser Group. Completion of the Arrangement would, therefore, eliminate the opportunity for Public Shareholders to participate in the potential benefits of a continued investment in the Company, including any recovery in global pulse markets.

- *No Solicitation of Other Potential Buyers of the Company Prior to Entering in the Arrangement Agreement.* The Independent Committee determined, after receiving advice from its financial and legal advisors, not to contact any third parties prior to entering into the Arrangement Agreement to confirm whether any party might be willing to acquire the Company on more favourable terms than those being offered by the Purchaser Group under the Proposal, in light of the fact that the Purchaser Group controls approximately 27.5% of the Common Shares and indicated that its members would not support an alternative transaction.

- *Restrictions Under the Arrangement Agreement on the Company's Ability to Solicit Acquisition Proposals*. The prohibition contained in the Arrangement Agreement on the Company's ability to solicit alternative Acquisition Proposals.

- *The Purchaser Group's Ownership of Common Shares, the Termination Fee and the Right to Match may Discourage Other Potential Buyers from Making a Superior Proposal.* The Purchaser Group's ownership of approximately 27.5% of the Common Shares, the Termination Fee, and the Purchaser's Right to Match, may discourage other parties from making a Superior Proposal. Furthermore, the Company is only permitted to consider alternative transactions that are financially superior to the Arrangement if, among other things, they provide solely for cash consideration. The Independent Committee was advised, and

understood, that such restrictions would further limit the possibility that a Superior Proposal will emerge. However, given that the Purchaser Group could effectively block a competing transaction (due to its ownership stake) and the fact that in the four months since the Proposal had been publicly announced, no competing acquisition proposal had been received by the Company, the Independent Committee concluded, based in part on the advice of its advisors, that these restrictions are not meaningful in the circumstances.

- *The Arrangement is a Taxable Transaction for Canadian Resident Public Shareholders Who Are Not Tax Exempt.* The Arrangement will generally be taxable in Canada for Canadian Public Shareholders who are resident in Canada and who are not exempt from Canadian Tax and, as a result, Taxes will generally be required to be paid by such Public Shareholders on any income and gains that result from receipt of the Consideration under the Arrangement.

The foregoing discussion of certain factors considered by the Independent Committee and the Board is not intended to be exhaustive, but includes the material factors considered by the Independent Committee and the Board in making their determinations and recommendations with respect to the Arrangement. The Independent Committee and the Board did not consider it practicable to, and did not, assign specific weights to any of the factors considered in reaching their determinations and recommendations, and individual directors may have given different weights to different factors. Neither the Board nor the Independent Committee reached any specific conclusion with respect to any of the factors or reasons considered, and the above factors are not presented in any order of priority. The foregoing discussion includes forward-looking information and readers are cautioned that actual results may vary. See *"Notice Regarding Information"*.

Valuation and Fairness Opinion

The following includes a summary of the Valuation and Fairness Opinion, and such summary is qualified in its entirety by the full text of the Valuation and Fairness Opinion attached to this Circular as Appendix C. Shareholders are encouraged to read the full text of the Valuation and Fairness Opinion. The Valuation and Fairness Opinion has been prepared for the use of the Independent Committee and for inclusion in this Circular. The Valuation and Fairness Opinion does not constitute a recommendation to any Shareholder as to whether such Shareholder should vote in favour of the Arrangement.

Selection and Engagement of TD Securities

TD Securities was first contacted by the Independent Committee on August 3, 2018, and was engaged by the Independent Committee pursuant to the Engagement Agreement. The terms of the Engagement Agreement provide that TD Securities will receive a fee of $1.3 million for its services and is to be reimbursed for industry consultant reports, legal expenses, and its reasonable out-of-pocket expenses. In addition, AGT has agreed to indemnify TD Securities, in certain circumstances, against certain expenses, losses, claims, actions, damages and liabilities incurred in connection with the provision of its services under the Engagement Agreement. The fees payable to TD Securities under the Engagement Agreement are not contingent upon the conclusions reached by TD Securities in the Valuation and Fairness Opinion or the completion of the Arrangement.

Credentials of TD Securities

TD Securities is a Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate finance, mergers and acquisitions, equity and fixed income sales and trading, investment management and investment research. TD Securities has participated in a number of transactions involving public and private companies and has extensive expertise in preparing valuation and fairness opinions.

Independence of TD Securities

The Independent Committee determined, based in part on certain representations made to it by TD Securities, that TD Securities was independent and qualified to prepare an independent formal valuation and should be retained by the Independent Committee for the purposes of, among other things, preparing and delivering to the Independent Committee the independent formal valuation of the Common Shares required under MI 61-101.

Neither TD Securities nor any of its affiliated entities (as such term is defined for the purpose of MI 61-101) (i) is an associated or affiliated entity or issuer insider (as such terms are defined for the purposes of MI 61-101) of AGT,

any member of the Purchaser Group, or any of their respective associates or affiliates (collectively, the "**Interested Parties**"); (ii) is an advisor to any of the Interested Parties in connection with the Arrangement; (iii) is a manager or co-manager of a soliciting dealer group for the Arrangement providing services beyond the customary soliciting dealer's functions or receiving more than the per security or per security holder fees payable to the other members of the group); or (iv) has a material financial interest in the completion of the Arrangement.

TD Securities and its affiliated entities have not been engaged to provide any financial advisory services, nor have they acted as lead or co-lead manager on any offering of Common Shares or any other securities of AGT, or any Interested Party during the 24-months preceding the date TD Securities was first contacted in respect of the Valuation and Fairness Opinion, other than as described below. In November 2018, the Toronto-Dominion Bank ("**TD Bank**"), the parent company of TD Securities, participated as a non-lead lender in a lending syndicate comprised of $525 million of credit facilities for AGT. In June 2018, TD Bank participated as non-lead lender in a lending syndicate comprised of $400 million of credit facilities including a $150 million operating facility and a $250 million revolving facility for AGT. In December 2016, TD Securities participated as a non-lead underwriter of a syndicate for a $200 million senior notes offering for AGT.

Since February 2016, TD Securities participated in four equity offerings related to Fairfax. In February 2016, TD Securities participated as a co-manager on a bought deal equity offering of $735 million subordinated voting shares for Fairfax. In December 2016, TD Securities participated as a bookrunner on a bought deal equity offering of $197 million subordinated voting shares for Fairfax India Holdings Corporation. In February 2017, TD Securities participated as a bookrunner on a bought deal equity offering of $81 million subordinate voting shares for Fairfax Africa Holdings Corporation ("**Fairfax Africa**"). In June 2018, TD Securities participated as a bookrunner on a bought deal equity offering of $196 million subordinate voting shares for Fairfax Africa. TD Bank and TD Securities provide credit and have a number of normal course ongoing financial dealings with AGT and other Interested Parties.

The fees paid to TD Securities in connection with the foregoing activities, together with the fee payable to TD Securities pursuant to the Engagement Agreement are not, in the aggregate, financially material to TD Securities, and do not give TD Securities any financial incentive in respect of the conclusions reached in the Valuation and Fairness Opinion. There are no understandings or agreements between TD Securities and AGT or any other Interested Party with respect to future financial advisory or investment banking business. TD Securities may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for AGT or any other Interested Party. TD Bank and TD Securities, may in the future, in the ordinary course of their respective businesses, provide banking services or credit facilities to AGT or any other Interested Party.

TD Securities acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have and may in the future, in the ordinary course of its business, have positions in the securities of any Interested Party, and, from time to time, may have executed or may execute transactions on behalf of such companies or other clients for which it may have received or may receive compensation. As an investment dealer, TD Securities conducts research on securities and may, in the ordinary course of business, provide research reports and investment advice to its clients on investment matters, including with respect to the Arrangement, AGT or any Interested Party.

Scope of Review

In connection with the Valuation and Fairness Opinion, TD Securities reviewed and relied upon (without attempting to verify independently the completeness or accuracy of) or carried out, among other things, the following:

1. a draft of an Arrangement Agreement between the Purchaser and AGT dated December 3, 2018;

2. audited financial statements and management's discussion and analysis of AGT as at and for each of the years ended December 31, 2015, 2016, and 2017;

3. unaudited interim financial statements and management's discussion and analysis of AGT as at and for the three month periods ended March 31, June 30, and September 30 in the years 2015, 2016, 2017, and 2018;

4. annual reports, annual information forms, and management information circulars of AGT for the fiscal years ended December 31, 2015, 2016, and 2017;

5. the current 2018 budget and forecast information as prepared by AGT's management ("**AGT Management**") as well as historical budget and forecast information TD Securities considered relevant;

6. unaudited projected financial information for AGT, for the years ending December 31, 2018 through to December 31, 2022 as prepared by AGT Management;

7. discussions with AGT Management including with respect to the information referred to above and other issues deemed relevant including the outlook for each business segment;

8. representations contained in a certificate dated December 3, 2018 from senior officers of AGT;

9. various discussions with members of the Independent Committee and its legal counsel;

10. various research publications prepared by equity research analysts regarding AGT and other selected public companies deemed relevant;

11. consultation with independent third party consultants specializing in the global pulse market to obtain views on potential market recovery and expected pricing;

12. public information relating to the business, operations, financial performance and trading history of AGT and other selected public companies considered relevant;

13. public information with respect to certain other transactions of a comparable nature considered relevant; and

14. other corporate, industry and financial market information, investigations and analyses as TD Securities considered necessary or appropriate in the circumstances.

Assumptions and Limitations

With the Independent Committee's acknowledgement and agreement as provided for in the Engagement Agreement, TD Securities has relied upon the accuracy, completeness, and fair presentation of all data and other information obtained by it from public sources, provided to it by or on behalf of AGT, or otherwise obtained by TD Securities, including the certificate identified above (collectively, the "**Information**"). The Valuation and Fairness Opinion is conditional upon such accuracy, completeness, and fair presentation. Subject to the exercise of professional judgment, and except as expressly described herein, TD Securities has not attempted to verify independently the accuracy or completeness of any of the Information. With respect to the budgets, forecasts, projections or estimates provided to TD Securities and used in its analyses, TD Securities notes that projecting future results is inherently subject to uncertainty. TD Securities has assumed, however, that such budgets, forecasts, projections and estimates were prepared using the assumptions identified therein which TD Securities has been advised are (or were at the time of preparation and continue to be), in the opinion of AGT, reasonable in the circumstances.

In preparing the Valuation and Fairness Opinion, TD Securities has made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to TD Securities, conditions precedent to the completion of the Arrangement can be satisfied in due course, all consents, permissions, exemptions or orders of relevant regulatory authorities or third parties will be obtained, without adverse condition or qualification, the procedures being followed to implement the Arrangement are valid and effective, the Circular will be distributed to the Shareholders of AGT in accordance with all applicable laws, the Circular will be accurate, in all material respects, and will comply, in all material respects, with the requirements of all applicable laws.

The Valuation and Fairness Opinion is rendered as of December 3, 2018, on the basis of securities markets, economic and general business and financial conditions prevailing on that date and the condition and prospects, financial and otherwise, of AGT and its respective subsidiaries and affiliates as they were reflected in the Information provided to TD Securities. In its analysis in connection with the preparation of the Valuation and Fairness Opinion, TD Securities made numerous assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond the control of TD Securities or AGT or any other Interested Party.

The preparation of a Valuation and Fairness Opinion is a complex process and is not necessarily amenable to partial analysis or summary description. TD Securities believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete view of the process underlying the Valuation and Fairness Opinion. Accordingly, the Valuation and Fairness Opinion should be read in its entirety.

Prior Valuations

The Valuation and Fairness Opinion updates a prior valuation by TD Securities (the "**October Valuation**"), publicly announced on October 1, 2018 which was delivered orally to the Independent Committee. The analysis supporting the October Valuation provided a range of fair market values of $17.50 to $21.50 per Common Share, utilizing an assumed balance sheet date of June 30, 2018. For the purposes of the Valuation and Fairness Opinion, TD Securities utilized a balance sheet date of September 30, 2018 as AGT reported third quarter financial results on November 12, 2018. During the interim period between October 1, 2018 and December 3, 2018, TD Securities reconfirmed the assumptions underpinning AGT Management's forecast ("**AGT Management Forecast**") with AGT Management and did not make adjustments to the Adjusted Forecast (as defined in the Valuation and Fairness Opinion) beyond 2018. The difference in range of fair market values as determined in the October Valuation and the Valuation and Fairness Opinion was primarily the result of factors that impacted the third quarter of 2018, including: (i) cash flow from operations; (ii) changes in net working capital; (iii) financing expenses and dividends; and (iv) foreign exchange impacts.

Formal Valuation

Based upon and subject to the analyses, assumptions, qualifications and limitations discussed in the Valuation and Fairness Opinion, TD Securities is of the opinion that, as of December 3, 2018, the fair market value of the Common Shares is in the range of $17.00 to $21.00 per Common Share.

Fairness Opinion

Based upon and subject to the analyses, assumptions, qualifications and limitations discussed in the Valuation and Fairness Opinion, TD Securities is of the opinion that, as of December 3, 2018, the Consideration to be received by the Shareholders, other than the Purchaser Group and their related parties, in connection with the Arrangement is fair, from a financial point of view, to such Shareholders.

The Company urges Shareholders to review the Valuation and Fairness Opinion carefully and in its entirety. See Appendix C.

Cooperation Agreement

On August 1, 2018, the Company entered into the Cooperation Agreement in connection with a proposed transaction with the Purchaser Group. Pursuant to the Cooperation Agreement, the Company agreed to certain non-solicitation and other restrictive covenants (including a prohibition on entering into or contemplating any competing transaction) for a period of 60 days following the date of the Cooperation Agreement. Upon expiry of the initial Exclusivity Period, the Cooperation Agreement was amended to extend the term of the Exclusivity Period.

Pursuant to the Cooperation Agreement, Murad Al-Katib agreed to cooperate with the Independent Committee in connection with the Independent Committee's evaluation of a proposed transaction with the Purchaser Group, including providing in a timely manner all information regarding the Company and its operations requested by the Independent Committee.

Voting Agreements

The following description of the Voting Agreements is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Voting Agreements.

The Purchaser has entered into the Independent Voting Agreements and the PG Voting Agreements with the Locked-up Shareholders, as applicable, pursuant to which the Locked-up Shareholders have agreed, subject to the terms and conditions of the Independent Voting Agreements and the PG Voting Agreements, as applicable, to,

among other things, vote their Common Shares in favour of the Arrangement Resolution. The Locked-up Shareholders collectively beneficially own or exercise control or direction over an aggregate 7,532,672 Common Shares, representing approximately 31% of the outstanding Common Shares.

The obligations of the Locked-Up Shareholders under the Independent Voting Agreements, as applicable, will automatically terminate on the earliest to occur of any of the following: (i) the Effective Time; (ii) termination of the Arrangement Agreement in accordance with its terms; and (iii) the occurrence of a Change in Recommendation. The obligations of the Locked-Up Shareholders under the PG Voting Agreements, as applicable, will automatically terminate on the earliest to occur of any of the following: (i) the Effective Time; and (ii) the date on which the Arrangement Agreement is terminated by Fairfax in accordance with its terms or Fairfax announcing by way of news release that it will not be proceeding with the Arrangement.

Description of the Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached as Appendix B of this Circular.

Following receipt of the Final Order and, in any event, not later than the Business Day prior to the filing by the Company of the Articles of Arrangement with the Director, the Purchaser will provide the Depositary with sufficient funds to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Purchaser, acting reasonably) to satisfy the aggregate Consideration payable to the Shareholders as provided in the Plan of Arrangement.

If the Arrangement is completed, the Purchaser will acquire all of the Common Shares, other than the Common Shares already owned by the Purchaser. The Common Shares held by the Rolling Shareholders shall be exchanged for common shares in the capital of the Purchaser. The Company DSUs, whether vested or unvested, will be transferred to the Company and terminated and will be of no further force and effect, all in exchange for payment of C$18.00 per Company DSU, in accordance with the terms of the Arrangement. The Company ARSUs and Company RSUs shall be continued on the same terms and conditions as applicable prior to the Effective Time, except that, following the amalgamation of the Purchaser and the Company as contemplated in the Plan of Arrangement, the value of such Company ARSUs and Company RSU will be based on the shares in the capital of Amalco.

Pursuant to the Arrangement, Shareholders (other than the Purchaser and the Rolling Shareholders and those Registered Shareholders who validly exercise their Dissent Rights) will receive, in accordance with the terms and conditions set forth in the Plan of Arrangement, a cash payment of C$18.00 from the Purchaser in consideration for each such Shareholder's Common Shares, less any withholdings or deductions required to be made pursuant to the Plan of Arrangement. Dissenting Shareholders will be deemed to have assigned and transferred their Common Shares to the Purchaser, and will cease to have any rights as Shareholders other than the right to be paid the fair value for such Common Shares in accordance with the Plan of Arrangement.

At the Effective Time, each of the following events shall occur sequentially in the order set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at two minute intervals starting at the Effective Time:

(a) Each of the following steps shall be deemed to occur simultaneously:

(i) Each Preferred Security held by a Preferred Security Non-Resident Holder shall be transferred to the Purchaser in exchange for 0.55555555 Class "A" common shares in the capital of the Purchaser for each such Preferred Security and an amount equal to the fair market value thereof shall be added to the stated capital of the Class "A" common shares so issued.

(ii) Each Preferred Security held by a Preferred Security Resident Holder shall be transferred to the Purchaser in exchange for 0.55555555 Class "B" common shares in the capital of the Purchaser for each such Preferred Security, and: either (a) if the Preferred Security Resident Holder has not entered into an agreement in writing with the Purchaser in respect of Section 85(1) of the Tax Act, an amount equal to the fair market value thereof shall be added to the stated capital of the Class "B" common shares so issued; or (b) if the Preferred Security Resident Holder has entered into an agreement in writing with the Purchaser in respect of Section 85(1) of the Tax Act, an amount

equal to the lesser of (x) the principal amount of the Preferred Security; and (y) the elected amount in such written agreement, shall be added to the stated capital of the Class "B" common shares so issued.

(b) Each Rollover Share (except for any Common Shares held by Point North) shall be transferred by the holder thereof to the Purchaser in exchange for one Class "C" common share of the Purchaser on such terms and conditions as are set out in the applicable Rollover Agreement and an amount equal to the elected amounts thereunder shall be added to the stated capital of the Class "C" common shares so issued, and:

(i) the holders of such Rollover Shares shall cease to be the holders thereof and to have any rights as holders of such Rollover Shares;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Rollover Shares (free and clear of all Liens, except those stated in any particular Rollover Agreement) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

(c) Each Common Share held by Point North shall be transferred by Point North to the Purchaser in exchange for one Class "D" common share of the Purchaser on such terms and conditions as are set out in the applicable Rollover Agreement and an amount equal to the elected amounts thereunder shall be added to the stated capital of the Class "D" common shares so issued, and:

(i) Point North shall cease to be the holders thereof and to have any rights as holders of such Common Shares;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

(d) The Stock Option Plan shall be terminated and be of no further force and effect.

(e) APP shall drawdown the APP Drawdown Amount.

(f) APP shall loan an amount equal to the APP Drawdown Amount to the Company on the terms agreed to between the Company and APP or the APP Drawdown Amount will be made available to the Company pursuant to such other transaction(s) as agreed between the Company and the Purchaser.

(g) Each of the Common Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of any Liens, to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined in accordance with Section 3.1 of the Plan of Arrangement, and

(i) such Dissenting Shareholders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid fair value for such Common Shares as set out in Section 3.1 of the Plan of Arrangement;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Common Shares from the registers of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares, free and clear of all Liens, and shall be entered into the registers of Common Shares maintained by or on behalf of the Company.

(h) Simultaneously:

(i) each Company DSU outstanding immediately prior to the Effective Time, whether vested or unvested, shall be transferred by such holder to the Company in exchange for, subject to Section 4.4 of the Plan of Arrangement, a cash payment by the Company equal to the Consideration, and each such Company DSU shall immediately be cancelled and, as of the effective time of such cancellation: (A) the holder thereof shall cease to be the holder of such Company DSU, (B) the holder thereof shall cease to have any rights as a holder in respect of such Company DSU or under the Company LTIP Plan, as applicable, other than the right to receive the consideration to which such holder is entitled pursuant to this section, (C) such holder's name shall be removed from the applicable register, and (D) all agreements, grants and similar instruments relating thereto shall be cancelled; and

(ii) each Company ARSU and Company RSU outstanding immediately prior to the Effective Time shall be continued on the same terms and conditions as were applicable prior to the Effective Time, except that, the terms of each such Incentive Security shall be amended so as to substitute after the amalgamation in step (l) below for the Common Shares subject to such Incentive Security such number of Class "C" common shares of Amalco equal to the number of Common Shares subject to such Incentive Security immediately prior to the Effective Time and the value of such amended Incentive Security shall be based on the fair market value of the Class "C" common shares of Amalco, as determined by the board of directors of Amalco, acting reasonably and in good faith and such amendment shall not constitute a disposition, novation, rescission or substitution of the holder's rights thereunder.

(i) Each outstanding Common Share other than (A) the Common Shares that are held by Dissenting Shareholders who have validly exercised their Dissent Rights in accordance with Article 3 of the Plan of Arrangement and who are ultimately entitled to be paid the fair value for such Common Shares, and (B) Common Shares (including for certainty, all Common Shares acquired by the Purchaser pursuant to Section 2.3(a)(ii) of the Plan of Arrangement) held by the Purchaser and its affiliates, shall, without any further action by or on behalf of a holder of Common Shares, be deemed to be assigned by the holder thereof to the Purchaser (free and clear of any Liens) in exchange for a cash payment equal to the Consideration less amounts withheld and remitted in accordance with Section 4.4 of the Plan of Arrangement, and:

(i) the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the rights to be paid the Consideration per Common Share in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

Upon completion of the above acquisition, the Company shall make an election to cease to be a "public corporation" under section 89(1) of the Tax Act and the Common Shares shall be delisted from the Toronto Stock Exchange.

(j) The outstanding Company Warrants shall be amended such that the exercise price is equal to the Consideration, to reduce the number of Common Shares issuable pursuant to the Company Warrants to 3,200,000 and to remove the accelerated expiry provision.

(k) The aggregate stated capital of the then outstanding Common Shares shall be, and shall be deemed to be, reduced to $1.00.

(l) The Company and the Purchaser shall be amalgamated and continued as Amalco.

(m) Amalco shall repay an amount equal to the APP Drawdown Amount to the Sponsor pursuant to the Sponsor Financing.

Key Procedural Steps for the Arrangement to become Effective

In order for the Arrangement to become effective:

(a) the Arrangement Resolution must be approved by the Shareholders in the manner set forth in the Interim Order;

(b) the Court must grant the Final Order approving the Arrangement;

(c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by one or both of AGT or the Purchaser, as applicable; and

(d) the Articles of Arrangement in the form prescribed by the OBCA must be filed with the Director.

See "*The Arrangement Agreement — Conditions Precedent to the Arrangement*".

If approved, the Arrangement will become effective at the Effective Time, which is expected to be at 12:01 a.m. (Eastern time) on the date the Articles of Arrangement are filed with the Director, which is expected to be in the first quarter or early second quarter of 2019. Upon issuance of the Final Order and on or before the fifth Business Day following satisfaction or waiver of the last of the conditions precedent to the Arrangement set forth in the Arrangement Agreement, AGT will file the Articles of Arrangement and such other documents as may be required to give effect to the Arrangement with the Director pursuant to Section 183(1) of the OBCA, whereupon the transactions comprising the Arrangement will occur and will be deemed to have occurred in the order set out in the Plan of Arrangement without any further act or formality. The Arrangement will be binding on the Purchaser, the Company, the Shareholders, all holders of Company Warrants, Company ARSUs, Company RSUs and Company DSUs, including Dissenting Shareholders, the Rolling Shareholders, the registrar and transfer agent of the Company, the Depositary and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.

See the Plan of Arrangement attached as Appendix B for additional information.

Required Approvals

Shareholder Approval

In order for the Company to seek the Final Order and for the Arrangement to become effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (i) at least 66 2/3% of the votes cast at the Meeting in person or by proxy by the Shareholders; and (ii) a simple majority of the votes cast at the Meeting in person or by proxy by the Shareholders excluding the votes cast in respect of Common Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded and any of its related parties or joint actors, all in accordance with MI 61-101. The votes cast in respect of Common Shares beneficially owned or owed which control or direction is exercised by the Purchaser, Bradley Martin (given that he is an officer of Fairfax) and the Rolling Shareholders will be excluded.

Notwithstanding the approval by Shareholders of the Arrangement Resolution, the Arrangement Resolution authorizes the Board to, without notice to or approval of Shareholders, (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement and/or the Plan of Arrangement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

Court Approval of the Arrangement

The OBCA requires that the Court approve the Arrangement.

On January 7, 2019, AGT obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached hereto as Appendix D. The Notice of Application applying for the Final Order approving the Arrangement is attached as Appendix E.

Subject to the approval of the Arrangement Resolution by Shareholders at the Meeting and the satisfaction or waiver of all other conditions to the Arrangement, the hearing in respect of the Final Order is expected to take place in the first quarter or early second quarter of 2019. Any Shareholder who wishes to appear or be represented and to present evidence or arguments must serve and file a notice of appearance as set out in the Notice of Application for the Final Order and satisfy any other requirements of the Court. The Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. Depending upon the nature of any required amendments, AGT and/or the Purchaser may determine not to proceed with the Arrangement.

Shareholders who wish to participate in or be represented at the Court hearing for the Final Order should consult their legal advisors as to the necessary requirements.

Regulatory Approvals

Pursuant to the Arrangement Agreement, as soon as reasonably practicable after the date of the Arrangement Agreement, each Party, or where appropriate, the Purchaser or both Parties jointly, shall make all notifications, filings, applications and submissions with Governmental Entities required or in the reasonable opinion of Purchaser advisable, and shall use commercially reasonable efforts to obtain and maintain, the Antitrust Approvals, the Canada Transportation Act Approval and such other Regulatory Approvals reasonably deemed by any of the Parties to be necessary to discharge their respective obligations under the Arrangement Agreement or otherwise advisable under Laws in connection with the Arrangement and the Arrangement Agreement provided that the Purchaser is under no obligation to (i) negotiate or agree to the sale, divestiture or disposition of the assets, properties or businesses of the Purchaser or its Affiliates or the Company or its Subsidiaries (other than assets, businesses or properties of Company or its Subsidiaries that are *de minimis* in the aggregate to the Company and its Subsidiaries taken as a whole) or (ii) negotiate or agree to any behavioural remedy, including an interim or permanent hold separate order or any form of undertakings or other restrictions, on the assets, properties or businesses of the Purchaser or its Affiliates or the Company or its Subsidiaries (other than assets, businesses or properties of Company or its Subsidiaries that are *de minimis* in the aggregate to the Company and its Subsidiaries taken as a whole).

Competition Act Approval

Part IX of the Competition Act requires that parties to certain prescribed classes of transactions provide notifications to the Commissioner where the applicable thresholds set out in Sections 109 and 110 of the Competition Act are exceeded and no exemption applies ("**Notifiable Transactions**"). Subject to certain limited exceptions, a Notifiable Transaction cannot be completed until the Parties to the transaction have each submitted the information prescribed pursuant to subsection 114(1) of the Competition Act (a "**Notification**") to the Commissioner and the applicable waiting period has expired or has been terminated early by the Commissioner. The Competition Act prescribes an initial waiting period of 30 days from the date that the Parties have both filed their respective Notifications. At the end of that period, the Parties are permitted to complete their Notifiable Transaction unless, prior to the expiration of the waiting period, the Commissioner issues a supplementary information request (a "**SIR**") to them, in which case the Parties cannot complete their transaction until 30 days after the day in which they comply with the SIR, unless, before closing, the Competition Tribunal, upon the application of the Commissioner, issues a temporary order prohibiting closing in order to facilitate the Commissioner's continued review of the transaction or litigation before the Competition Tribunal.

Alternatively to, or in addition to, filing a Notification, a party to a Notifiable Transaction may apply to the Commissioner for an advance ruling certificate (an "**ARC**") or, in the event that the Commissioner is not prepared to issue an ARC, a No-Action Letter. If the Commissioner issues an ARC, the Parties are exempt from having to file a Notification; if the Commissioner issues a No-Action Letter, upon the request of the Parties, the Commissioner can waive the Parties' requirement to submit a Notification where the Parties have supplied substantially similar information as would have been supplied with their Notification (a "**Waiver**"). The filing of a request for an ARC or, in the alternative, a No-Action Letter and Waiver does not start a statutory waiting period and, unless the Parties

have also filed a Notification, the Parties cannot complete their transaction until the Commissioner has completed his review and issued the requested clearance.

The Commissioner may challenge a merger before the Competition Tribunal at any time before, or within one year following, its completion where the merger prevents or lessens, or is likely to prevent or lessen, competition substantially (a "**Competition Challenge**"). If the Competition Tribunal agrees with the Commissioner, it can issue an order prohibiting the transaction, provided that the transaction has not been completed by such time, or it can order the divestiture of shares or assets where the transaction already has been completed; the Competition Tribunal cannot issue an order, however, where the Parties have been able to establish the elements of the statutory efficiencies defence. The Commissioner is precluded from bringing a Competition Challenge on substantially the same information that an ARC was issued, provided that the Notifiable Transaction was completed within one year after the ARC was issued. No such prohibition on bringing a Competition Challenge applies to the issuance of a No-Action Letter.

The transactions contemplated by the Arrangement Agreement constitute a Notifiable Transaction. Pursuant to the Arrangement Agreement, the Parties submitted a request for an ARC to the Commissioner on December 18, 2018.

Canada Transportation Act Approval

Where a transaction is subject to Competition Act Approval and involves federal transportation undertakings, pursuant to section 53.1 of the Canada Transportation Act, notice of the transaction must be made to the Minister of Transportation. Where a Canada Transportation Act notification is required in respect of a transaction, the transaction cannot proceed until the Minister of Transportation (i) confirms that the transaction is not subject to section 53.1 of the Canada Transportation Act, (ii) notifies the Parties that the transactions do not raise issues with respect to the public interest as it relates to national transportation or (iii) where the transactions do raise issues with respect to the public interest as it relates to national transportation, the parties receive approval of the transactions from the Governor in Council pursuant to section 53.1 of the Canada Transportation Act.

Where a Canada Transportation Act notification is required in respect of a transaction, the initial review period is 42 days from the date a completed notification is filed. By the end of the initial 42 day period, the Minister of Transportation is required to advise the parties whether the transaction raises issues with respect to the public interest as it relates to national transportation. Where the Minister of Transportation determines at the end of the initial 42 day period that the transaction does not raise issues with respect to the public interest as it relates to national transportation, the Minister will advise the parties accordingly, at which point the transaction can be completed. Where the Minister of Transportation determines at the end of the initial 42 day period that the transaction raises issues with respect to the public interest as it relates to national transportation, the Minister can direct the Canada Transportation Agency or any other person to examine the potential public interest issues. If an examination is initiated, the Canada Transportation Agency or such other person shall issue a report to the Minister of Transportation within 150 days or such longer time as the Minister may allow. At the same time, the Commissioner shall within 150 days of the date he is notified of the proposed transaction report to the Minister and the parties any concerns regarding the potential prevention or lessening of competition that may occur as a result of the transactions. Where the report concludes that a transaction raises issues with respect to the public interest as it relates to national transportation, the parties may elect to undertake any measures to address the concerns identified. Where the Minister believes that the measures agreed to be undertaken by the parties address the public interest issues, he will make a recommendation to the Governor in Council. Where the Governor in Council is satisfied that it is in the public interest to approve the proposed transaction, it may approve the transaction and specify any additional terms and conditions that it believes are appropriate to address any potential public interest issues or potential issues related to the prevention or lessening of competition.

The transactions contemplated by the Arrangement Agreement require the parties to make a Canada Transportation Act notification. Pursuant to the Arrangement Agreement, the Parties submitted a Canada Transportation Act notification on December 18, 2018.

HSR Act Approval

Under the HSR Act, certain transactions may not be completed until each party has filed a Notification and Report Form (the "**HSR Form**") with each of the Antitrust Division of the U.S. Department of Justice and the U.S. Federal

Trade Commission (together, the "**Agencies**"), a filing fee has been paid, and the applicable waiting period requirements have been satisfied.

The applicable waiting period will expire 30 calendar days after the requisite Notification and Report Forms under the HSR Act have been filed and the filing fee has been paid, unless earlier terminated by the Agencies or unless the Agencies issue a request for additional information and documentary material (a "**Second Request**") prior to that time. If a Second Request is issued, the waiting period with respect to the Arrangement would be extended until 30 days following substantial compliance with the Second Request unless the Agencies terminate the waiting period prior to its expiration. The expiration or termination of the waiting period does not bar the Agencies from subsequently challenging the Arrangement.

The transactions contemplated by the Arrangement Agreement are subject to the HSR Act. Pursuant to the Arrangement Agreement, Fairfax, on behalf of the Purchaser, and the Company submitted their respective HSR Forms with the Agencies on December 18, 2018, which were formally accepted by the Agencies on December 21, 2018. Because the 30-calendar day period from December 21, 2018 ends on Monday, January 21, 2018, which is a U.S. federal holiday, the applicable waiting period for the HSR Forms submitted for this Arrangement Agreement will end on the next business day, or Tuesday, January 22, 2018.

Other Antitrust Approvals

Completion of the transactions contemplated by the Arrangement Agreement is also conditional upon the satisfaction of certain notice, filing, waiting period and/or approval requirements under competition or antitrust laws in Germany, Kenya, Pakistan, Russia, South Africa and Turkey. In these jurisdictions, it is a condition to the completion of the Arrangement in favour of Fairfax that the other Antitrust Approvals shall have been made, given or obtained and be in full force and effect. The Antitrust Approvals in Germany, Kenya, Pakistan, Russia, South Africa and Turkey require that the necessary consents under the applicable competition or antitrust laws shall have been obtained, or deemed to have been obtained, and any applicable waiting period shall have expired or been terminated and no litigation by a Governmental Entity shall have been commenced under the applicable jurisdiction's merger control laws challenging the consummation of the Arrangement and, if commenced, the applicable court or decision maker shall have determined to either permit or not prohibit the consummation of the Arrangement without requiring any remedy beyond that set out in section 4.4 of the Arrangement Agreement or such challenge shall have been withdrawn or dismissed.

Each of the Purchaser and AGT is required under the Arrangement Agreement to, and intends to, make all filings necessary to obtain all other Antitrust Approvals as soon as reasonably practicable

Letter of Transmittal

For each Registered Shareholder, accompanying this Circular is a Letter of Transmittal (printed on blue paper). The Company has enclosed an envelope with the Meeting materials in order to assist Registered Shareholders with returning Letters of Transmittal and related documents to the Depositary under the Arrangement.

In order for a Registered Shareholder to receive the Consideration for each Common Share held by such Shareholder, such Registered Shareholder must deposit the certificate(s) or DRS advice(s), as applicable, representing his, her or its Common Shares with the Depositary. The Letter of Transmittal, properly completed and duly executed, together with all other documents and instruments referred to in the Letter of Transmittal or reasonably requested by the Depositary, must accompany all certificates or DRS advice(s), as applicable, for Common Shares deposited for payment pursuant to the Arrangement.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. In all cases, payment of the Consideration for Common Shares will be made only after timely receipt by the Depositary of a duly completed and signed Letter of Transmittal, together with certificates or DRS advice(s), as applicable, representing such Common Shares and such other documents and instruments referred to in the Letter of Transmittal or as the Depositary may require from time to time, acting reasonably. The Depositary will pay the Consideration a Shareholder is entitled to receive in accordance with the instructions in the Letter of Transmittal. The Purchaser reserves the right, if it so elects in its absolute discretion, to instruct the Depositary to waive any irregularity contained in any Letter of Transmittal received by the Depositary. As soon as practicable following the later of the Effective Date and the deposit of the Common Shares, including delivery of the Letter of Transmittal,

certificates or DRS advice(s), as applicable, and other corresponding documents required from the Shareholder, the Depositary will forward the Consideration payable to the applicable Shareholder in accordance with the Plan of Arrangement.

Any Shareholder whose Common Shares are registered in the name of a broker, investment dealer, bank, trust corporation, trustee or other Intermediary should contact that Intermediary for assistance in depositing such Common Shares and should follow the instructions of such Intermediary in order to deposit such Common Shares with the Depositary.

The method used to deliver a Letter of Transmittal and any accompanying certificates or DRS advice(s), as applicable, and other relevant documents, if any, is at the option and risk of the relevant Shareholder. Delivery will be deemed effective only when such documents are actually received by the Depositary at the address set out in the Letter of Transmittal. The Company recommends that the necessary documentation be hand delivered to the Depositary and a receipt obtained; otherwise, the use of registered mail with return receipt requested, properly insured, is recommended.

Under no circumstances will any Person be entitled to receive any interest, dividends, premium or other payment in connection with the Consideration or the Arrangement.

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, cash deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such cash, give a bond satisfactory to the Purchaser and the Depositary (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser, the Company and the Depositary in a manner satisfactory to the Purchaser, the Company and the Depositary, each acting reasonably, against any claim that may be made against the Purchaser, the Company and the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

Following the receipt of the Final Order and prior to filing the Articles of Arrangement, the Purchaser will deposit or arrange to be deposited to the Depositary, for the benefit of Shareholders, the aggregate Consideration (with the amount per Common Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration for this purpose) in accordance with the provisions of the Plan of Arrangement, which Consideration will be held by the Depositary as agent and nominee for the Shareholders for distribution to Shareholders in accordance with the provisions of the Plan of Arrangement.

Other than for Rolling Shareholders, upon surrender to the Depositary for cancellation of certificates or DRS advice(s), as applicable, which immediately prior to the Effective Time represented outstanding Common Shares that were transferred pursuant to the Plan of Arrangement, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificates or DRS advice(s), as applicable, shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the cash which such holder has the right to receive under the Plan of Arrangement for such Common Shares, less any amounts withheld pursuant to the Plan of Arrangement and any certificates or DRS advice(s), as applicable, so surrendered shall forthwith be cancelled. AGT and the Purchaser will cause the Depositary, as soon as practicable after a Shareholder becomes entitled to the Consideration in accordance with the Plan of Arrangement, to issue a cheque (or a form of payment of immediately available funds) for the Consideration to which such Shareholder is entitled, less any amounts required to be deducted or withheld in accordance with the Plan of Arrangement. Unless the Shareholder instructs the Depositary to hold the cheque for pick-up by checking the appropriate box in the Letter of Transmittal, cheques will be forwarded by first class mail to the address specified in the Letter of Transmittal. If no address is provided, cheques will be forwarded by first class mail to the address of the Shareholder as shown on the register maintained by or on behalf of AGT immediately prior to the Effective Time.

The payments to Shareholders will be denominated in Canadian dollars. However, a Shareholder can also elect to receive payment in U.S. dollars by checking the appropriate box in the Letter of Transmittal, in which case such

Shareholder will have acknowledged and agreed that the exchange rate for one Canadian dollar expressed in U.S. dollars will be based on the exchange rate available to the Depositary at its typical banking institution on the date the funds are converted. Shareholders electing to have the payment for their Common Shares paid in U.S. dollars will have further acknowledged and agreed that any change to the currency exchange rates of the United States or Canada will be at the sole risk of the Shareholder.

If a Shareholder wishes to receive cash payable in U.S. dollars, the box captioned "Currency of Payment" in the Letter of Transmittal must be completed. Otherwise, the consideration will be paid in Canadian dollars.

Cancellation of Rights

If any former Registered Shareholder fails to deliver to the Depositary on or before the third anniversary of the Effective Date the Letter of Transmittal, the certificates or DRS advice(s), as applicable, representing the Common Shares held by such Shareholder and any other certificates, documents or instruments required to be delivered to the Depositary in order for such Shareholder to receive the Consideration which such former holder is entitled to receive, on the third anniversary of the Effective Date (i) such former holder will be deemed to have donated and forfeited to the Purchaser or its successor any Consideration held by the Depositary in trust for such former holder to which such former holder is entitled and (ii) any certificate or DRS advice, as applicable, representing Common Shares formerly held by such former holder will cease to represent a claim of any nature whatsoever and will be deemed to have been surrendered to the Purchaser and will be cancelled. None of the Company or the Purchaser will be liable to any person in respect of any Consideration (including any Consideration previously held by the Depositary in trust for any such former holder) which is forfeited to the Company or the Purchaser or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law.

Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the third anniversary of the Effective Time, and any right or claim to payment thereunder that remains outstanding on the third anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

Withholding Rights

Pursuant to the terms of the Plan of Arrangement, the Purchaser, AGT and the Depositary will be entitled to deduct and withhold from any consideration otherwise payable to any Shareholder or any person under the Plan of Arrangement (including any payment to Dissenting Shareholders) such amounts as the Company, the Purchaser, or the Depositary is required or permitted to deduct and withhold with respect to such payment under the Tax Act, or any provision of any Laws in respect of Taxes. To the extent that Taxes or other amounts are so deducted or withheld, such deducted or withheld Taxes or other amounts shall be treated for all purposes under the Arrangement Agreement as having been paid to the Person in respect of which such deduction or withholding was made, provided that such deducted or withheld Taxes or other amounts are actually remitted to the appropriate taxing authority.

Treatment of Company ARSUs, Company RSUs, Company DSUs and Company Warrants

A total of 403,804 Company ARSUs, 454,696 Company RSUs, 11,025 Company DSUs, 5,714,286 Company Warrants and no Company Options are currently outstanding. Pursuant to the Plan of Arrangement, (i) each Company DSU, whether vested or unvested, outstanding immediately prior to the Effective Time, notwithstanding the terms of the LTIP, will be deemed to be transferred by such holder to the Company in exchange for a cash payment under the Arrangement equal to the amount of the Consideration for each Company DSU and each such Company DSU will immediately be cancelled; (ii) each Company ARSU and Company RSU shall be continued on the same terms and conditions as applicable prior to the Effective Time, except that, following the amalgamation of the Purchaser and the Company as contemplated in the Plan of Arrangement, the value of such Company ARSU and Company RSU will be based on the shares in the capital of Amalco; and (iii) the Company Warrants will be amended such that their exercise price will be reduced from $33.25 to $18.00, being equal to the amount of the Consideration, the number of Common Shares issuable pursuant to the Company Warrants will be reduced from 5,714,286 to 3,200,000 and the accelerated expiry provision will be removed. As the Company Warrants are all held by Fairfax or its affiliates, and Fairfax is deemed an insider of the Company, Section 608 of the TSX Company

Manual requires that the amendments to the Company Warrants be approved by Shareholders excluding Fairfax, its associates and affiliates. The resolution to amend the Company Warrants forms part of the Arrangement Resolution and will not be voted on separately nor be subject to different approval thresholds at the Meeting.

See "*The Arrangement - Required Approvals – Shareholder Approval*".

Expenses of the Arrangement

The Company estimates that expenses in the aggregate amount of approximately C$10,000,000 will be incurred by the Company in connection with the Arrangement, including legal, financial advisory, accounting, filing and printing costs, the cost of preparing and mailing this Circular and fees in respect of the Valuation and Fairness Opinion.

Pursuant to the Arrangement Agreement, the Company's Transaction Costs shall not exceed $11,000,000.

See "*The Arrangement Agreement — Conditions Precedent to the Arrangement*".

Interests of Certain Directors and Executive Officers of AGT in the Arrangement

In considering the recommendation of the Board with respect to the Arrangement Resolution, the Shareholders should be aware that certain members of the Board and the executive officers of AGT have interests in the Arrangement or may receive benefits that may differ from, or be in addition to, the interests of Shareholders generally that may give rise to actual or perceived conflicts of interest in connection with the Arrangement.

In particular, directors, executive officers and other members of AGT's senior management team who are Rolling Shareholders (including the Management Participants) will not receive the Consideration and instead will exchange their Common Shares for shares of the Purchaser. Following completion of the Arrangement, the Management Participants will hold a collective approximately 27.2% interest in the Purchaser, on a non-diluted basis.

Executive Employment Agreements

The Company has employment agreements (the "**Employment Agreement**s") with certain of its executive officers.

The Employment Agreements provide for payments upon termination or resignation of the employment of such officers within 120 days following the first anniversary of a "Change of Control" of the Company.

If the Company terminates an executive's employment without cause, or if the executive terminates his or her employment in the event of a Change of Control, then he or she is entitled to (i) an amount equal to 1.5 times his or her base salary immediately prior to the Change of Control; (ii) an amount equal to 1.5 times his or her annual bonus and incentive compensation prior to the Change of Control; and (iii) an amount equal to 1.5 times the annual costs to the Company of all benefits provided to such officer.

For the purposes of the Employment Agreements, a "Change of Control" is defined as: (a) any event that results in any person other than the Arslan Family (being any of Huseyin Arslan, Mahmut Arslan and Hasan Arslan, and any person acting jointly or in concert with any of them) beneficially owning or exercising control or direction over voting securities carrying 35% or more of the votes attached to all voting securities of the Company then outstanding; (b) (i) any event that results in any person other than the Arslan Family beneficially owning or exercising control or direction over voting securities carrying 20% or more of the votes attached to all voting securities of the Company then outstanding, and (ii) a change in the composition of the Board so that the members of the Board that constituted a majority immediately prior to any event under (b) (i) above, cease to constitute a majority of the Board, within two years following the occurrence of the event; or (c) the sale to a person, other than the Arslan Family or a subsidiary of the Company, of all or substantially all of the Company's asset.

Change of Control Agreements

The Company has change of control agreements (the "**Change of Control Agreement**s") with certain of its executive officers.

The Change of Control Agreements provide that in the event of a Change of Control (as defined in the Change of Control Agreements) of AGT and an Involuntary Termination (as defined in the Change of Control Agreements) of the employment of such officer within two years of the date of the Change of Control or a voluntary resignation of employment within 120 days following the first anniversary of the date of a Change of Control, AGT shall pay to such officer a lump sum equal to:

- an amount equal to a multiple of such officer's annual base salary immediately prior to the date of the Change of Control;

- an amount equal to a multiple of such officer's annual bonus and incentive compensation prior to the date of the Change of Control. Such amount shall be determined based on the average annual bonus, discretionary bonus and incentive compensation paid to such officer during the two years prior to the calendar year in which the Change of Control occurs; and

- an amount equal to a multiple of the annual costs to AGT of all benefits provided to such officer immediately prior to the date of the Change of Control.

The applicable multiple in respect of the President and CEO and the Executive Chairman is 2.5x, in respect of the COO is 2x, and in respect of the CFO is 1.5x.

The amounts of the severance payments that would have been made to each of such officers as at December 31, 2017 in the event of a termination following a Change of Control as described above would have been: Murad Al-Katib, $6,459,375; Lori Ireland, $1,234,950; Gaetan Bourassa, $2,833,500; and Hüseyin Arslan, $3,926,875.

The Change of Control Agreements provide that such officer shall not, either during his employment or for a period of eighteen months following the termination of his or her employment; (i) induce or attempt to induce any of the employees of AGT or any of its subsidiaries to leave their employment and/or (ii) without the consent of AGT, which consent shall not be unreasonably withheld, contact or solicit any clients of AGT or any of its subsidiaries for the purpose of selling to those customers any products or services which may be the same as or substantially similar to, or in any way competitive with, the products or services sold by AGT or any of its subsidiaries at the time of such officer's termination.

The change of control payments set forth above were waived in connection with the Arrangement, provided that if any individual who provided such a waiver is constructively dismissed or terminated without cause within two years, the waiver provided by such individual is not applicable.

Holdings of Company Securities

As of January 1, 2019, the directors and officers of AGT beneficially owned, directly or indirectly, or exercised control or direction over, in the aggregate, 4,336,306 Common Shares, which represented approximately 17.89% of the total number of outstanding Common Shares, and 242,156 Company ARSUs, 261,512 Company RSUs, 13,568 Company DSUs and nil Company Warrants. All securities held by the directors and officers of AGT, other than those held by the Rolling Shareholders, will be treated identically and in the same manner under the Arrangement as securities held by any other Shareholders.

The following table sets out the names and positions of the directors and officers of AGT and as of January 1, 2019, the number and percentage of Common Shares, Company RSUs and Company DSUs owned, or over which control or direction is exercised, by each such director or officer of AGT and, where known after reasonable enquiry, by their respective associates or affiliates:

Name and Office Held	Number and Percentage of Common Shares[1][2]	Number and Percentage of Company ARSUs[1][2]	Number and Percentage of Company RSUs[1][2]	Number and Percentage of Company DSUs[1][2]
Murad Al-Katib *President, CEO and Director*	4,066,508[3][4][5] 16.8%	99,486 24.66%	107,438 23.82%	nil
Hüseyin Arslan *Executive Chairman and Director*	nil	62,639 15.52%	67,646 15.00%	nil
Howard N. Rosen *Vice-Chairman, Lead Independent Director*	84,000[6] 0.35%	nil	nil	6,039 44.51%
John Gardner *Vice President, Director*	30,950[7] 0.13%	nil	nil	3,345 24.65%
Drew Franklin *Director*	25,000 0.1%	nil	nil	1,745 12.86%
Greg Stewart *Director*	5475 0.02%	nil	nil	1,252 9.23%
Marie-Lucie Morin *Director*	335 0.001%	nil	nil	1,187 8.75%
Geoffrey S. Belsher *Director*	nil	nil	nil	nil
Bradley P. Martin *Director*	10,000 0.04%	nil	nil	nil
Lori Ireland *Chief Financial Officer*	68,944[5] 0.28%	24,761 6.14%	26,740 5.93%	nil
Gaetan Bourassa *Chief Operating Officer*	55,094[5] 0.23%	55,270 13.70%	59,688 13.23%	nil

Notes:

(1) A total of 4,336,306 Common Shares, 242,156 Company ARSUs, 261,512 Company RSUs, 13,568 Company DSUs and no Company Options are currently beneficially owned or controlled by the directors and officers of AGT. The information as to Common Shares, Company ARSUs, Company RSUs, Company DSUs and Company Options beneficially owned or controlled by each director or officer is not within the knowledge of AGT management and has been furnished by the respective individual.

(2) Based on a total of 24,236,536 Common Shares issued and outstanding on a non-diluted basis, 403,472 issued and outstanding Company ARSUs, 451,097 issued and outstanding Company RSUs and 13,568 issued and outstanding Company DSUs at the date hereof.

(3) 383,537 Common Shares are held by Mr. Al-Katib directly, 200,000 Common Shares are held by a family trust, of which Mr. Al-Katib is the bare trustee, and 170,370 Common Shares are held by Al-Katib Consulting Inc., a corporation controlled by Mr. Al-Katib.

(4) 3,312,601 Common Shares are held by the Trust, of which Mr. Al-Katib retains control by way of a voting instrument with the Trust administrator.

(5) Ms. Ireland, Mr. Al-Katib and Mr. Bourassa are parties to a put option agreement dated as of January 4, 2019 whereby, immediately prior to the Effective Time, Mr. Al-Katib and Mr. Bourassa will purchase 9,700 Common Shares each from Ms. Ireland for the price of $18 per Common Share. If the Arrangement is not completed, the put option agreement will be of no further force or effect and such shares will not be purchased by Mr. Al-Katib and Mr. Bourassa.

(6) 65,000 Common Shares are held by Mr. Rosen directly and 19,000 are held by Randy Rosen, Mr. Rosen's wife.

(7) 14,284 Common Shares are held by Mr. Gardner directly, 13,416 Common Shares are held by Gardner Advisory Services Inc. and 3,250 Common Shares are held by Brenda Gardner, Mr. Gardner's wife.

Commitments to acquire securities of AGT

Except as otherwise disclosed herein, there are no agreements, commitments or understandings made by the Company and, to the knowledge of the Company after reasonable enquiry, any director, officer or insider of AGT, or their respective associates or affiliates.

Dividend Policy

For the two year period preceding the date of this Circular, the Company has paid quarterly dividends in the amount of $0.15 per Common Share. Effective as of December 4, 2018, AGT will cease paying these regular quarterly dividends on its Common Shares, whether or not the Arrangement is completed.

During the negotiation of the Arrangement Agreement, the Purchaser required that AGT cease paying any dividends on its Common Shares while the Arrangement Agreement is in effect, as a condition to the Purchaser proceeding with the Proposal. The Independent Committee concluded that the Purchaser would not be willing to proceed with a transaction at a price of $18 per Common Share without this restriction. Given these circumstances, the Independent Committee decided to independently assess the long term sustainability of AGT's regular quarterly dividend, so that the Independent Committee and the Board could properly assess, and advise Shareholders about, the impact of this contractual restriction and the relative benefits and risks of the Arrangement versus the status quo, in making its recommendations to the Board.

Based on the information available to the Independent Committee, including forecasts of AGT's future financial performance, the Independent Committee concluded that AGT's regular dividend on its Common Shares was not sustainable over the long term, and that it would be in the best interests of AGT to terminate the regular dividend on the Common Shares, whether or not the Arrangement is ultimately completed. Among other things, the Independent Committee concluded that, in light of the challenging market conditions the Company has faced (which have persisted longer than anticipated) and AGT's deteriorating financial position, AGT is not expected to be able to continue to fund the regular dividend on its Common Shares out of its earnings. The Board (excluding the Independent Directors) ultimately adopted the Independent Committee's recommendation.

The payment of future dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing, including earnings, financial conditions, cash on hand, financial requirements to fund the Company's commercial activities, development and growth, and other factors that the Board may consider appropriate in the circumstances.

Business Combination under MI 61-101

AGT is a reporting issuer in the Province of Ontario and is therefore subject to MI 61-101, which is intended to regulate certain conflict of interest transactions to ensure equality of treatment among shareholders, generally by requiring enhanced disclosure, approval by a majority of shareholders excluding "interested parties" or "related parties" and, in certain instances, independent valuations and approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 generally apply to a "business combination" (as defined in MI 61-101) that terminate the interests of shareholders without their consent. MI 61-101 provides that, in certain circumstances, where a "related party" of an issuer (as defined in MI 61-101 which includes directors, and senior officers of the Company and Shareholders holding over 10% of the Common Shares) would, as a consequence of the transaction, directly or indirectly acquire the issuer (whether alone or with joint actors) or is entitled to receive (a) consideration per equity security that is not identical to an amount to the entitlement of the general body of holders in Canada of securities of the same class; or (b) a "collateral benefit" (as defined in MI 61-101) in connection with an arrangement (such as the Arrangement), such transaction may be considered a "business combination" for the purposes of MI 61-101 and subject to the valuation, minority approval and enhanced disclosure requirements set forth in MI 61-101.

The Arrangement is a "business combination" for the purposes of MI 61-101.

Valuation

Pursuant to MI 61-101, a formal valuation of the Common Shares is required as one or more "interested parties" (as defined in MI 61-101) will, as a consequence of the Arrangement, directly or indirectly acquire the Company, whether alone or with "joint actors" (as defined in MI 61-101). A copy of the Valuation and Fairness Opinion is attached as Appendix C.

Minority Approval

As the Arrangement is a "business combination" for the purposes of MI 61-101, the minority approval requirements of MI 61-101 will also apply in connection with the Arrangement. In addition to obtaining approval of the Arrangement Resolution by at least 66 2/3% of the votes cast on the Arrangement Resolution at the Meeting by Shareholders, present in person or represented by proxy and entitled to vote at the Meeting, approval will also be sought from a simple majority of the votes cast at the Meeting by the Shareholders present in person or represented by proxy at the Meeting, excluding the votes of "interested parties" whose votes may not be included in determining "minority approval" of a "business combination" under MI 61-101. In this case, the votes of the Purchaser, the Rolling Shareholders and any other "interested parties", "related parties of interested parties" or "joint actors" will be excluded in determining minority approval.

Certain officers and directors of the Company who are not Rolling Shareholders hold Common Shares, Company RSUs, Company ARSUs, Company DSUs and/or Company Warrants. If the Arrangement is completed, the vesting of all Company DSUs is to be accelerated and such executive officers and directors are to receive cash payments as set out in the Plan of Arrangement at the Effective Time. In addition, pursuant to pre-existing arrangements, certain executive officers are also entitled to certain payments if such executive officer is terminated or resigns upon the completion of the Arrangement in connection with the terms of their respective employment agreements or change of control agreements. See ''*The Arrangement — Interests of Certain Directors and Executive Officers of AGT in the Arrangement*".

Following disclosure by each such directors and executive officers to the Independent Committee of the number of Common Shares held by them and the benefits or payments that they expect to receive pursuant to the Arrangement, the Independent Committee has determined that the aforementioned benefits or payments fall within an exception to the definition of "collateral benefit" for the purposes of MI 61-101, since the benefits are received solely in connection with the related parties' services as employees or directors of the Company or of any affiliated entities of the Company, are not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related parties for their Common Shares, are not conditional on the related parties supporting the Arrangement in any manner, and, at the time of the entering into of the Arrangement Agreement, none of the related parties entitled to receive the benefits exercised control or direction over, or beneficially owned, more than 1% of the outstanding Common Shares, as calculated in accordance with MI 61-101.

For the purposes of obtaining Minority Approval, the following votes will be excluded:

Name	Number of Common Shares to be Excluded
Management Participants	5,014,842
Fairfax	183,700
Point North	2,362,070
Bradley Martin[(1)]	10,000
Total:	**7,570,612**

Note: (1) Mr. Martin's Common Shares are to be excluded given that he is an officer of Fairfax

Prior Valuations

MI 61-101 requires AGT to disclose any "prior valuations" (as defined in MI 61-101) of AGT or its material assets or securities made within the 24 month period preceding the date of this Circular. To the knowledge of AGT, after reasonable inquiry, other than the October Valuation and the Valuation and Fairness Opinion, there has been no

prior valuation of AGT, the Common Shares or its material assets in the 24 months prior to the date of this Circular. Disclosure is also required for any bona fide offer for the Common Shares during the 24 months prior to the execution of the Arrangement Agreement. There has been no such offer during such period.

Source of Funds

Pursuant to the terms of the Arrangement, an aggregate cash amount of $301,877,352 will be required by the Purchaser in order to fund the Arrangement. Pursuant to the terms of the Sponsor Commitment Letter, the Sponsor has committed to, among other things, provide the Purchaser with the funds necessary to allow the Purchaser to acquire all of the outstanding Common Shares (other than Common Shares held by the Purchaser and the Rolling Shareholders), subject to the terms and conditions set forth therein.

THE ARRANGEMENT AGREEMENT

The Arrangement Agreement provides for the implementation of the Plan of Arrangement. The following is a summary only of certain provisions of the Arrangement Agreement and reference should be made to the full text of the Arrangement Agreement under the Company's profile on SEDAR at www.sedar.com and the Plan of Arrangement attached as Appendix B. This summary does not purport to be complete and may not contain all of the information about the Arrangement Agreement or the Plan of Arrangement that is important to you. Shareholders are encouraged to read the Arrangement Agreement and the Plan of Arrangement (attached as Appendix B) in their entirety.

The Arrangement Agreement and this summary of its terms have been included to provide you with information regarding the terms of the Arrangement Agreement. The Arrangement Agreement contains representations and warranties made by the Company to the Purchaser and representations and warranties made by the Purchaser and to the Company. The representations and warranties in the Arrangement Agreement and the description of them in this Circular should not be read alone, but instead should be read in conjunction with the other information contained in the reports, statements and filings under the Company's profile on SEDAR at www.sedar.com.

Conditions Precedent to the Arrangement

Mutual Conditions Precedent

The Arrangement Agreement provides that the obligations of the Parties to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment or waiver, at or before the Effective Time, of each of the following conditions precedent, each of which may only be waived by the mutual consent of each of the Parties:

(a) the Arrangement Resolution shall have been approved and adopted by the Shareholders at the Meeting in accordance with the Interim Order and in form and substance satisfactory to each of the Company and the Purchaser, each acting reasonably;

(b) the Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement, and in form and substance satisfactory to each of the Company and the Purchaser, each acting reasonably, and shall not have been set aside or modified in a manner unacceptable to either the Company or the Purchaser, each acting reasonably, on appeal or otherwise;

(c) the Canada Transportation Act, Competition Act and HSR Act approvals shall each have been obtained;

(d) no Law (other than a Regulatory Approval) is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Purchaser from consummating the Arrangement;

(e) The Articles of Arrangement shall have been filed with the Director under the OBCA in accordance with the Arrangement Agreement and shall be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably; and

(f) the Effective Date will be on or before the Outside Date.

Conditions Precedent to the Obligations of the Purchaser

The Arrangement Agreement provides that the obligations of the Purchaser to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment or waiver of each of the following conditions precedent at or before the Effective Time (each of which is for the exclusive benefit of the Purchaser and may be waived only by the Purchaser (if permitted by applicable Law), in whole or in part, by the Purchaser in its sole discretion:

(a) all representations and warranties of the Company (i) regarding the organization and qualification of the Company, the Company's authority and capacity to enter into the Arrangement Agreement and the capitalization of the Company, as set forth in the Arrangement Agreement, were true and correct as of the date of the Arrangement Agreement and shall be true and correct as of the Effective Time, in all respects (other than *de minimis* inaccuracies), and (ii) otherwise set forth in the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and shall be true and correct as of the Effective Time (and, for this purpose, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored), except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date and except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect, and the Company shall have delivered a certificate confirming same to the Purchaser, executed by a senior officer of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date;

(b) the Company has fulfilled or complied in all material respects with the covenants of the Company contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Company shall have delivered a certificate confirming same to the Purchaser, executed by a senior officer of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date;

(c) the Debt Financing shall have become effective in accordance with the terms and conditions of the Debt Commitment Letter;

(d) the Consent Solicitation shall have become effective;

(e) the Company shall have furnished the Purchaser with (i) certified copies of the resolutions passed by the Board approving the Arrangement Agreement and the consummation of the transactions contemplated by the Arrangement Agreement; and (ii) a certified copy of the Arrangement Resolution;

(f) Dissent Rights shall have not been validly exercised, and not withdrawn, with respect to more than 10% of the issued and outstanding Common Shares;

(g) the Antitrust Approvals, to the extent required shall have been obtained;

(h) Company Net Debt prior to giving effect to the Arrangement and the consummation of the Debt Financing shall not exceed $520,000,000, and the Company shall have provided to the Purchaser a certificate of a senior officer certifying such;

(i) Company Transaction Costs shall not exceed $11,000,000, and the Company shall have provided to the Purchaser a certificate of a senior officer certifying such;

(j) there shall not have been or occurred a Material Adverse Effect after the date of the Arrangement Agreement that has not been cured prior to the Effective Time;

(k) no action or proceeding (other than in connection with a Regulatory Approval) has been taken by a Governmental Entity (as described in clause (i) of the definition in the Arrangement Agreement of Governmental Entity) against the Company that would:

(i) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold, or exercise full rights of ownership over, any Common Shares, including the right to vote the Common Shares;

(ii) prohibit or restrict the Arrangement or any of the terms and conditions of the transactions contemplated by the Arrangement Agreement or seeking to obtain from the Company or the Purchaser any material damages directly or indirectly in connection with the Arrangement;

(iii) prohibit or restrict the ownership or operation by the Purchaser or its affiliates of the business or assets of the Company and its Subsidiaries (taken as a whole), or compel the Purchaser to dispose of or hold separate any material portion of the business or assets of the Company and its Subsidiaries (taken as a whole) as a result of the Arrangement; or

(iv) if the Arrangement is consummated, have a Material Adverse Effect.

Conditions Precedent to the Obligations of the Company

The Arrangement Agreement provides that the obligations of the Company to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment or waiver of each of the following conditions precedent at or before the Effective Time (each of which is for the exclusive benefit of the Company and may be waived only by the Company):

(a) the representations and warranties of the Purchaser which are qualified by references to materiality were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time, in all respects, and all other representations and warranties of the Purchaser were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time, in all material respects, in each case except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and the Purchaser shall have delivered a certificate confirming same to the Company, executed by a senior officer of the Purchaser (in each case without personal liability) addressed to the Company and dated the Effective Date; and

(b) the Purchaser shall have fulfilled or complied in all material respects with the covenants of the Purchaser contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Purchaser has delivered a certificate confirming same to the Company, executed by a senior officer of the Purchaser (in each case without personal liability) addressed to the Company and dated the Effective Date; and

(c) the Purchaser shall have deposited or caused to be deposited in escrow with the Depositary the aggregate Consideration that will be payable to the Shareholders under the Arrangement, and the Company shall have received written confirmation of the receipt of such funds by the Depositary.

Representations and Warranties

The Arrangement Agreement contains certain representations and warranties of the Purchaser, including those relating to: organization; authority; execution; governmental authorizations; non-contravention; litigation; Investment Canada Act; sufficiency of funds; MI 61-101, PG Voting Agreements and Rollover Agreements.

The Arrangement Agreement contains a number of representations and warranties relating to, among other things: the organization, standing and power of the Company and each of its Subsidiaries; capitalization; the authority to enter into the Arrangement Agreement and perform its obligations thereunder; the execution of the Arrangement Agreement; the ability of the Company to enter into the Arrangement Agreement without violating its articles, by-

laws, charter documents, applicable Laws, material Authorizations or any material contracts; governmental authorizations; brokers; and reporting issuer status and public disclosure documents.

Conduct of the Company's Business

In the Arrangement Agreement the Company has agreed to certain negative and affirmative covenants relating to the operation of its business during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time at which the Arrangement Agreement is terminated in accordance with its terms. The Company has covenanted in favour of the Purchaser that it will, and will cause each of its Subsidiaries to, among other things, use commercially reasonable efforts to conduct its business in the Ordinary Course and maintain and preserve its business organization, assets, properties, employees (as a group), goodwill and business relationships with customers, suppliers, distributors, licensors, partners and other Persons with which the Company or any of its Subsidiaries has material business relations and to perform and comply with all of its obligations under the Material Contracts. The Company has also agreed to certain restrictions on its activities, including, among other things, limitations on its financing activities and expenditures, changes in its capital structure and that of its Subsidiaries, amendments of its articles and its ability to enter into contracts and certain transactions.

The Company and its Subsidiaries must also, among other things, use commercially reasonable efforts to obtain all third party or other consents or waivers required in connection with the Arrangement or any of the other transactions contemplated by the Arrangement Agreement, and avoid taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement and the transactions contemplated by the Arrangement Agreement.

Directors' and Officers' Insurance

In accordance with the terms and conditions of the Arrangement Agreement, the Company is entitled to purchase run off directors' and officers' liability insurance for a period of up to six years from the Effective Date provided that the aggregate cost therefor does not exceed 300% of the annual premiums in effect as of the date of the Arrangement Agreement. From and after the Effective Time, the Purchaser shall honour all rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of the Company and its Subsidiaries, and acknowledges that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six years from the Effective Date.

In the Arrangement Agreement the Purchaser agreed to directly honour all rights to indemnification or exculpation existing as of the date of the Arrangement Agreement in favour of present and former employees, officers and directors of the Company and its Subsidiaries, and acknowledged that such rights will survive the completion of the Arrangement and will continue in full force and effect in accordance with their terms for a period of six years from the Effective Date.

Pre-Acquisition Reorganization

In the Arrangement Agreement the Company has agreed that, upon request by the Purchaser and at the expense of the Purchaser, the Company shall, (i) undertake such transactions and reorganizations of its corporate structure, business, operations and assets as the Purchaser may request, acting reasonably (each a "**Pre-Acquisition Reorganization**"); and (ii) cooperate with the Purchaser and its advisors to determine the nature of the Pre-Acquisition Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken; provided that the Pre-Acquisition Reorganizations (A) are not, in the opinion of the Board (other than any member of the Purchaser Group), prejudicial to the Company in any material respect or to the Shareholders or other Company Securityholders; (B) does not impair the ability of the Company to consummate, and will not materially delay the consummation of, the Arrangement or the ability of the Purchaser to obtain any financing required by it in connection with the transactions contemplated by the Arrangement Agreement (including the Sponsor Financing); (C) does not require the Company to obtain the approval of the Shareholders or the Court; and (D) does not require the directors, officers, employees or agents of the Company or any of its Subsidiaries to take any action in any capacity other than as a director, officer, employee or agent of the Company or any of its Subsidiaries, as applicable.

Pursuant to the Arrangement Agreement, the Purchaser must provide written notice to the Company of any proposed Pre-Acquisition Reorganization at least ten Business Days prior to the Effective Date. Subject to the terms of the Arrangement Agreement, upon receipt of such notice, the Purchaser and the Company shall work cooperatively and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do all such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization, including any amendment to the Arrangement Agreement or the Plan of Arrangement, and shall seek to have any such Pre-Acquisition Reorganization made effective as of the last moment of the Business Day ending immediately prior to the Effective Date (but after the Purchaser has waived or confirmed that all of the conditions set out in Section 6.1 and Section 6.2 of the Arrangement Agreement have been satisfied), provided that no Pre-Acquisition Reorganization will be made effective unless such Pre-Acquisition Reorganization would not adversely affect the Shareholders or other Company Securityholders, the Company or any of its Subsidiaries in the event the Arrangement does not become effective and the Arrangement Agreement is terminated.

The Arrangement Agreement provides that the Purchaser shall be responsible for all fees, costs and expenses associated with each Pre-Acquisition Reorganization to be carried out at its request and all cooperation provided by the Company, its Subsidiaries and their respective Representatives pursuant to Section 4.6 of the Arrangement Agreement, and shall indemnify and save harmless the Company and its affiliates from and against any and all liabilities, losses, damages, claims, fees, costs, expenses, interest awards, judgements and penalties suffered or incurred by any of them in connection with or as a result of any such Pre-Acquisition Reorganization, the unwinding or reversing of any such Pre-Acquisition Reorganization in the event the Arrangement is not completed, and all cooperation provided by the Company, its Subsidiaries and their respective Representatives pursuant to Section 4.6 of the Arrangement Agreement. The obligations of the Purchaser in connection with any Pre-Acquisition Reorganization shall survive the termination of the Arrangement Agreement, whether or not the Arrangement is completed.

Consent Solicitation

Pursuant to the Arrangement Agreement, the Company shall promptly commence the Consent Solicitation following the date of the Arrangement Agreement to solicit the consent of the holders of any Senior Notes on the terms set forth in the Arrangement Agreement that are reasonably satisfactory to the Company and the Purchaser; provided that, in any event, the Purchaser and the Company agree that (x) any such Consent Solicitations shall comply with applicable Law and the terms of any indenture governing the Senior Notes and (y) the terms and conditions of the Consent Solicitation shall provide that the effectiveness of the substantive provisions thereof shall not become operative prior to the Effective Time.

In the Arrangement Agreement the Purchaser has agreed to use its commercially reasonable efforts to provide such cooperation and assistance with the Consent Solicitation as is reasonably requested by the Company from time to time prior to the Effective Date, at the Company's sole expense.

Debt Financing

In the Arrangement Agreement the Purchaser has agreed to use commercially reasonable efforts to provide such customary cooperation and assistance to the Company as the Company reasonably requests in connection with the Company obtaining the Debt Financing on or prior to the Effective Date, including, if reasonably required by the Company, furnishing, and/or assisting in the preparation of, any information in respect of the Purchaser that the Company is required to provide to the Lenders in connection with consummating the Debt Financing, at the Company's sole expense.

Regulatory Approvals

Pursuant to the Arrangement Agreement, as soon as reasonably practicable after the date of the Arrangement Agreement, each Party, or where appropriate, the Purchaser or both Parties jointly, shall make all notifications, filings, applications and submissions with Governmental Entities required or in the reasonable opinion of Purchaser advisable, and shall use commercially reasonable efforts to obtain and maintain, the Antitrust Approvals, the Canada Transportation Act Approval and such other Regulatory Approvals reasonably deemed by any of the Parties to be necessary to discharge their respective obligations under the Arrangement Agreement or otherwise advisable under Laws in connection with the Arrangement and the Arrangement Agreement provided that, the Purchaser is under no obligation to (i) negotiate or agree to the sale, divestiture or disposition of the assets, properties or businesses of the

Purchaser or its Affiliates or the Company or its Subsidiaries (other than assets, businesses or properties of Company or its Subsidiaries that are *de minimis* in the aggregate to the Company and its Subsidiaries taken as a whole) or (ii) negotiate or agree to any behavioural remedy, including an interim or permanent hold separate order or any form of undertakings or other restrictions, on the assets, properties or businesses of the Purchaser or its Affiliates or the Company or its Subsidiaries (other than assets, businesses or properties of Company or its Subsidiaries that are *de minimis* in the aggregate to the Company and its Subsidiaries taken as a whole).

Pursuant to the Arrangement Agreement and in connection with the Competition Act Approval, the Purchaser, with such assistance and information from the Company as it reasonably requires, shall within ten Business Days after the date of the Arrangement Agreement duly file with the Competition Bureau, a request for an ARC under Section 102 of the Competition Act ("**ARC Application**") or in the alternative a No-Action Letter together with a waiver of the obligation to notify pursuant to paragraph 113(c) of the Competition Act. If an ARC or a No-Action Letter together with a waiver of the obligation to notify shall not have been obtained within ten Business Days after the filing of the request therefor, either Party may, at any time thereafter acting reasonably, notify the other Party that it intends to file a Notification pursuant to Part IX of the Competition Act, in which case each Party shall file its respective Notification pursuant to Part IX of the Competition Act as promptly as practicable but in any event within ten Business Days following the date on which the notifying Party notified the other Party of its intention to file such Notification. The Purchaser submitted the ARC Application on December 18, 2018.

In connection with the HSR Act Approval, the Parties shall each, within ten Business Days after the date of the Arrangement Agreement, duly submit their respective HSR Forms and shall each request early termination of the waiting period with respect to the transactions contemplated by the Arrangement Agreement. Fairfax, on behalf of the Purchaser, and the Company submitted their respective HSR Forms on December 18, 2018, which were formally accepted by the Agencies on December 21, 2018.

In the Arrangement Agreement the Parties have agreed to cooperate with one another in connection with obtaining the Regulatory Approvals including providing or submitting on a timely basis, and as promptly as practicable, all documentation and information that is required, or in the reasonable opinion of the Purchaser, advisable, in connection with obtaining the Regulatory Approvals and use their reasonable best efforts to ensure that such information does not contain a Misrepresentation.

Covenants of the Company Regarding Non-Solicitation

Non-Solicitation Covenants

In the Arrangement Agreement the Company has agreed that from and after the date of the Arrangement Agreement until the earlier of the Effective Time and the date upon which the Arrangement Agreement is terminated, it, or any of its Subsidiaries, shall not, directly or indirectly, through any officer, director, employee, representative (including financial or other advisor) or agent of the Company or any of its Subsidiaries, in each case acting in their capacity as such (collectively, "**Representatives**"), or otherwise, and shall not permit any Person to:

(a) solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer (whether publicly or otherwise) that constitutes or would reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any discussions or negotiations with, furnish any information relating to the Company or any of its Subsidiaries or offer or provide access to the business, properties, assets, books or records of the Company or any of its Subsidiaries or otherwise knowingly cooperate in any way with any Person (other than the Purchaser and its affiliates) regarding any inquiry, proposal or offer that constitutes or could reasonably be expected to constitute or lead to, an Acquisition Proposal; provided that the Company may (i) advise any Person of the restrictions of the Arrangement Agreement and (ii) advise any Person making an Acquisition Proposal that the Board (other than any member of the Purchaser Group) has determined that such Acquisition Proposal does not constitute a Superior Proposal;

(c) make a Change in Recommendation;

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any publicly announced or otherwise publicly disclosed Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for a period of no more than five Business Days following such public announcement or disclosure will not be considered to be in violation of the Arrangement Agreement provided the Board has rejected such Acquisition Proposal and affirmed the Board Recommendation before the end of such five Business Day period (or in the event that the Meeting is scheduled to occur within such five Business Day period, not later than the third Business Day prior to the date of the Meeting)), and it being further understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of more than five Business Days shall be considered to be a violation of the Arrangement Agreement; or

(e) accept, approve, endorse, recommend or execute or enter into (other than a confidentiality and standstill agreement permitted by and in accordance with the Arrangement Agreement) or publicly propose to accept, approve, endorse, recommend or execute or enter into any agreement, understanding or arrangement (including any letter of intent or agreement in principle) that constitutes or would reasonably be expected to lead to an Acquisition Proposal (other than a confidentiality and standstill agreement permitted by and in accordance with the Arrangement Agreement) or providing for the payment of any break, termination or similar fees or expenses to any Person in the event the Company completes the transactions contemplated by the Arrangement Agreement.

In the Arrangement Agreement the Company has also agreed that it shall, and shall cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, knowing encouragement, discussion, negotiation, or other activities commenced prior to the date of the Arrangement Agreement with any Person (other than the Purchaser and its affiliates) with respect to any inquiry, proposal or offer that constitutes, or would reasonably be expected to constitute or lead to, an Acquisition Proposal, and in connection therewith, the Company will:

(a) as promptly as practicable discontinue access to and disclosure of all information, including any data room and any confidential information, properties, facilities, books and records of the Company or of any of its Subsidiaries that such Person may have access to; and

(b) as soon as possible following the execution of the Arrangement Agreement request, and use commercially reasonable efforts to require, to the extent that it is entitled to do so, (i) the return or destruction of all copies of any confidential information regarding the Company or any Subsidiary provided to any Person who could reasonably be expected to make an Acquisition Proposal other than the Purchaser and its affiliates, or (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any Subsidiary, using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

The Company has represented and warranted in the Arrangement Agreement that the Company has not waived any confidentiality, standstill or similar agreement or restriction applicable to another Person to which the Company or any Subsidiary is a party, and has further covenanted and agreed that (a) the Company shall use commercially reasonable efforts to enforce each confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement, restriction or covenant to which the Company or any Subsidiary is a party, and (b) neither the Company, nor any Subsidiary or any of their respective Representatives have or will, without the prior written consent of the Purchaser (which may be withheld or delayed in the Purchaser's sole and absolute discretion), release any Person from, or waive, amend, suspend or otherwise modify such Person's obligations respecting the Company, or any of its Subsidiaries, under any confidentiality, standstill, non-disclosure, non-solicitation, use, business purpose or similar agreement, restriction or covenant to which the Company or any Subsidiary is a party (it being acknowledged by the Purchaser that the automatic termination or release of any such agreement, restriction or

covenant as a result of entering into the Arrangement Agreement shall not be a violation of the Arrangement Agreement).

Notification of an Acquisition Proposal

In the Arrangement Agreement the Company has agreed that if, on or after the date of the Arrangement Agreement the Company or any of its Subsidiaries or any of their respective Representatives, receives any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any Subsidiary, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of the Company or any Subsidiary in connection with, or that would reasonably be expected to lead to, an Acquisition Proposal, the Company shall promptly (and in any event within 24 hours) notify the Purchaser, at first orally, and then as promptly as practicable (and in any event within 24 hours) in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, and shall provide the Purchaser with copies of all written documents received in respect of, from or on behalf of any such Person and such other details of such Acquisition Proposal, inquiry, proposal, offer or request as the Purchaser may reasonably request. The Company shall keep the Purchaser informed on a reasonably current basis of the status of material developments and (to the extent permitted by the Arrangement Agreement) negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other material amendments to any such Acquisition Proposal, inquiry, proposal, offer or request and shall provide to the Purchaser copies of all material or substantive correspondence if in writing or electronic form, and if not in writing or electronic form, a description of the material terms of such correspondence sent or communicated to the Company by or on behalf of any Person making any such Acquisition Proposal, inquiry, proposal, offer or request.

Responding to an Acquisition Proposal

The Arrangement Agreement provides that if at any time prior to obtaining the Required Approval, the Company receives an unsolicited written Acquisition Proposal, the Company may (x) engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal, and (y) provide copies of, access to or disclosure of information, properties, facilities, books or records of the Company or its Subsidiaries, for a period of not more than five Business Days, if and only if:

(a) the Board (other than any member of the Purchaser Group) first determines in good faith, after consultation with its financial advisors and its outside legal counsel, that such Acquisition Proposal constitutes a Superior Proposal (provided that, for this purpose only, such Acquisition Proposal may be subject to an access condition for a period of not more than five Business Days and such Person's satisfactory review of such information) and, after consulting with its outside legal counsel, engaging in such discussions or negotiations would not be inconsistent with its fiduciary duties;

(b) such Person was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction with the Company or any of its Subsidiaries;

(c) such Acquisition Proposal did not result from a breach by the Company of its obligations under this Arrangement Agreement;

(d) before providing any such copies, access or disclosure, the Company enters into a confidentiality and standstill agreement with such Person substantially in the form set out in the Company Disclosure Letter and any such copies, access or disclosure provided to such Person shall have already been (or substantially simultaneously be) provided to the Purchaser; and

(e) the Company promptly provides the Purchaser with:

(i) one Business Day's prior written notice stating the Company's intention to participate in such discussions or negotiations and to provide such copies, access or disclosure and the

Board has determined that taking such action is not inconsistent with its fiduciary duties; and

(ii) before providing any such copies, access or disclosure, the Company provides the Purchaser with a true, complete and final executed copy of the confidentiality and standstill agreement referred to in Arrangement Agreement; and

Nothing contained in the Arrangement Agreement prohibits the Board, the Independent Committee or the Company from making any disclosure to the Company's securityholders (a) if the Board (excluding any member of the Purchaser Group), acting in good faith and upon the advice of its outside legal advisors, shall have first determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the Board or (b) or as required by applicable Law, including in response to an Acquisition Proposal (including by responding to an Acquisition Proposal in a directors' circular); provided that, notwithstanding that the Board, the Independent Committee or the Company shall be permitted to make such disclosure, the Board shall not be permitted to make a Change in Recommendation in response to an Acquisition Proposal other than as permitted by the Arrangement Agreement. Nothing contained in the Arrangement Agreement prohibits the Company or the Board from calling and/or holding a shareholder meeting requisitioned by Common Shareholders in accordance with the OBCA or taking any other action to the extent ordered or otherwise mandated by a Governmental Entity in accordance with applicable Laws.

Responding to a Superior Proposal and Right to Match

The Arrangement Agreement provides that if the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to obtaining the Required Approval, the Board may, or may cause the Company to, subject to compliance with the Arrangement Agreement, make a Change in Recommendation and/or accept, recommend or approve or enter into a definitive agreement with respect to such Superior Proposal, if and only if:

(a) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction;

(b) such Acquisition Proposal did not result from a breach by the Company of its obligations under the Arrangement Agreement;

(c) the Company has delivered to the Purchaser a written notice of the determination of the Board (other than any member of the Purchaser Group) that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Board to make a Change in Recommendation and/or accept, recommend, approve or enter into a definitive agreement with respect to such Superior Proposal, as applicable (the "**Superior Proposal Notice**");

(d) the Company has provided the Purchaser a copy of the proposed definitive agreement for the Superior Proposal and all material ancillary documents, including financing documents supplied to the Company in connection therewith;

(e) at least five Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received all of the materials set forth above;

(f) during any Matching Period, the Purchaser has had the opportunity (but not the obligation), in accordance with the Arrangement Agreement, to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the Board (other than any member of the Purchaser Group) has determined in good faith, after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (if applicable, compared to the terms of the Arrangement as proposed to be amended by the Purchaser in accordance with the Arrangement Agreement); and (ii) has determined in good faith, after consultation with its outside legal counsel, that for the Board to make a Change in

Recommendation and/or authorize the Company to accept, recommend or approve or enter into a definitive agreement with respect to such Superior Proposal would not be inconsistent with their fiduciary duties; and

(h) prior to or concurrent with making a Change in Recommendation and/or entering into of such definitive agreement, the Company terminates the Arrangement Agreement in accordance with its terms) and pays the Termination Fee.

The Arrangement Agreement provides that during the Matching Period, or such longer period as the Company may approve (in its sole discretion) in writing for such purpose: (a) the Board shall review any offer made by the Purchaser to amend the terms of the Arrangement Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) the Company shall, and shall cause its financial and legal advisors to, negotiate in good faith with the Purchaser to make such amendments to the terms of the Arrangement Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise the Purchaser and the Company and the Purchaser shall amend the Arrangement Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Shareholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of the Arrangement Agreement, and the Purchaser shall be afforded a new five Business Day Matching Period from the later of the date on which the Purchaser received a Superior Proposal Notice and the date on which the Purchaser received all of the materials set forth in the Arrangement Agreement with respect to the new Superior Proposal from the Company.

The Board shall promptly reaffirm the Board Recommendation by press release after the Board determines that an Acquisition Proposal which has been publicly announced is not a Superior Proposal or the Board determines that a proposed amendment to the terms of the Arrangement Agreement as contemplated above would result in an Acquisition Proposal no longer being a Superior Proposal. The Company shall provide the Purchaser and its outside legal counsel with a reasonable opportunity to review the form and content of any such press release and shall consider in good faith all reasonable amendments to such press release as requested by the Purchaser and its counsel.

Any violation of the restrictions set forth in the non-solicitation provisions of the Arrangement Agreement by the Company, its Subsidiaries or their respective Representatives (excluding any Management Participant) is deemed to be a breach of the Arrangement Agreement by the Company. Furthermore, the Company shall be responsible for any breach of the non-solicitation provisions of the Arrangement Agreement by it, its Subsidiaries and their respective Representatives (excluding any Management Participant).

In the Arrangement Agreement the Purchaser has agreed that all information provided to it by the Company with respect to any Acquisition Proposal shall be "Confidential Information" under the Confidentiality Agreement and will be subject to the provisions of the Confidentiality Agreement.

Termination Rights

The Arrangement Agreement may be terminated prior to the Effective Time by:

(a) the mutual written agreement of the Parties; or

(b) either the Company or the Purchaser if:

(i) the Arrangement Resolution is not approved by the Shareholders at the Meeting in accordance with the Interim Order;

(ii) after the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or the Purchaser from

consummating the Arrangement, and such Law has, if applicable, become final and non-appealable; provided the Party seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts to prevent, appeal or overturn such Law (provided such Law is an order, injunction, judgment, decree or ruling) or otherwise have it lifted or rendered non-applicable in respect of the Arrangement and provided further that the enactment, making, enforcement or amendment of such Law was not primarily due to a breach by such Party of any of its representations and warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(iii) the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not terminate the Arrangement Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(c) the Company if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under the Arrangement Agreement occurs that would cause any condition in Section 6.3(1) of the Arrangement Agreement (Purchaser Reps and Warranties Condition) or Section 6.3(2) of the Arrangement Agreement (Purchaser Covenants Condition) not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of the Arrangement; provided that any Willful Breach shall be deemed to be incurable and the Company is not then in breach of the Arrangement Agreement so as to cause any condition in Section 6.2(1) of the Arrangement Agreement (Company Reps and Warranties Condition) or Section 6.2(2) of the Arrangement Agreement (Company Covenants Condition) not to be satisfied; or

(ii) prior to obtaining the Required Approval, the Board authorizes the Company to enter into a definitive agreement (other than a confidentiality and standstill agreement permitted by and in accordance with the terms of the Arrangement Agreement) with respect to a Superior Proposal in accordance with the Arrangement Agreement, provided the Company is then in compliance with the non-solicitation covenants in the Arrangement Agreement and that prior to or concurrent with such termination the Company pays the Termination Fee;

(d) the Purchaser:

(i) if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under the Arrangement Agreement occurs that would cause any condition in Section 6.2(1) of the Arrangement Agreement (Company Reps and Warranties Condition) or Section 6.2(2) of the Arrangement Agreement (Company Covenants Condition) not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement; provided that any Willful Breach shall be deemed to be incurable and the Purchaser is not then in breach of the Arrangement Agreement so as to cause any condition in Section 6.3(1) of the Arrangement Agreement (Purchaser Reps and Warranties Condition) or Section 6.3(2) of the Arrangement Agreement (Purchaser Covenants Condition) not to be satisfied;

(ii) prior to the Required Approval being obtained, if (A) the Board or the Independent Committee fails to unanimously (other than any member of the Purchaser Group) recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, in a manner that has substantially the same effect, the Board Recommendation (it being understood that publicly taking no

position or a neutral position with respect to a publicly announced, or otherwise publicly disclosed Acquisition Proposal for a period of no more than five Business Days after the public announcement (or beyond the Business Day prior to the date of the Meeting, if sooner) thereof shall not be considered a Change in Recommendation), (B) the Board approves, recommends or authorizes the Company to enter into a written agreement or publicly proposes to accept, approve, endorse, recommend or execute or enter into or authorizes the entering into by the Company any agreement, letter of intent, understanding or arrangement concerning an Acquisition Proposal (in each case, other than a confidentiality and standstill agreement permitted by and in accordance with the Arrangement Agreement), (C) the Board or the Independent Committee fails to publicly reaffirm by press release within five Business Days (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the Business Day prior to the date of the Meeting) after having been requested to do so by the Buyer, acting reasonably, or (D) the Company breaches Article 5 of the Arrangement Agreement (Non-Solicitation); (any action in clause (A), (B) or (C) above, a "**Change in Recommendation**").

The Party desiring to terminate the Arrangement Agreement pursuant to the terms and conditions of the Arrangement Agreement (other than by mutual written consent) shall give written notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right.

Termination Fee

Despite any other provision in the Arrangement Agreement relating to the payment of fees and expenses, including the payment of brokerage fees, if a Termination Fee Event occurs, the Company shall pay the Purchaser the Termination Fee.

For the purposes of the Arrangement Agreement, "**Termination Fee Event**" means the termination of the Arrangement Agreement:

(a) by the Purchaser, pursuant to Section 7.2(1)(d)(ii) of the Arrangement Agreement (Change in Recommendation or Breach of Article 5) or Section 7.2(1)(d)(i) of the Arrangement Agreement (Company Breach) due to a Willful Breach;

(b) by the Company, pursuant to Section 7.2(1)(c)(ii) of the Arrangement Agreement (To enter into a Superior Proposal);

(c) by the Company or the Purchaser pursuant to Section 7.2(1)(b)(i) of the Arrangement Agreement (Failure of Shareholders to Approve) if;

(i) following the date of the Arrangement and prior to the date of the Meeting, an Acquisition Proposal is made to the Company or the Shareholders or is publicly announced or otherwise publicly disclosed by any Person (other than the Purchaser, any of its affiliates, any Management Participant or any Person acting jointly or in concert with any of the foregoing) and has not expired or been publicly withdrawn prior to the date of the Meeting; and

(ii) within twelve (12) months following the date of such termination (A) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above) is consummated or effected, or (B) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a contract (other than a confidentiality and standstill agreement permitted by and in accordance with the Arrangement Agreement) in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above) and such Acquisition Proposal is later consummated or effected (whether or not such Acquisition Proposal is later consummated or effected within twelve (12) months after such termination),

provided that, for the purposes of the above, references in the definition of Acquisition Proposal to "20%" shall be deemed to be "50%".

Pursuant to the Arrangement Agreement, if a Termination Fee Event occurs due to a termination of the Arrangement Agreement by the Company pursuant to Section 7.2(1)(c)(ii) of the Arrangement Agreement (To enter into a Superior Proposal), the Termination Fee shall be paid prior to or simultaneously with the occurrence of such Termination Fee Event. If a Termination Fee Event occurs (a) due to a termination of the Arrangement Agreement by the Purchaser pursuant to Section 7.2(1)(d)(ii) of the Arrangement Agreement (Change in Recommendation or Material Breach of Article 5), the Termination Fee shall be paid within two Business Days following such Termination Fee Event and after such event but prior to payment of such amount, the Company shall be deemed to hold such funds in trust for the Purchaser. If a Termination Fee Event occurs in the circumstances set out in Section 8.2(2)(c) of the Arrangement Agreement, the Termination Fee (less any Purchaser Expense Fee) shall be paid upon the consummation/closing of the Acquisition Proposal referred to therein and after such event but prior to payment of such amount, the Company shall be deemed to hold such funds in trust for the Purchaser. Any Termination Fee shall be paid by the Company to the Purchaser (or as the Purchaser may direct by notice in writing), by wire transfer in immediately available funds to an account designated by the Purchaser.

Any Termination Fee payable by the Company pursuant to the Arrangement Agreement shall be paid free and clear of and without deduction or withholding for, or on account of, any present or future Taxes, unless such deduction or withholding is, or the Company reasonably believes such deduction or withholding is, required by Law. If the Company is, or reasonably believes it is, required by applicable Laws to deduct or withhold any Taxes from the payment of the Termination Fee, (i) the Company shall make such required deductions or withholdings, (ii) the Company shall remit the full amount deducted or withheld to the appropriate Governmental Entity in accordance with applicable Laws, and (iii) the amount so withheld and remitted shall be treated for purposes of the Arrangement Agreement as having been paid to the Purchaser.

Pursuant to the Arrangement Agreement, the Parties have acknowledged and agreed that the agreements contained in Section 8.2 of the Arrangement Agreement are an integral part of the transactions contemplated by the Arrangement Agreement, and that without these agreements the Parties would not enter into the Arrangement Agreement, and that the Termination Fee represents liquidated damages which are a genuine pre-estimate of the damages, including opportunity costs, reputational damage and out-of-pocket expenditures which the Purchaser or the Company, as applicable, and their respective affiliates will suffer or incur as a result of the event giving rise to such damages and resultant termination of the Arrangement Agreement, and are not penalties. The Company irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. In no event shall the Company be obligated to pay the Termination Fee on more than one occasion whether or not the Termination Fee may be payable at different times or upon the occurrence of different events.

In the Arrangement Agreement the Purchaser has agreed that the payment of the Termination Fee in the manner provided in Section 8.2 of the Arrangement Agreement is the sole monetary remedy of the Purchaser, and is the maximum aggregate amount that the Company shall be required to pay in lieu of any damages or any other payments or remedy which the Purchaser may be entitled to, in respect of the events giving rise to such payment; provided that the Purchaser shall also have the right to injunctive relief and other equitable relief in accordance with the Arrangement Agreement to prevent breaches or threatened breaches of the Arrangement Agreement and to enforce compliance with the terms of the Arrangement Agreement.

Expenses and Expense Reimbursement

Except as provided in the Arrangement Agreement, all out-of-pocket costs, fees and expenses incurred by a Party in connection with Arrangement Agreement or the transactions contemplated by the Arrangement Agreement, whether prior to or after the Effective Time, shall be paid by the Party incurring such costs, expenses and fees, whether or not the Arrangement is consummated; provided that the Purchaser shall be responsible for any filing fees or similar fee and applicable Taxes payable to a Governmental Entity in connection with any Regulatory Approval.

In addition to the rights of the Purchaser under Section 8.2(1) of the Arrangement Agreement, if the Arrangement Agreement is terminated by the Purchaser in the circumstances set forth in Section 8.3(3) of the Arrangement Agreement and such termination of the Arrangement Agreement by the Purchaser does not constitute a Termination Fee Event, then the Company shall, within two Business Days of receiving notice by the Purchaser of all of the

reasonable documented out-of-pocket fees and expenses (including all reasonable fees and expenses of counsel, accountants, financial advisors and investment bankers and filing fees for the Regulatory Approvals) incurred by the Purchaser and its affiliates in connection with or related to the preparation, negotiation, execution and performance and all other matters related to the Arrangement and the other transactions contemplated by the Arrangement Agreement, pay or cause to be paid to the Purchaser all of such reasonable and documented fees and expenses (up to a maximum of $2 million) (the "**Purchaser Expense Fee**"), and prior to payment of such amount, the Company shall be deemed to hold such funds in trust for the Purchaser.

A Purchaser Expense Fee shall be payable in the manner set forth in Section 8.3(2) of the Arrangement Agreement if the Arrangement Agreement is terminated:

(a) by the Purchaser pursuant to Section 7.2(1)(d)(i) of the Arrangement Agreement (Company Breach), other than in respect of a Wilful Breach; or

(b) by the Company or the Purchaser pursuant to Section 7.2(1)(b)(i) of the Arrangement Agreement (Failure of Shareholders to Approve) if:

  (i) following the date of the Arrangement Agreement and prior to such termination, an Acquisition Proposal is made to the Company or the Shareholders or is publicly announced or otherwise publicly disclosed by any Person (other than the Purchaser or any of its affiliates) and has not been publicly withdrawn prior to the date of the Meeting; and

  (ii) within six months following the date of such termination the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a contract (other than a confidentiality and agreement permitted by and in accordance with the terms of the Arrangement Agreement) in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above), whether or not such Acquisition Proposal is consummated; provided that, for the purposes of Section 8.3(3)(b) of the Arrangement Agreement, references in the definition of Acquisition Proposal to "20%" shall be deemed to be "50%".

No Purchaser Expense Fee shall be payable if the Company has paid the Termination Fee. The Company shall only be required to pay the difference between the Termination Fee and the Purchaser Expense Fee to the Purchaser, if the Company has paid the Purchaser Expense Fee and the Company becomes obligated to pay the Termination Fee.

Injunctive Relief and Remedies

In the Arrangement Agreement the Parties have agreed that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of the Arrangement Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed in the Arrangement Agreement that the Parties may, upon application to a court of competent jurisdiction, obtain injunctive and other equitable relief to prevent breaches or threatened to enforce specifically the performance of the terms and provisions of the Arrangement Agreement by any other Party, the Outside Date shall automatically be extended (i) for the period during which such action is pending, plus 20 Business Days or (ii) by such other time period established by the court presiding over such action, as the case may be.

In the Arrangement Agreement it is acknowledged and agreed that the Company shall be entitled to seek specific performance as a third party beneficiary of the Purchaser's rights against the Sponsor under the Sponsor Commitment Letter and/or to seek specific performance to cause the Purchaser to enforce the obligations of the Sponsor under the Sponsor Commitment Letter, as set out in Section 8.4(1) of the Arrangement Agreement.

RISK FACTORS RELATING TO THE ARRANGEMENT

Shareholders should carefully consider the following risks related to the Arrangement, in addition to the other risks described elsewhere in this Circular, in evaluating whether to approve the Arrangement Resolution. Additional risks and uncertainties, including those currently unknown to, or considered immaterial by, the Company, may also

adversely affect the Arrangement. The following risk factors are not an exhaustive list of all risk factors associated with the Arrangement.

Conditions precedent to Closing of the Arrangement may not be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside of the Company's and the Purchaser Group's control, including, without limitation, receipt of the Required Approval, receipt of the Final Order, receipt of the Regulatory Approvals, and there being no applicable Law or order in effect that makes the consummation of the Arrangement illegal or otherwise restricts, prevents or prohibits the Arrangement. As of the date of this Circular, the Company's largest Public Shareholder – which controls a significant proportion of the Common Shares held by Public Shareholders – has publicly announced that it will not support the transaction.

In addition, the Arrangement is subject to a number of additional conditions for the benefit of the Purchaser Group, and which can only be waived (where permitted) by the Purchaser. See *"The Arrangement Agreement – Conditions Precedent to the Arrangement"*.

There can be no certainty, nor can the Company provide any assurance, that all conditions precedent to the Arrangement will be satisfied or waived, or, if satisfied or waived, when they will be satisfied or waived, and as such, completion of the Arrangement and the timing thereof is uncertain. See *"The Arrangement Agreement – Conditions Precedent to the Arrangement"*.

The Arrangement Agreement may be terminated by the Parties in certain circumstances.

Each of the Company and the Purchaser Group has the right, in certain circumstances, to terminate the Arrangement Agreement, in which case the Arrangement would not be completed. There can be no certainty, nor can the Company provide any assurance, that the Arrangement Agreement will not be terminated by either of the Company or the Purchaser prior to the completion of the Arrangement. See *"The Arrangement Agreement – Termination Rights"*, *"The Arrangement Agreement – Termination Fee"*.

If the Arrangement Agreement is terminated, the Company may be required to pay the Termination Fee or the Purchaser Expense Fee in certain circumstances.

The Company may be required to pay the Termination Fee or the Purchaser Expense Fee (up to a maximum of $2,000,000) if the Arrangement Agreement is terminated in certain circumstances, including if the Company terminates the Arrangement Agreement to enter into a Superior Proposal, if the Board changes its recommendation to Public Shareholders regarding the Arrangement, or if the Required Approval is not obtained after an Acquisition Proposal is received by the Company or publicly announced. See *"The Arrangement Agreement – Termination Rights", "The Arrangement Agreement – Termination Fee"* and *"The Arrangement Agreement – Expenses and Expense Reimbursement"*.

Directors and executive officers of AGT may have interests in the Arrangement that are different from those of Shareholders generally.

Certain executive officers and directors of AGT may have interests in the Arrangement that may be different from, or in addition to, the interests of Shareholders generally including, but not limited to, the participation of the Rolling Shareholders in the Arrangement. In particular, the Rolling Shareholders will receive different consideration than other Shareholders as they will be entitled to retain their resulting interest in the Company. The Board established the Independent Committee comprised of independent directors to evaluate the Arrangement and advise the full Board on whether the Arrangement is in the best interests of AGT and fair to the Shareholders. The Independent Committee and the Board each recommended in favour of the Arrangement. Nevertheless, Shareholders should consider these interests in connection with their vote on the Arrangement Resolution, including whether these interests may have influenced AGT's executive officers and directors to recommend or support the Arrangement. See "*The Arrangement – Interests of Certain Directors and Executive Officers of AGT in the Arrangement*".

If the Company is unable to complete the Arrangement or if completion of the Arrangement is delayed, there could be an adverse effect on the Company's business, financial condition, operating results and the price of its Common Shares.

The completion of the Arrangement is subject to the satisfaction of numerous closing conditions, including the approval of the Arrangement Resolution by the Shareholders, receipt of each of the Interim Order and Final Order and the necessary conditional approvals or equivalent approvals. A substantial delay in obtaining satisfactory approvals could have an adverse effect on the business, financial condition or results of operations of the Company or could result in the termination of the Arrangement Agreement. If (a) Shareholders choose not to approve the Arrangement, (b) the Company otherwise fails to satisfy, or fails to obtain a waiver of the satisfaction of, the closing conditions to the transaction and the Arrangement is not completed, (c) a Material Adverse Effect has occurred that results in the termination of the Arrangement Agreement, or (d) any legal proceeding results in enjoining the transactions contemplated by the Arrangement, the Company could be subject to various adverse consequences, including that the Company would remain liable for significant costs relating to the Arrangement, including, among others, legal, accounting, financial advisory and financial printing expenses.

Risks of non-completion of the Arrangement.

There are risks to the Company of the Arrangement not being completed, including the costs to the Company incurred in pursuing the Arrangement, the consequences and opportunity costs of the suspension of strategic pursuits of the Company in accordance with the terms of the Arrangement Agreement and risks associated with the diversion of the Company's management's attention away from the conduct of the Company's business in the ordinary course. The Company is generally required to continue to pursue completion of the Arrangement until the Outside Date of June 4, 2019 (which may be extended for up to an additional 60 days at the Company's or the Purchaser's option in certain circumstances). A substantial delay in closing of the Arrangement could exacerbate these risks if the Arrangement ultimately is not completed for any reason.

There are also risks to Public Shareholders if the Arrangement is not completed, including that the market price of the Common Shares may decline materially. Furthermore, the Purchaser Group has advised the Independent Committee that if the Arrangement is not completed, the Purchaser Group intends to pursue the *status quo* which, given the Purchaser Group's collective ownership of approximately 27% of the outstanding the Common Shares, effectively eliminates the possibility of an alternative liquidity event for Shareholders in the near term. Even if the Purchaser Group were supportive of an alternative transaction and the Board decided to seek such a transaction, there can be no assurance that it would be able to find a party willing to pay consideration for the Common Shares that is equivalent to, or more attractive than, the Consideration payable under the Arrangement.

No guarantee of Purchaser's obligations.

The Purchaser is a special purpose entity and, prior to completion of the Arrangement (if it occurs), it will not have material assets. None of the members of the Purchaser Group have executed a guarantee of the Purchaser's obligations under the Arrangement Agreement. Accordingly, if the Purchaser Group fails to complete the Arrangement when required for any reason, the Company's only effective remedy is to seek specific performance of the Purchaser Group's obligations under the Arrangement Agreement, and the Company may not be successful in recovering a monetary remedy from the Purchaser Group. The Purchaser Group is not required to pay a reverse termination fee or similar fee in any circumstances.

Conduct of the Company's business.

Under the Arrangement Agreement, the Company must generally conduct its business in the ordinary course and, prior to the completion of the Arrangement or the termination of the Arrangement Agreement, the Company is subject to covenants prohibiting the Company from taking certain actions without the prior consent of the Purchaser, and requiring the Company to take other actions, in either case which may delay or prevent the Company from pursuing business opportunities that may arise or preclude actions that would otherwise be advisable if the Company were to remain a publicly traded issuer. See *"The Arrangement Agreement – Conduct of the Company's Business"*.

Purchaser's financing.

As of the date of this Circular, the Purchaser has no material assets and requires third party financing from the Sponsor in order to consummate the Arrangement. It is also a condition precedent to the consummation of the Arrangement that the Debt Financing be completed. If the Sponsor Financing is not provided when required, the Purchaser may not be able to complete the Arrangement even if all of the conditions to closing in the Arrangement Agreement (including completion of the Debt Financing) have been satisfied or waived.

The pending Arrangement may divert the attention of the Company's management.

The Arrangement could cause the attention of the Company's management to be diverted from the day-to-day operations and customers or suppliers may seek to modify or terminate their business relationships with the Company. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of the Company.

AGT will incur costs.

Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by AGT even if the Arrangement is not completed. These costs may be material and adversely affect the Company's financial results.

AGT and/or its directors and officers may be the targets of legal claims, securities class action, derivative lawsuits and other claims.

AGT and/or its directors and officers may be the target of securities class action and derivative lawsuits which could result in substantial costs and may delay or prevent the Arrangement from being completed. Securities class action lawsuits and derivative lawsuits are often brought against companies that have entered into an agreement to acquire a public company or to be acquired. Third parties may also attempt to bring claims seeking to restrain the Arrangement or seeking monetary compensation or other redress. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting consummation of the Arrangement, then that injunction may delay or prevent the Arrangement from being completed.

INFORMATION REGARDING AGT

AGT is a global leader in pulse and staple food processing and distribution, with processing facilities and sales offices located around the globe. Pulse crops include peas, beans, lentils and chickpeas, which produce edible seeds called pulses. The registered address AGT is located at 2100, 40 King Street West, Toronto, Ontario M5H 3C2. The management of day-to-day operations of AGT is carried on in Canada from the head office of AGT's principal Canadian operating company, Alliance Pulse Processors Inc. at 6200 East Primrose Green Drive, Regina, Saskatchewan S4V 3L7 and in Turkey from the head office of AGT's principal Turkish operating company, Arbel Bakliyat Hububat Sanayi ve Ticaret A.Ş. at Yeni Mahalle, Cumhuriyet Bulvari, No:73/4, 33281 Kazanli, Mersin, Turkey.

AGT's authorized capital consists of an unlimited number of Common Shares and an unlimited number of Class A shares, issuable in series. As at January 1, 2019, 24,236,536 Common Shares and no Class A shares were issued and outstanding.

Market for Securities

The Common Shares are listed and traded on the TSX under the symbol "AGT". AGT is a reporting issuer in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland, and is subject to the informational reporting requirements under applicable Canadian securities laws. On December 3, 2018, the last trading day prior to the announcement that AGT and the Purchaser had entered into the Arrangement Agreement, the closing price of the Common Shares on the TSX was C$15.84.

Trading Price and Volume

The following sets out the volume of trading and price range (in C$) of the Common Shares traded or quoted on the TSX under the symbol "AGT" during the 6-month period preceding January 4, 2019, the last trading day before the date of this Circular:

Period	High (C$)	Low (C$)	Close (C$)	Total Volume (in millions)
July 2018	18.26	13	18.11	2.69559
August 2018	18.79	17.56	18.7	1.19473
September 2018	18.49	17.51	18.44	0.59093
October 2018	17.99	17.16	17.9	0.84817
November 2018	17.9	14.72	17.77	0.91874
December 2018	17.82	15.11	17.54	2.01862
January 1-4	17.47	16.72	17.39	0.24575

On the last trading day before the date of this Circular, the closing price of the Common Shares on the TSX was C$17.28.

If the Arrangement is completed: (i) the Purchaser will acquire all of the Common Shares, (ii) the Common Shares held by the Rolling Shareholders shall be exchanged for shares in the capital of the Purchaser, (iii) the Company DSUs will be transferred to the Company and terminated and will be of no further force and effect, all in exchange for payment, if any, in accordance with the terms of the Arrangement; and (iv) the Company ARSUs and Company RSUs shall be continued on the same terms and conditions as applicable prior to the Effective Time, except that, following the amalgamation of the Purchaser and the Company as contemplated in the Plan of Arrangement, the value of such Company ARSUs and Company RSU will be based on the shares in the capital of Amalco.

The Purchaser intends to have the Common Shares de-listed from the TSX concurrently with the completion of the Arrangement.

Prior sales

No Common Shares or other securities of AGT have been purchased or sold by AGT during the 12-month period preceding the date of this Circular, other than noted in the table below under the heading "*Information Regarding AGT – Previous Distributions*".

Previous Distributions

The following table sets forth the Common Shares distributed during the five-year period preceding the date of this Circular:

Date of Issuance	Transaction	No. of Common Shares Issued	Purchase/Exercise/Deemed Price per Common Share
April 8, 2014	Exercise of options	333,500	$9.00
August 19, 2014	Exercise of options	5,000	$12.71
November 12, 2014	Issuance of common shares	2,858,000	$28.00
January 26, 2015	Exercise of options	8,333	$12.71
October 30, 2015	Issuance of shares pursuant to acquisition [(1)]	722,803	$26.28
November 19, 2015	Exercise of options	8,333	$12.71

Date of Issuance	Transaction	No. of Common Shares Issued	Purchase/Exercise/Deemed Price per Common Share
March 23, 2016	Exercise of options	94,999	$12.71
May 13, 2016	Issuance of shares pursuant to acquisition (1)	31,712	$37.84
November 11, 2016	Exercise of options	8,334	$12.71
January 17, 2017	Exercise of options	8,334	$12.71
March 21, 2017	Exercise of options	291,667	$12.71

Note:
(1) Issuances in connection with the acquisition of Mobil Capital.

INFORMATION REGARDING THE PURCHASER

The information regarding the Purchaser contained in this Circular has been provided by the Purchaser. Although AGT has no knowledge that would indicate that any statements contained herein taken from or based upon such information provided by Purchaser expressly for inclusion herein are untrue or incomplete, AGT does not assume any responsibility for the accuracy or completeness of the information taken from or based upon such information.

The Purchaser is 2667980 Ontario Inc., a corporation incorporated under the laws of the Province of Ontario, formed for the purpose of acquiring AGT and consummating the transactions contemplated by the Arrangement Agreement. The majority of the outstanding securities of the Purchaser are owned by Murad Al-Katib.

RIGHTS OF DISSENTING SHAREHOLDERS

The Interim Order expressly provides Registered Shareholders with Dissent Rights with respect to the Arrangement. As a result, any Dissenting Shareholder is entitled to be paid the fair value (determined as of the close of business on the day before the Arrangement Resolution is adopted) of all, but not less than all, of the Common Shares beneficially held by it in accordance with Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement), if the Shareholder dissents with respect to the Arrangement and the Arrangement becomes effective. It is a condition to completion of the Arrangement in favour of the Purchaser that there will not have been delivered and not withdrawn notices of dissent with respect to the Arrangement in respect of more than 10% of the Common Shares.

The following is a summary of Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) relating to the rights of Dissenting Shareholders. These provisions are technical and complex and registered holders of Common Shares who wish to exercise Dissent Rights should consult a legal advisor.

Section 185 of the OBCA provides that a Shareholder may only make a claim under that section with respect to all of the Common Shares held by the Dissenting Shareholder on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder. One consequence of this provision is that a Shareholder may only exercise the Dissent Rights under Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) in respect of Common Shares that are registered in that Shareholder's name.

In many cases, Shares beneficially owned by a holder, being Non-Registered Shareholders, are registered either (a) in the name of an Intermediary that the Non-Registered Shareholder deals with in respect of such Common Shares, such as, among others, banks, trust companies, securities brokers, trustees and other similar entities, or (b) in the name of a depository, such as CDS, of which the Intermediary is a participant. Accordingly, a Non-Registered Shareholder will not be entitled to exercise his or her Dissent Rights directly (unless the Common Shares are re-registered in the Non-Registered Shareholder's name). A Non-Registered Shareholder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-Registered Shareholder deals in respect of its Common Shares and either (i) instruct the Intermediary to exercise the Dissent Rights on the Non-

Registered Shareholder's behalf (which, if the Common Shares are registered in the name of CDS or any other clearing agency, may require that such Common Shares first be reregistered in the name of the Intermediary), or (ii) instruct the Intermediary to re-register such Common Shares in the name of the Non-Registered Shareholder, in which case the Non-Registered Shareholder would have to exercise the Dissent Rights directly.

The execution or exercise of a proxy does not constitute a written objection for purposes of the Dissent Rights.

The following summary does not purport to be comprehensive with respect to the procedures to be followed by a Shareholder seeking to exercise Dissent Rights with respect to the Arrangement Resolution as provided in the Interim Order and is qualified in its entirety by reference to the full text of the Interim Order, Article 3 of the Plan of Arrangement and Section 185 of the OBCA, which are set forth in Appendix D, Appendix B and Appendix F and to this Circular, respectively.

The Interim Order, the Plan of Arrangement and the OBCA require strict adherence to the procedures established therein and failure to adhere to such procedures may result in the loss of all Dissent Rights with respect to the Arrangement Resolution. Accordingly, each Shareholder who desires to exercise rights of dissent should carefully consider and comply with the provisions of Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) and consult its legal advisors.

Notwithstanding Section 185(6) of the OBCA (pursuant to which a written objection may be provided at or prior to the Meeting), a Dissenting Shareholder who seeks payment of the fair value of its Common Shares is required to deliver a written objection to the Arrangement Resolution to AGT not later than 5:00 p.m. (Eastern time) two Business Days immediately preceding the Meeting (or any adjournment or postponement thereof). Such notice must be delivered to the Corporate Secretary of AGT, at c/o Alliance Pulse Processors Inc. at 6200 East Primrose Green Drive, Regina, Saskatchewan S4V 3L7, with a copy to Cassels Brock & Blackwell LLP, Suite 3810, Bankers Hall West, 888 3rd Street SW, Calgary, Alberta, T2P 5C5, facsimile: 1.403.648.1151, Attention: Kenton Rein. A vote against the Arrangement Resolution or a withholding of votes does not constitute a written objection. Within 10 days after the Arrangement Resolution is approved by the Shareholders, AGT must so notify the Dissenting Shareholder (unless such Shareholder voted for the Arrangement Resolution or has withdrawn its objection) who is then required, within 20 days after receipt of such notice (or, if such Shareholder does not receive such notice, within 20 days after learning of the approval of the Arrangement Resolution), to send to AGT a written notice containing its name and address, the number and Common Shares in respect of which the Shareholder dissents and a demand for payment of the fair value of such Common Shares and, within 30 days after sending such written notice, to send to AGT or its transfer agent the appropriate share certificate or certificates.

A Dissenting Shareholder who fails to send to AGT, within the appropriate time frame, a written objection, demand for payment and certificates representing the Common Shares in respect of which the Shareholder dissents forfeits the right to make a claim under Section 185 of the OBCA as modified by the Interim Order and the Plan of Arrangement. The transfer agent of AGT will endorse on the share certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return the certificates to the Dissenting Shareholder.

On sending a demand for payment to AGT, a Dissenting Shareholder ceases to have any rights as a Shareholder other than the right to be paid the fair value of such holder's Common Shares, notwithstanding anything to the contrary contained in Section 185 of the OBCA, which fair value will be determined as of the close of business on the day before the Arrangement Resolution is adopted, except where:

(a) the Dissenting Shareholder withdraws the demand for payment before AGT makes an offer to the Dissenting Shareholder pursuant to the OBCA,

(b) AGT fails to make an offer as hereinafter described and the Dissenting Shareholder withdraws the demand for payment, or

(c) the proposal contemplated in the Arrangement Resolution does not proceed,

in which case the Dissenting Shareholder's rights as a Shareholder will be reinstated as of the date the Dissenting Shareholder sent the demand for payment.

Shareholders who duly exercise their Dissent Rights are deemed to have transferred the Common Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser and if such Dissenting Shareholders:

(a) ultimately are entitled to be paid fair value for such Common Shares: (i) will be deemed not to have participated in the Plan of Arrangement; (ii) will be entitled to be paid the fair value of such Common Shares, which fair value, notwithstanding anything to the contrary contained in Part XIV of the OBCA, will be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Common Shares; or

(b) ultimately are not entitled, for any reason, to be paid the fair value for such Common Shares by the Purchaser, will be deemed to have participated in the Arrangement on the same basis as any non-Dissenting Shareholder.

From and after the Effective Time, in no case is the Purchaser, the Company or any other Person required to recognize a Dissenting Shareholder as a holder of Common Shares or as a holder of any securities of any of the Purchaser, the Company or any of their respective subsidiaries and the names of the Dissenting Shareholders are to be deleted from AGT register of holders of Common Shares.

In addition to any other restrictions under Section 185 of the OBCA, none of the following will be entitled to exercise Dissent Rights: (i) the Rolling Shareholders; (ii) holders of Company Options, (iii) holders of Company RSUs or Company ARSUs, (iv) holders of Company DSUs; (v) holders of Company Warrants and (vi) Shareholders who vote or have instructed a proxyholder to vote such Common Shares in favour of the Arrangement Resolution (but only in respect of such Common Shares).

If the Plan of Arrangement becomes effective, the Purchaser will be required to send, not later than the seventh day after the later of: (i) the Effective Date; or (ii) the day the demand for payment is received, to each Dissenting Shareholder whose demand for payment has been received, a written offer to pay for such Dissenting Shareholder's shares such amount as the Purchaser's board of directors considers fair value thereof accompanied by a statement showing how the fair value was determined.

The Purchaser must pay for the Common Shares of a Dissenting Shareholder within ten days after an offer made as described above has been accepted by a Dissenting Shareholder, but any such offer lapses if the Purchaser does not receive an acceptance thereof within 30 days after such offer has been made.

If such offer is not made or accepted, the Purchaser may, within 50 days after the Effective Date or within such further period as a court may allow, apply to the Court to fix the fair value of such Common Shares. There is no obligation of the Purchaser to apply to the Court. If the Purchaser fails to make such an application, a Dissenting Shareholder has the right to so apply within a further 20 days. A Dissenting Shareholder is not required to give security for costs in such an application.

Upon an application to the Court, all Dissenting Shareholders whose Common Shares have not been purchased by the Purchaser will be joined as parties and be bound by the decision of the Court, and the Purchaser will be required to notify each Dissenting Shareholder of the date, place and consequences of the application and of the right to appear and be heard in person or by counsel. Upon any such application to a court, the court may determine whether any person is a Dissenting Shareholder who should be joined as a party, and the court will then fix a fair value for the Shares of all Dissenting Shareholders who have not accepted an offer to pay. The final order of the Court will be rendered against the Purchaser in favour of each Dissenting Shareholder and for the amount of the Dissenting Shareholder's Common Shares as fixed by the Court. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each such Dissenting Shareholder from the Effective Date until the date of payment.

Registered Shareholders who are considering exercising Dissent Rights should be aware that there can be no assurance that the fair value of their Common Shares as determined under the applicable provisions of the OBCA (as modified by the Interim Order and the Plan of Arrangement) will be more than or equal to the

Consideration offered under the Arrangement. In addition, any judicial determination of fair value will result in delay of receipt by a Dissenting Shareholder of consideration for such Shareholder's Common Shares.

Under the OBCA, the Court may make any order in respect of the Arrangement it thinks fit, including a Final Order that amends the Dissent Rights as provided for in the Plan of Arrangement and the Interim Order. In any case, it is not anticipated that additional Shareholder approval would be sought for any such variation.

The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of fair value of the Dissenting Shareholder's Shares.

Section 185 of the OBCA (as modified by the Plan of Arrangement and the Interim Order) requires strict adherence to the procedures established therein and failure to do so may result in a loss of a Dissenting Shareholder's Dissent Rights. Accordingly, each Dissenting Shareholder who desires to exercise Dissent Rights should carefully consider and comply with the provisions of that section, the full text of which is set out in Appendix F, as modified by the Plan of Arrangement and the Interim Order, or should consult with such Dissenting Shareholder's legal advisor.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary fairly describes the principal Canadian federal income tax considerations relating to the Arrangement generally applicable to beneficial shareholders who, for purposes of the Tax Act, and at all relevant times (i) hold all Common Shares as capital property, (ii) deal at arm's length with AGT and the Purchaser, (iii) are not affiliated with AGT or the Purchaser, and (iv) disposes of such Common Shares to Purchaser under the Arrangement (a "**Holder**").

Common Shares will generally be considered to be capital property to a Holder unless such securities are held by the Holder in the course of carrying on a business of buying and selling securities, or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**"), the published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**") made available publicly prior to the date hereof and all specific proposals to amend the Tax Act and the Regulations which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes all such Proposed Amendments will be enacted in their present form. No assurances can be given that the Proposed Amendments will be enacted as proposed or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by judicial, governmental or legislative action or decision, or changes in the administrative policies and assessing practices of the CRA, nor does it take into account other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary is not applicable to a Holder (i) that is a "financial institution" for the purposes of the "mark-to-market property" rules as defined in the Tax Act , (ii) that is a "specified financial institution" or "restricted financial institution" both as defined in the Tax Act, (ii) an interest in which is a "tax shelter investment" as defined in the Tax Act, (iv) that has made an election to report its Canadian tax results in a currency other than the Canadian currency, (v) that has entered or will enter into, with respect to Common Shares, a "derivative forward agreement" or a "synthetic disposition arrangement", (vi) that has acquired Common Shares on the exercise of a stock option, or (vii) that is a Rolling Shareholder. Such Holders should consult their own tax advisers. Such Holders should consult their own tax advisors as to the tax consequences of the Arrangement.

This summary does not address the Canadian federal income tax considerations applicable to holders of Company Options, Company Warrants, Company RSUs, Company ARSUs or Company DSUs. Such holders should consult their own tax advisors as to the tax consequences of the Arrangement applicable to them.

THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT, AND IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR HOLDER AND NO REPRESENTATIONS WITH RESPECT TO THE TAX CONSEQUENCES TO ANY

PARTICULAR HOLDER ARE MADE. THIS SUMMARY IS NOT EXHAUSTIVE OF ALL CANADIAN FEDERAL INCOME TAX CONSIDERATIONS. ACCORDINGLY, HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS HAVING REGARD TO THEIR OWN PARTICULAR CIRCUMSTANCES.

Holders Resident in Canada

The following portion of the summary is generally applicable to a Holder who is resident in Canada, or is deemed to be resident in Canada, for purposes of the Tax Act (a "**Resident Holder**") at all relevant times.

Certain Resident Holders who might not otherwise be considered to own Common Shares as capital property may be entitled to have them and every other "Canadian security", as defined in the Tax Act, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. **Resident Holders contemplating making a subsection 39(4) election should consult their own tax advisers for advice as to whether the election is available or advisable in their particular circumstances.**

Disposition of Common Shares

A Resident Holder that disposes of Common Shares, pursuant to the Arrangement, will realize a capital gain (or a capital loss) equal to the amount by which the Consideration received by the Resident Holder in respect of the Common Shares exceeds (or is exceeded by) the aggregate of the adjusted cost base to the Resident Holder of such Common Shares, determined immediately before the disposition, and any reasonable costs of disposition. The tax treatment of capital gains and capital losses is discussed in greater detail below under "*Holders Resident in Canada - Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder will be required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "taxable capital gain") realized by it in that year. A Resident Holder will generally be required to deduct one-half of the amount of any capital loss (an "allowable capital loss") realized in a taxation year from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realized in such years, subject to the detailed rules contained in the Tax Act.

A capital loss realized on the disposition of a Common Share by a Resident Holder that is a corporation may, to the extent and under the circumstances specified by the Tax Act, be reduced by the amount of dividends received or deemed to have been received by the corporation on such shares (or on a share for which such share is substituted or exchanged). Similar rules may apply where a Common Share is owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own advisors.

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be required to pay an additional refundable tax on certain investment income, which includes taxable capital gains.

Alternative Minimum Tax

A capital gain realized by a Resident Holder who is an individual (including certain trusts) may give rise to liability for alternative minimum tax under the Tax Act.

Dissenting Resident Holders

A Resident Holder who exercises Dissent Rights (a "**Dissenting Resident Holder**") will transfer such holder's Common Shares to Purchaser in exchange for payment by Purchaser of the fair value of such Common Shares. In general, a Dissenting Resident Holder will realize a capital gain (or a capital loss) equal to the amount by which the cash received in respect of the fair value of the holder's Common Shares (other than in respect of interest awarded by a court) exceeds (or is exceeded by) the aggregate of the adjusted cost base of such Common Shares and any reasonable costs of disposition. See "*Holders Resident in Canada – Disposition of Common Shares*", above.

Interest (if any) awarded by a court to a Dissenting Resident Holder will be included in the Dissenting Resident Holder's income for the purposes of the Tax Act. A Dissenting Resident Holder that is throughout its taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable for a refundable tax on its "aggregate investment income", including on any aforementioned capital gains and on such interest income. Dissenting Resident Holders should consult their own tax advisors.

Holders Not Resident in Canada

This portion of the summary applies to a Holder who, at all relevant times, for the purposes of the Tax Act, is not, and is not deemed to be, resident in Canada for the purposes of the Tax Act and does not use or hold, and is not deemed to use or hold, Common Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). This portion of the summary is not applicable to a Non-Resident Holder that is: (i) an insurer carrying on an insurance business in Canada and elsewhere; (ii) a "financial institution" (as defined in the Tax Act); or (iii) an "authorized foreign bank" (as defined in the Tax Act).

Disposition of Common Shares

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of Common Shares under the Arrangement unless: (i) the Common Shares are "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition; and (ii) the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Generally, Common Shares will not be taxable Canadian property to a Non-Resident Holder at the time of disposition under the Arrangement provided that the Common Shares are listed on a designated stock exchange (which currently includes the TSX) at that time, unless at any time during the 60-month period that ends at that time: (a) one or any combination of the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm's length, a partnership in which the Non-Resident Holder or a non-arm's length person holds a membership interest directly or indirectly through one or more partnerships, owned 25% or more of the issued shares of any class of the capital stock of AGT; and (b) more than 50% of the fair market value of the Common Shares was derived, directly or indirectly, from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such property (whether or not such property exists).

Notwithstanding the above, a Common Share may be deemed under the Tax Act to be "taxable Canadian property" of a particular Non-Resident Holder where the Non-Resident Holder acquired or held the share in certain circumstances, including acquiring the share in consideration of the disposition of other taxable Canadian property. Non-Resident Holders for whom a Common Share may be taxable Canadian property should consult their own tax advisors.

Even if the Common Shares are "taxable Canadian property" of a Non-Resident Holder, such Non-Resident Holder may be exempt from Canadian tax on any capital gain realized on the disposition of such shares by virtue of an applicable income tax treaty or convention. Non-Resident Holders whose Common Shares constitute "taxable Canadian property" should consult their own tax advisors in this regard.

If the Common Shares constitute "taxable Canadian property" of a Non-Resident Holder and such Non-Resident Holder is not eligible for relief pursuant to an applicable income tax treaty or convention, then the disposition of the Non-Resident Holder's Common Shares pursuant to the Arrangement will generally be subject to the same Canadian tax consequences applicable to a Resident Holder with respect to the disposition of such Resident Holder's Common Shares, as discussed above under the headings "*Holders Resident in Canada*" and "*Disposition of Common Shares*".

Non-Resident Holders who dispose of Common Shares that are or are deemed to be "taxable Canadian property" (as defined in the Tax Act) should consult their own tax advisors concerning the Canadian income tax consequences of the disposition and the potential requirement to file a Canadian income tax return depending on their particular circumstances.

Dissenting Non-Resident Holders

A Non-Resident Holder who exercises Dissent Rights (a "**Dissenting Non-Resident Holder**") will transfer such holder's Common Shares to Purchaser in exchange for payment by Purchaser of the fair value of such Common Shares. In general, a Dissenting Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of Common Shares provided that the Common Shares are not "taxable Canadian property" (as defined in the Tax Act), as discussed above under the headings "*Holders Not Resident in Canada*" and "*Disposition of Common Shares*", to the Dissenting Non-Resident Holder at the time of the disposition or an applicable income tax treaty or convention exempts the capital gain from tax under the Tax Act.

Interest (if any) awarded by a court to a Dissenting Non-Resident Holder generally should not be subject to withholding tax under the Tax Act, unless such interest is considered "participating debt interest" as defined in the Tax Act.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of certain U.S. federal income tax consequences of the Arrangement that are applicable to a U.S. Holder (as defined below) of Common Shares whose Common Shares are exchanged for cash pursuant to the Arrangement. This discussion is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may be relevant to a U.S. Holder in connection with the disposition of Common Shares pursuant to the Arrangement in light of such U.S. Holder's individual facts or circumstances. Accordingly, this discussion is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any U.S. Holder. This discussion does not address any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010, the U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences to U.S. Holders of the disposition of Common Shares pursuant to the Arrangement. In addition, except as discussed below, this discussion does not discuss reporting requirements. Each U.S. Holder should consult its own tax advisor regarding the U.S. federal, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences of the disposition of Common Shares pursuant to the Arrangement. This discussion does not discuss the tax consequences to U.S. Holders with respect to Company Options, Company Warrants, Company DSUs, Company ARSUs or Company RSUs.

No opinion from U.S. legal counsel or ruling from the Internal Revenue Service (the "**IRS**") has been or will be requested regarding the U.S. federal income tax consequences of the disposition of Common Shares pursuant to the Arrangement. This discussion is not binding on the IRS or any court, and the IRS is not precluded from taking a position that is different from, and contrary to, the tax consequences described in this discussion. In addition, because the authorities on which this discussion is based are subject to various interpretations, the IRS or a court could disagree with the tax consequences described in this discussion. No assurance can be given that the conclusions reached in this discussion will not be challenged, which challenge could be sustained.

Scope of this Disclosure

Authorities

This discussion is based on the Code, U.S. Treasury Regulations, published rulings and administrative positions of the IRS, U.S. court decisions, and other applicable authorities, in each case, as in effect as of the date of this Information Circular. These authorities are subject to change, possibly on a retroactive basis, and any such change could affect the accuracy of the statements and conclusions set forth in this discussion.

U.S. Holders

For purposes of this discussion, the term "**U.S. Holder**" means a beneficial owner of Common Shares that is for U.S. Federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

- a trust that (a) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions or (b) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

Non-U.S. Holders

For purposes of this discussion, the term "**non-U.S. Holder**" means a beneficial owner of Common Shares that is not a U.S. Holder and is not an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes. Except as discussed below under "Information Reporting; Backup Withholding Tax," this discussion does not address the U.S. federal income tax consequences applicable to non-U.S. Holders arising from the Arrangement. **Accordingly, a non-U.S. Holder should consult its own tax advisor regarding the potential U.S. federal, U.S. state and local, and non-U.S. tax consequences (including the potential application of and operation of any tax treaties) of the Arrangement.**

U.S. Holders Subject to Special U.S. Federal Income Tax Rules Not Addressed

This discussion does not address any U.S. federal income tax considerations of the Arrangement that may be relevant to U.S. Holders that are subject to special treatment under the U.S. federal income tax laws, including, for example: (a) tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts; (b) financial institutions, underwriters, insurance companies, mutual funds, real estate investment trusts, regulated investment companies, partnerships (or other entities or arrangements treated as partnerships for U.S. federal income tax purposes), S corporations or other pass-through entities or investors in such entities; (c) broker-dealers, dealers, or traders in securities or currencies that elect to apply a mark-to-market accounting method; (d) holders that have a "functional currency" other than the U.S. dollar; (e) holders that own Common Shares as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other integrated transaction; (f) holders that acquired Common Shares in connection with the exercise of employee stock options or otherwise as compensation for services; (g) holders subject to the alternative minimum tax; (h) holders that hold Common Shares other than as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment); (i) are required to accelerate the recognition of any item of gross income with respect to Common Shares as a result of such income being recognized on an applicable financial statement; (j) holders that own, directly, indirectly, or by attribution, 10% or more, by voting power or value, of the outstanding Common Shares. This summary also does not address the U.S. federal income tax considerations applicable to U.S. Holders who are: (a) persons that have been, are, or will be resident or deemed to be resident in Canada for purposes of the Tax Act; (b) persons whose Common Shares constitute "taxable Canadian property" under the Tax Act; (c) U.S. expatriates or former long-term residents of the United States; (d) holders that exercise Dissent Rights; (e) persons that have been, are, or will be a resident or deemed to be a resident in Canada for purposes of the Tax Act; (f) persons that use or hold, will use or hold, or that are or will be deemed to use or hold Common Shares in connection with carrying on a business in Canada; or (g) persons that have a permanent establishment in Canada for the purposes of the Convention Between Canada and the United States of America with Respect to Taxes on Income and Capital, signed September 26, 1980, as amended. U.S. Holders that are subject to special provisions under the Code, including holders described immediately above, should consult their own tax advisors regarding the U.S. and non-U.S. tax consequences relating to the Arrangement.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds Common Shares, the U.S. federal income tax consequences to such partnership and the partners of such partnership generally will depend in part on the activities of the partnership and the status of such partners. This discussion does not address the tax consequences to any such partner or partnership. **Partners of entities or arrangements that are classified as partnerships for U.S. federal income tax purposes should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement.**

U.S. Holders should consult their own tax advisors to determine the particular tax consequences to them of the Arrangement, including the applicability and effect of the alternative minimum tax, and any state, local, non-U.S. or other tax laws.

U.S. Holders Selling Common Shares Pursuant to the Arrangement

The receipt by a U.S. Holder of cash in exchange for Common Shares pursuant to the Arrangement will be a taxable transaction for U.S. federal income tax purposes. For U.S. federal income tax purposes, subject to the PFIC (as defined below) rules discussed below, a U.S. Holder who receives cash in exchange for Common Shares pursuant to the Arrangement will generally recognize gain or loss in an amount equal to the difference, if any, between (i) the U.S. dollar value of the Canadian dollars received in exchange for such U.S. Holder's Common Shares and (ii) such U.S. Holder's adjusted tax basis for U.S. federal income tax purposes in such Common Shares (as determined in U.S. dollars). Subject to the PFIC rules discussed below, any gain or loss realized by the U.S. Holder generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Common Shares exchanged pursuant to the Arrangement is greater than one year as of the date of the Effective Date. Long-term capital gains of certain non-corporate U.S. Holders (including individuals) are generally subject to taxation at preferential rates. The deductibility of capital losses is subject to limitations. If a U.S. Holder acquired different blocks of Common Shares at different times or prices, such U.S. Holder must determine its adjusted tax basis and holding period separately with respect to each block of Common Shares.

Tax Consequences of the Arrangement Under the Passive Foreign Investment Company Rules

Notwithstanding the foregoing, certain adverse U.S. federal income tax consequences could apply to a U.S. Holder if the Company is or was treated as a "passive foreign investment company" ("**PFIC**") for any taxable year during which the U.S. Holder holds or held Common Shares. A non-U.S. corporation, such as the Company, will be classified as a PFIC for U.S. federal income tax purposes for any taxable year in which, after applying certain look through rules, either (a) 75% or more of its gross income for such year consists of certain types of "passive income" or (b) 50% or more of the value of its assets (determined on the basis of a quarterly average) during such year consists of assets that produce, or are held for the production of, passive income. Passive income generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. The Company does not believe that it is a PFIC now or that it was a PFIC at any time in the past. However, the determination of any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Accordingly, there can be no assurance that the IRS will not challenge any PFIC determination made by the Company.

If the Company were to be treated as a PFIC for any tax year, and if a U.S. Holder disposes of Common Shares in the Arrangement that were held by such U.S. Holder directly or indirectly during any time that Company was a PFIC (such shares held by a U.S. Holder directly or indirectly during any time that the Company was a PFIC are sometimes referred to herein as "**PFIC Shares**"), regardless of whether the Company was a PFIC in the year in which the Effective Date occurs, such U.S. Holder could be subject to certain adverse U.S. federal income tax consequences with respect to gain realized on the disposition of such PFIC Shares pursuant to the Arrangement.

The PFIC rules are complex, and each U.S. Holder should consult its own tax advisor regarding the potential application of the PFIC rules to its disposition of the Common Shares pursuant to the Arrangement, including the effect of any qualified electing fund or mark to market election.

Other Considerations

Foreign Tax Credit

A U.S. Holder that pays (whether directly or through withholding) Canadian income tax in connection with the Arrangement may be entitled, at the election of such U.S. Holder, to receive either a deduction or a credit for such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. The ability of individuals to deduct taxes may be limited under recent tax changes. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a tax year.

Complex limitations apply to the foreign tax credit, including the general limitation that the credit cannot exceed the proportionate share of a U.S. Holder's U.S. federal income tax liability that such U.S. Holder's "foreign source" taxable income bears to such U.S. Holder's worldwide taxable income. In applying this limitation, a U.S. Holder's

various items of income and deduction must be classified, under complex rules, as either "foreign source" or "U.S. source." Generally, dividends paid by a foreign corporation should be treated as foreign source for this purpose, and gains recognized on the sale of stock of a foreign corporation by a U.S. Holder should be treated as U.S. source for this purpose, except as otherwise provided in an applicable income tax treaty, and if an election is properly made under the Code. This limitation is calculated separately with respect to specific categories of income. The foreign tax credit rules are complex, and each U.S. Holder should consult its own U.S. tax advisors regarding the foreign tax credit rules.

Receipt of Foreign Currency

The U.S. dollar value of any Canadian dollars received as a result of the Arrangement generally will be determined based on exchange rate applicable on the date such Canadian dollar payment is received or includible in income, as applicable, regardless of whether such Canadian dollars are converted into U.S. dollars at that time. A U.S. Holder who receives payment in Canadian dollars and converts such Canadian dollars into U.S. dollars at an exchange rate other than the rate used to determine the U.S. dollar value of the Canadian dollars received may recognize a foreign currency exchange gain or loss that generally would be U.S. source ordinary income or loss. U.S. Holders that receive any amounts in Canadian dollars as a result of the Arrangement should consult their own tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of Canadian dollars.

Information Reporting; Backup Withholding

Payments of cash to U.S. Holders in exchange for their Common Shares made in the United States (and, in certain cases, outside of the United States) generally will be subject to U.S. federal information reporting requirements and may be subject to U.S. federal backup withholding (currently, at the rate of 24%) if a U.S. Holder fails to furnish the U.S. Holder's correct U.S. taxpayer identification number (generally, on IRS Form W-9) and comply with certain certification and other requirements or to otherwise establish an exemption. Certain U.S. Holders (such as corporations) are exempt from this information reporting and backup withholding tax rules. A non-U.S. Holder should consult the Letter of Transmittal to determine whether, to prevent U.S. federal backup withholding, such non-U.S. Holder must certify that it is not a "United States person" (by providing a properly executed IRS Form W-8BEN, IRS Form W-BEN-E, or other applicable IRS Form W-8) or otherwise establish an exemption from backup withholding. Backup withholding is not an additional U.S. federal income tax. Any amounts withheld under the U.S. backup withholding rules may be allowed as a credit against a Holder's U.S. federal income tax liability, if any, or may be refunded to the extent such amounts exceed such liability, provided the required information is timely furnished to the IRS. Each Holder should consult its own tax advisor regarding the information reporting and backup withholding rules.

THE ABOVE DISCUSSION IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSIDERATIONS RELEVANT TO U.S. HOLDERS OF COMMON SHARES WITH RESPECT TO THE DISPOSITION OF THOSE SHARES PURSUANT TO THE ARRANGEMENT. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSIDERATIONS RELEVANT TO THEM IN THEIR PARTICULAR CIRCUMSTANCES.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed herein, no director or executive officer of AGT who has held such position at any time since January 1, 2017, and no associate or affiliate of any such person, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

See "*The Arrangement – Interests of Certain Directors and Executive Officers of AGT in the Arrangement*".

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, no director, officer or other person that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding voting securities of AGT, or any associate or affiliate of any such person, has had any material interest in any transaction or proposed transaction of AGT since January 1, 2017, which has materially affected or is reasonably expected to materially affect AGT or any of its Subsidiaries

MANAGEMENT CONTRACTS

No management functions of the Company or any subsidiaries are performed to any substantial degree by a person other than the directors or executive officers of the Company.

AUDITOR, TRANSFER AGENT AND REGISTRAR

KPMG LLP, chartered accountants, is the auditor of the Company. The transfer agent and registrar for the Common Shares is TSX Trust Company at is principal office in Toronto, Ontario.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Financial information is provided in AGT's comparative financial statements and MD&A for the financial year ended December 31, 2017, which is posted on AGT's website, www.agtfoods.com, and under AGT's profile on SEDAR. Shareholders may request, and receive free of charge, copies of such financial statements and MD&A by sending a request to AGT's transfer agent, TSX Trust Company, 100 Adelaide St West, Suite 301, Toronto ON M5H 4H1, Fax: (416) 361-0470.

OTHER MATTERS

Management of AGT is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DIRECTORS' APPROVAL

The contents and the sending of the Notice of Meeting and this Circular have been approved by the Board of Directors of the Company.

DATED: January 7, 2019

ON BEHALF OF THE BOARD OF DIRECTORS OF
AGT FOOD AND INGREDIENTS INC.

"*Geoffrey S. Belsher*"
Geoffrey S. Belsher
Chairman of the Independent Committee

CONSENT OF TD SECURITIES INC.

DATED: January 7, 2019

To the Independent Committee of the Board of Directors of AGT Food and Ingredients Inc.

We refer to the valuation and fairness opinion dated December 3, 2018, which we prepared for the Independent Committee of the board of directors of AGT Food and Ingredients Inc. in connection with the arrangement involving the acquisition by 2667980 Ontario Inc. of all of the outstanding common shares of AGT Food and Ingredients Inc.

We hereby consent to the filing of our valuation and fairness opinion with the securities regulatory authorities, and to the references in this Circular dated January 7, 2019 to our firm name and to our valuation and fairness opinion dated December 3, 2018 contained under the headings "*Glossary of Terms*", "*Summary of Circular – Valuation and Fairness Opinion*", "*The Arrangement – Background to the Arrangement*", "*The Arrangement – Reasons for the Recommendations*", "*The Arrangement – Valuation and Fairness Opinion*" and "*Risk Factors Relating to the Arrangement*", in the letter to shareholders of AGT Food and Ingredients Inc. attached thereto under the heading "*Board Recommendation*" and the inclusion of the valuation and fairness opinion dated December 3, 2018 as Appendix C to this Circular dated January 7, 2019.

Our valuation and fairness opinion was given as at December 3, 2018 and remains subject to the assumptions qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Independent Committee of the Board of Directors of AGT Food and Ingredients Inc. shall be entitled to rely upon our valuation and fairness opinion.

(Signed) "*TD Securities Inc.*"

APPENDIX A
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 183 of the Business Corporations Act (Ontario) (the "**OBCA**") of AGT Food and Ingredients Inc. (the "**Company**") involving 2667980 Ontario Inc. (the "**Purchaser**"), the Company and the shareholders of the Company, pursuant to the arrangement agreement dated December 4, 2018 (the "**Arrangement Agreement**") between the Company and the Purchaser, all as more particularly described and set forth in the management information circular of the Company dated January 7, 2019 (the "**Circular**"), accompanying the notice of this meeting (as the Arrangement may be modified or amended in accordance with its terms and all transactions contemplated therein) is hereby authorized, approved and adopted.

2. The plan of arrangement, as it has been or may be modified or amended in accordance with the Arrangement Agreement and its terms, involving the Company (the "**Plan of Arrangement**"), the full text of which is set out as Schedule A to the Arrangement Agreement, is hereby authorized, approved and adopted.

3. The Arrangement Agreement and related transactions contemplated therein, the actions of the directors of the Company in approving the Arrangement and the actions of the officers of the Company in executing and delivering the Arrangement Agreement and any modifications or amendments thereto are hereby ratified and approved.

4. The amendments to the Company Warrants (each of which is held by Fairfax Financial Holdings Limited or its affiliates ("**Fairfax**"), which is deemed to be an insider of the Company), as contemplated in the Plan of Arrangement, being (i) a reduction in their exercise price from $33.25 to $18.00, (ii) a reduction in the number of Common Shares issuable pursuant to the Company Warrants from 5,714,286 to 3,200,000, and (iii) the removal of the accelerated expiry provision, is hereby authorized and approved, and for the purpose of this resolution, the votes of Fairfax, its associates and affiliates are to be excluded in accordance with Section 608 of the TSX Company Manual.

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the Shareholders (as defined in the Arrangement Agreement) or that the Arrangement has been approved by the Ontario Superior Court of Justice (the "**Court**"), the directors of the Company are hereby authorized and empowered, at their discretion, without further notice to or approval of the Shareholders: (a) to amend or modify the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement; and (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

6. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to make an application to the Court for an order approving the Arrangement and to execute, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, for filing with the Director under the OBCA, articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

7. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as, in such person's opinion, may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such other document or instrument or the doing of any other such act or thing.

APPENDIX B
PLAN OF ARRANGEMENT

UNDER SECTION 182 OF THE
***BUSINESS CORPORATIONS ACT* (ONTARIO)**

ARTICLE 1
DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, terms used herein that are not defined have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

(a) "**Amalco**" has the meaning ascribed thereto in Section 2.3(1);

(b) "**APP**" means Alliance Pulse Processors Inc.;

(c) "**APP Drawdown Amount**" has the meaning ascribed thereto in Section 2.3(e);

(d) "**Arrangement**" means the arrangement under Section 182 of the OBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or Section 5.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;

(e) "**Arrangement Agreement**" means the arrangement agreement dated as of December 4, 2018 between the Purchaser and the Company (including the schedules thereto) as it may be amended, modified, supplemented or restated from time to time in accordance with its terms, prior to the Effective Time, providing for, among other things, the Arrangement;

(f) "**Arrangement Resolution**" means the special resolution approving this Plan of Arrangement to be considered at the Meeting by Shareholders;

(g) "**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement, required by Section 183(1) of the OBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably;

(h) "**Board**" means the board of directors of the Company;

(i) "**Business Day**" means any day of the year, other than a Saturday, Sunday or any statutory holiday in Regina, Saskatchewan or Toronto, Ontario;

(j) "**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to Section 183(2) of the OBCA in respect of the Articles of Arrangement giving effect to the Arrangement;

(k) "**Circular**" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Shareholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement;

(l) "**Common Shares**" means the outstanding common shares in the capital of the Company;

(m) "**Company**" means AGT Food and Ingredients Inc., a corporation incorporated under the laws of Ontario;

(n) "**Company ARSUs**" means the restricted share units of the Company which vest and settle on each of April 15, 2020 and April 15, 2021 (each as to 50% of such restricted share units);

(o) "**Company DSUs**" means the deferred share units issued by the Company;

(p) "**Company LTIP Plan**" means the long term incentive plan of the Company as amended and restated on March 17, 2016 and effective April 3, 2012**;**

(q) "**Company RSUs**" means the restricted share units issued by the Company;

(r) "**Consideration**" means $18 in cash per Common Share, without interest;

(s) "**Court**" means the Ontario Superior Court of Justice (Commercial List);

(t) "**Depositary**" means such Person as the Purchaser may appoint to act as depositary for the Common Shares in relation to the Arrangement, with the approval of the Company, acting reasonably;

(u) "**Director**" means the Director appointed pursuant to Section 278 of the OBCA;

(v) "**Dissent Rights**" has the meaning specified in Section 3.1;

(w) "**Dissenting Shareholder**" means a registered Shareholder who has validly exercised its Dissent Rights in accordance with Section 3.1, and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Common Shares in respect of which Dissent Rights are validly exercised by such registered Shareholder;

(x) "**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

(y) "**Effective Time**" means 12:01 a.m. (Toronto Time) on the Effective Date, or such other time as the Purchaser and the Company may agree to in writing before the Effective Date;

(z) "**Final Order**" means the final order of the Court pursuant to Section 184(4) of the OBCA in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal;

(aa) "**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange;

(bb) "**Incentive Securities**" means collectively, the Company ARSUs, the Company DSUs and the Company RSUs;

(cc) "**Interim Order**" means the interim order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably;

(dd) "**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise;

(ee) "**Letter of Transmittal**" means the letter of transmittal sent by the Company to Shareholders together with the Circular for use in connection with the Arrangement;

(ff) "**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute;

(gg) "**Meeting**" means the special meeting of Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

(hh) "**OBCA**" means the *Business Corporations Act* (Ontario);

(ii) "**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status;

(jj) "**Plan of Arrangement**" means this plan of arrangement and any amendments or variations made in accordance with the Arrangement Agreement or Section 5.1 or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;

(kk) "**PointNorth**" means PointNorth Capital (O) LP and PointNorth Capital (PNG) LP;

(ll) "**Preferred Securities**" means the aggregate $190 million 5.375% preferred securities issued pursuant, and subject, to the indenture dated August 31, 2017 among *inter alia* the Company and TSX Trust Company;

(mm) "**Preferred Security Non-Resident Holder**" means a holder of Preferred Securities that is not a not a resident of Canada pursuant to the Tax Act;

(nn) "**Preferred Security Resident Holder**" means a holder of Preferred Securities that is a resident of Canada pursuant to the Tax Act;

(oo) "**Purchaser**" means 2667980 Ontario Inc., a corporation incorporated under the laws of Ontario, or its permitted assignee under the Arrangement Agreement and their respective successors;

(pp) "**Purchaser Group**" means Fairfax Financial Holdings Limited, Point North Capital (O) LP, Point North Capital (PNG) LP and the Management Participants and any other co-investor identified by Fairfax Financial Holdings Limited prior to the Effective Time;

(qq) "**Rollover Agreement**" means each rollover agreement pursuant to subsection 85(1) of the Tax Act entered into between the Purchaser and a holder of Rollover Shares;

(rr) "**Rollover Share**" means any Common Share which is the subject of a rollover agreement between the holder of such Common Share and the Purchaser as of the Effective Date (which for greater certainty shall include the Common Shares set out in Exhibit A);

(ss) "**Shareholders**" means the registered or beneficial holders of the Common Shares, as the context requires;

(tt) "**Sponsor**" means Fairfax Financial Holdings Limited, together with its affiliates, successors or permitted assigns;

(uu) "**Sponsor Commitment Letter**" means the commitment letter between the Purchaser and Sponsor dated December 4, 2018, as amended or replaced in accordance with its terms;

(vv) "**Sponsor Financing**" means the agreement of the Sponsor to invest or cause to be invested in the Purchaser and APP, subject to the terms of the Sponsor Commitment Letter, the amounts set forth in the Sponsor Commitment Letter, which will be partially used by the Purchaser for purposes of financing the transactions contemplated by the Arrangement Agreement;

(ww) "**Stock Option Plan**" means the Company's stock option plan effective June 17, 2010;

(xx) "**Tax Act**" means the *Income Tax Act* (Canada); and

(yy) "**Warrants**" means the 5,714,286 common share purchase warrants of the Company which entitles the holder thereof to acquire one Common Share upon exercise and payment of the exercise price thereof.

Section 1.2 Number and Gender

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular number include the plural and vice versa, and words importing any gender include all genders.

Section 1.3 Interpretation Not Affected by Headings, etc.

The division of this Plan of Arrangement into Articles, Sections, Subsections and other parts and the insertion of headings are for convenience only and shall not affect the construction or interpretation of this Plan of Arrangement.

Section 1.4 Date For Any Action

In the event that any date on or by which any action is required or permitted to be taken hereunder is not a Business Day, such action shall be required to be taken on or by the next succeeding day which is a Business Day.

Section 1.5 Time

All times expressed herein or in any Letters of Transmittal are local time (Toronto, Ontario) unless otherwise stipulated herein or therein.

Section 1.6 Currency

All references to currency in this Plan of Arrangement are to Canadian dollars, being lawful money of the Canada.

Section 1.7 Statutory References

Unless otherwise expressly provided herein, any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulations in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulations.

ARTICLE 2
THE ARRANGEMENT

Section 2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of, and forms part of, the Arrangement Agreement.

Section 2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective and be binding on: (i) the Company; (ii) the Purchaser; (iii) all registered and beneficial Shareholders (including Dissenting Shareholders); (iv) participants in the Stock Option Plan; (v) all holders of Incentive Securities; (vi) all holders of Preferred Securities; (vii) all holders of Warrants; (viii) the registrar and transfer agent of the Company; (ix) the Depositary; (x) the trustee in respect of the Preferred Securities; and (xi) all other Persons at and after the Effective Time without any further act or formality required on the part of any Person.

Section 2.3 Arrangement

Commencing at the Effective Time, each of the following events shall occur sequentially in the order set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at two minute intervals starting at the Effective Time:

(a) Each of the following steps shall be deemed to occur simultaneously:

(i) Each Preferred Security held by a Preferred Security Non-Resident Holder shall be transferred to the Purchaser in exchange for 0.55555555 Class "A" common shares in the capital of the Purchaser for each such Preferred Security and an amount equal to the fair market value thereof shall be added to the stated capital of the Class "A" common shares so issued.

(ii) Each Preferred Security held by a Preferred Security Resident Holder shall be transferred to the Purchaser in exchange for 0.55555555 Class "B" common shares in the capital of the Purchaser for each such Preferred Security, and: either (a) if the Preferred Security Resident Holder has not entered into an agreement in writing with the Purchaser in respect of Section 85(1) of the Tax Act, an amount equal to the fair market value thereof shall be added to the stated capital of the Class "B" common shares so issued; or (b) if the Preferred Security Resident Holder has entered into an agreement in writing with the Purchaser in respect of Section 85(1) of the Tax Act, an amount equal to the lesser of (x) the principal amount of the Preferred Security; and (y) the elected amount in such written agreement, shall be added to the stated capital of the Class "B" common shares so issued.

(b) Each Rollover Share (except for any Common Shares held by PointNorth) shall be transferred by the holder thereof to the Purchaser in exchange for one Class "C" common share of the Purchaser on such terms and conditions as are set out in the applicable Rollover Agreement and an amount equal to the elected amounts thereunder shall be added to the stated capital of the Class "C" common shares so issued, and:

(i) the holders of such Rollover Shares shall cease to be the holders thereof and to have any rights as holders of such Rollover Shares;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Rollover Shares (free and clear of all Liens, except those stated in any particular Rollover Agreement) and shall be

entered in the register of the Common Shares maintained by or on behalf of the Company.

(c) Each Common Share held by PointNorth shall be transferred by PointNorth to the Purchaser in exchange for one Class "D" common share of the Purchaser on such terms and conditions as are set out in the applicable Rollover Agreement and an amount equal to the elected amounts thereunder shall be added to the stated capital of the Class "D" common shares so issued, and:

(i) PointNorth shall cease to be the holders thereof and to have any rights as holders of such Common Shares;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

(d) The Stock Option Plan shall be terminated and be of no further force and effect.

(e) APP shall drawdown up to $90 million, as directed in writing by the Purchaser, pursuant to the Sponsor Financing (the "**APP Drawdown Amount**").

(f) APP shall loan an amount equal to the APP Drawdown Amount to the Company on the terms agreed to between the Company and APP or the APP Drawdown Amount will be made available to the Company pursuant to such other transaction(s) as agreed between the Company and the Purchaser.

(g) Each of the Common Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of any Liens, to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined in accordance with Section 3.1, and:

(i) such Dissenting Shareholders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid fair value for such Common Shares as set out in Section 3.1;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Common Shares from the registers of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares, free and clear of all Liens, and shall be entered into the registers of Common Shares maintained by or on behalf of the Company.

(h) Simultaneously:

(i) each DSU outstanding immediately prior to the Effective Time, whether vested or unvested, shall be transferred by such holder to the Company in exchange for, subject to Section 4.4, a cash payment by the Company equal to the Consideration, and each such DSU shall immediately be cancelled and, as of the effective time of such cancellation: (A) the holder thereof shall cease to be the holder of such DSU, (B) the holder thereof shall cease to have any rights as a holder in respect of such DSU or under the Company LTIP Plan, as applicable, other than the right to receive the consideration to which such holder is entitled pursuant to this Section 2.3((h)), (C) such holder's name shall be removed from the applicable register, and (D) all agreements, grants and similar instruments relating thereto shall be cancelled; and

(ii) each Company ARSU and Company RSU outstanding immediately prior to the Effective Time shall be continued on the same terms and conditions as were applicable prior to the Effective Time, except that, the terms of each such Incentive Security shall be amended so as to substitute after the amalgamation in step (l) below for the Common Shares subject to such Incentive Security such number of Class "C" common shares of Amalco equal to the number of Common Shares subject to such Incentive Security immediately prior to the Effective Time and the value of such amended Incentive Security shall be based on the fair market value of the Class "C" common shares of Amalco, as determined by the board of directors of Amalco, acting reasonably and in good faith and such amendment shall not constitute a disposition, novation, rescission or substitution of the holder's rights thereunder.

(i) Each outstanding Common Share other than (A) the Common Shares that are held by Dissenting Shareholders who have validly exercised their Dissent Rights in accordance with Article 3 and who are ultimately entitled to be paid the fair value for such Common Shares, and (B) Common Shares (including for certainty, all Common Shares acquired by the Purchaser pursuant to Section 2.3(b) and Section 2.3(c)) held by the Purchaser and its affiliates, shall, without any further action by or on behalf of a holder of Common Shares, be deemed to be assigned by the holder thereof to the Purchaser (free and clear of any Liens) in exchange for a cash payment equal to the Consideration less amounts withheld and remitted in accordance with Section 4.4, and:

(i) the holders of such Common Shares shall cease to be the holders thereof and to have any rights as holders of such Common Shares other than the rights to be paid the Consideration per Common Share in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company;

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company.

Upon completion of the above acquisition, the Company shall make an election to cease to be a "public corporation" under section 89(1) of the Tax Act and the Common Shares shall be delisted from the Toronto Stock Exchange.

(j) The outstanding Warrants shall be amended such that the exercise price is equal to the Consideration, to reduce the number of Common Shares issuable pursuant to the Warrants to 3,200,000 and to remove the accelerated expiry provision.

(k) The aggregate stated capital of the then outstanding Common Shares shall be, and shall be deemed to be, reduced to $1.00.

(l) The Company and the Purchaser shall be amalgamated and continued as one corporation ("**Amalco**") under the OBCA in accordance with the following:

Name. The name of Amalco shall be "AGT Food and Ingredients Inc.";

Registered Office. The registered office of Amalco shall be located in the City of Toronto in the Province of Ontario. The address of the registered office of Amalco shall be Suite 800, 95 Wellington Street West, Toronto, Ontario, M5J 2N7;

Articles of Amalgamation. The articles of amalgamation of Amalco shall be the same as the articles of incorporation of the Purchaser;

Authorized Capital. The authorized capital of Amalco shall be the authorized capital of the Purchaser and for greater certainty shall be comprised of an unlimited number of Class "A" common shares, an unlimited number of Class "B" common shares, an unlimited number of Class "C" common shares, an unlimited number of Class "D" common shares and an unlimited number of preferred shares, issuable in series;

Number of Directors. Amalco shall have a minimum of one director and a maximum of ten directors, until changed in accordance with the OBCA. Until changed by the shareholders of Amalco, the number of directors of Amalco shall be set at **[seven]**;

Directors. The initial directors of Amalco shall be:

Name	Address	Resident Canadian
■	■	■
■	■	■
■	■	■
■	■	■
■	■	■
■	■	■
■	■	■

The aforementioned directors of Amalco shall hold office until the first annual meeting of shareholders of Amalco (or the signing of a written resolution in lieu thereof) or until their successors are elected or appointed;

Conversion or Cancellation of Securities. The issued and outstanding securities of each of the Company and the Purchaser shall be converted into fully paid and, as applicable, non-assessable securities of Amalco or shall be cancelled without any repayment of capital in respect thereof as follows:

(i) each Class "A" common share of the Purchaser shall be, and shall be deemed to be, converted into one Class "A" common share of Amalco;

(ii) each Class "B" common share of the Purchaser shall be, and shall be deemed to be, converted into one Class "B" common share of Amalco;

(iii) each Class "C" common share of the Purchaser shall be, and shall be deemed to be, converted into one Class "C" common share of Amalco;

(iv) each Class "D" common share of the Purchaser shall be, and shall be deemed to be, converted into one Class "D" common share of Amalco;

(v) each Warrant shall be and shall be deemed to be, converted into one warrant of Amalco;

(vi) each Preferred Security, all of which shall then be held by the Purchaser, shall be, and shall be deemed to be, cancelled without any repayment of capital or any other consideration in respect thereof; and

(vii) all of the Common Shares, all of which shall then be held by the Purchaser, shall be, and shall be deemed to be, cancelled without any repayment of capital or any other consideration in respect thereof;

By-laws. The by-laws of Amalco shall be the same as those of the Purchaser, except that the references therein to the Purchaser shall be changed to Amalco;

Effect of Amalgamation. The provisions of subsections 179 of the OBCA shall apply to the amalgamation with the result that, on the Effective Date:

(i) the amalgamation of the amalgamating corporations and their continuance as one corporation become effective;

(ii) the property of each amalgamating corporation continues to be the property of the amalgamated corporation;

(iii) the amalgamated corporation continues to be liable for the obligations of each amalgamating corporation;

(iv) an existing cause of action, claim or liability to prosecution is unaffected;

(v) a civil, criminal or administrative action or proceeding pending by or against an amalgamating corporation may be continued to be prosecuted by or against the amalgamating corporation;

(vi) a conviction against, or ruling, order or judgment in favour of or against, an amalgamating corporation may be enforced by or against the amalgamated corporation; and

(vii) the articles of amalgamation are deemed to be the articles of incorporation of the amalgamated corporation and the certificate of amalgamation is deemed to be the certificate of incorporation of the amalgamated corporation.

(m) Amalco shall repay an amount equal to the APP Drawdown Amount to the Sponsor pursuant to the Sponsor Financing.

ARTICLE 3
RIGHTS OF DISSENT

Section 3.1 Rights of Dissent

Registered Shareholders may exercise dissent rights with respect to the Common Shares held by such holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 185 of the OBCA as modified by the Interim Order, the Final Order and this Section 3.1; provided that, notwithstanding subsection 185(6) of the OBCA, the written objection to the Arrangement Resolution referred to in subsection 185(6) of the OBCA must be received by the Company not later than 5:00 p.m. (Toronto time) two Business Days immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time). Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Common Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser free and clear of all Liens, as provided in Section 2.3(g), and if they:

(a) ultimately are entitled to be paid fair value for such Common Shares, shall be deemed not to have participated in the transaction in Article 2 (other than Section 2.3(g)), will be entitled to be paid the fair value of such Common Shares by the Company, which fair value, notwithstanding anything to the contrary contained in Part 14 of the OBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such Shareholders not exercised their Dissent Rights in respect of such Common Shares; or

(b) ultimately are not entitled, for any reason, to be paid fair value for such Common Shares, shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting

holder of Common Shares and shall be entitled to receive only the consideration contemplated in Section 2.3(h) hereof that such Shareholder would have received pursuant to the Arrangement if such Shareholder had not exercised Dissent Rights.

Section 3.2 Recognition of Dissenting Holders

(a) In no circumstances shall the Purchaser, the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Common Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Company, the Purchaser (or any of their respective successors) or any other Person be required to recognize Dissenting Shareholders as holders of Common Shares (in respect of which Dissent Rights have been validly exercised) after the completion of the transfer under Section 2.3(g), and the names of such Dissenting Shareholders shall be removed from the registers of holders of the Common Shares (in respect of which Dissent Rights have been validly exercised) at the same time as the event described in Section 2.3(g) occurs.

(c) In addition to any other restrictions under Section 185 of the OBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Warrants; (ii) holders of Incentive Securities; (iii) Shareholders who vote or have instructed a proxyholder to vote such Common Shares in favour of the Arrangement Resolution (but only in respect of such Common Shares); (iv) holders of Preferred Securities; and (v) the Purchaser or its affiliates.

ARTICLE 4
PAYMENT OF CONSIDERATION

Section 4.1 Letter of Transmittal

At the time of mailing the Circular or as soon as practicable thereafter, the Company shall forward to each Shareholder at the address of such person as it appears on the register maintained by or on behalf of the Company in respect of the Shareholders, a Letter of Transmittal.

Section 4.2 Exchange of Certificates for Cash

(a) Prior to the Effective Time, the Purchaser shall deliver to the Depositary by way of wire transfer, certified cheque or bank draft, an amount equal to the aggregate amount of cash Consideration that the Shareholders are entitled to receive for their Common Shares pursuant to Section 2.3(h) and in accordance with the terms of the Arrangement.

(b) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Common Shares that were transferred pursuant to Section 2.3(h), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such Shareholder, as soon as practicable after the Effective Time, a cheque representing the cash which such Shareholder has the right to receive under the Arrangement for such Common Shares, less any amounts withheld pursuant to Section 4.4, and any certificate so surrendered shall forthwith be cancelled. The cash deposited with the Depositary shall be held in an interest-bearing account, and any interest earned on such funds shall be for the account of the Purchaser or the Company, as applicable.

(c) Until surrendered as contemplated by this Section 4.2, each certificate which immediately prior to the Effective Time represented any Common Shares shall be deemed after the Effective Time to represent only the right to receive upon such surrender the Consideration per Common Share in lieu of such certificate as contemplated in this Section 4.2, less any amounts withheld pursuant to Section 4.4. Any such certificate formerly representing Common Shares not duly surrendered on or before the third anniversary of the

Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Company or the Purchaser. On such anniversary date, all certificates representing Common Shares shall be deemed to have been surrendered to the Purchaser and all Consideration to which such former Shareholder was entitled, together with any entitlements to dividends, distributions and interest thereon, shall be deemed to have been surrendered to the Purchaser or any successor thereof for no consideration, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

(d) Any payment made by way of cheque by the Depositary (or, if applicable, the Company) pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary (or, if applicable, the Company) or that otherwise remains unclaimed, in each case on or before the third anniversary of the Effective Date, and any right or claim to payment hereunder that remains outstanding on the third anniversary of the Effective Date, shall cease to represent a right or claim of any kind or nature and the right of the Shareholder to receive the Consideration for Common Shares pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or any successor thereof for no consideration.

(e) No holder of Common Shares, Incentive Securities, Preferred Securities or Warrants shall be entitled to receive any consideration with respect to such Common Shares other than any cash payment to which such holder is entitled to receive in accordance with Section 2.3 and this Section 4.2 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment or distribution in connection therewith.

Section 4.3 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Shareholder claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration deliverable in accordance with Section 2.3 and such Shareholder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Shareholder to whom the such Consideration is to be issued shall, as a condition precedent to the issuance thereof, give a bond satisfactory to the Purchaser (and its transfer agents) and the Depositary (acting reasonably) in such sum as the Purchaser may direct or otherwise indemnify the Purchaser and the Company in a manner satisfactory to the Purchaser and the Company, acting reasonably, against any claim that may be made against the Purchaser or the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 4.4 Withholding Rights.

The Company, the Purchaser and the Depositary shall be entitled to deduct and withhold from any amount payable to any Person under this Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 3.1), such amounts as the Company, the Purchaser or the Depositary determines, acting reasonably, are required or permitted to be deducted and withheld with respect to such payment under the Tax Act or any provision of any other Law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

Section 4.5 No Liens.

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

Section 4.6 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Common Shares, Incentive Securities, Preferred Securities and Warrants issued or outstanding prior to the Effective

Time, (b) the rights and obligations of the Shareholders, the holders of Incentive Securities, the holders of Preferred Securities, the holders of Warrants, the Company, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Common Shares, Options, Incentive Securities, Preferred Securities and Warrants shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 5
AMENDMENT

Section 5.1 Amendment

The Purchaser and the Company may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that any such amendment, modification or supplement must be set out in writing, be approved by each of the Purchaser and the Company in a written document which is filed with the Court and, if made following the Meeting, approved by the Court and communicated to Shareholders in the manner required by the Court (if so required).

Any amendment, modification or supplement to this Plan of Arrangement which is approved or directed by the Court following the Meeting shall be effective only if (i) it is consented to in writing by each of the Purchaser and the Company (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by the Shareholders in the manner directed by the Court.

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company or the Purchaser at any time prior to the Meeting (provided that the Company or the Purchaser, as applicable, shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

This Plan of Arrangement may be withdrawn prior to the occurrence of any of the events in Section 2.3 in accordance with the terms of the Arrangement Agreement.

Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement.

ARTICLE 6
FURTHER ASSURANCES

Section 6.1 Other Documents and Instruments

Notwithstanding that the transactions or events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further authorization, act or formality, each of the Company and the Purchaser shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

EXHIBIT A
ROLLOVER SHARES

Holder of Rollover Shares	Number of Rollover Shares Transferred Pursuant to Rollover Agreement
Murad Al-Katib	593,237[(1)]
Al-Katib Consulting	170,370
Gaetan Bourassa	59,700[(1)]
Lori Ireland	43,144
The Carme Trust	3,312,601
Omer Al-Katib	15,686
Fairfax Financial Holdings Limited	183,700
PointNorth Capital (O) LP and PointNorth Capital (PNG) LP	2,362,070
Kent Affleck	24,886
Lavern Affleck, held through an entity controlled by Lavern Affleck	239,525
Sheldon Affleck, held through various entities controlled by Sheldon Affleck	221,850
Eric Bartsch	7,737
Tim Bergen	3,199
Mark Boryski	2,586
Daryl Chilliak	3,300
Vanessa Gust	2,998
Linda Harding	1,576
Tyler Heise	3,225
Alisha Kozlowski	2,002

Note:

(1) Each of Murad Al-Katib and Gaetan Bourassa will roll an additional 9,700 Common Shares each which will be purchased from Lori Ireland immediately prior to the Effective Time pursuant to a Put Option Agreement dated as of January 4, 2019, among Lori Ireland, as seller, and Murad Al-Katib and Gaetan Bourassa, as purchasers.

Holder of Rollover Shares	Number of Rollover Shares Transferred Pursuant to Rollover Agreement
Seyarre Kullahcioglu	3,748
Les Knudson	7,745
Randi Larsen	3,013
Brad Lever	9,000
Brian Lever	31,573
David Lever	12,497
Torrey Lindsay	2,086
Craig Lyons	4,604
Kyle Luchia	684
Rami Matta	2,651
Jonathan Meyer	2,091
David Murray	1,723
Norbert Parent	10,000
Robert Parent	10,000
Jay Paskaruk	8,157
Craig Schweitzer	3,000
Christy Sebastian	1,600
Jason Sorrell	2,500
Lanny Stevens	3,300
Sharon Szatkowski	2,870
Harley Ulmer	5,160
Daren Young, held personally and through various entities controlled by Daren Young	84,178

APPENDIX C
VALUATION AND FAIRNESS OPINION

(See attached)

TD Securities
TD Securities Inc.
66 Wellington Street West
TD Bank Tower, 9th Floor
Toronto, Ontario M5K 1A2

December 3, 2018

The Special Committee of the Board of Directors
AGT Food and Ingredients Inc.
6200 E. Primrose Green Dr.
Regina, Saskatchewan, Canada S4V 3L7

To the Special Committee:

TD Securities Inc. ("TD Securities") understands that the Board of Directors (the "Board") of AGT Food and Ingredients Inc. ("AGT" or the "Company") received a proposal from certain members of its management group, Fairfax Financial Holdings Limited ("Fairfax") and Point North Capital Inc. (collectively, the "Insider Group") under which the Insider Group offered to acquire all of the issued and outstanding shares (the "Shares") of AGT which the Insider Group and its affiliates do not already own, pursuant to a plan of arrangement (the "Transaction") for cash consideration of $18.00 per Share (the "Consideration"). The above description is summary in nature. The specific terms and conditions of the Transaction are to be described in a circular (the "Circular") that will be mailed to holders of Shares (the "Shareholders") in connection with the Transaction.

TD Securities also understands that a special committee (the "Special Committee") of the Board of AGT, consisting of directors who are independent of the Insider Group and AGT's management ("AGT Management"), has been constituted to consider the Transaction and make recommendations thereon to the Board. The Special Committee has retained TD Securities to prepare and deliver to the Special Committee: (i) a formal valuation (the "Valuation") of the Shares in accordance with the requirements of Multilateral Instrument 61-101 ("MI 61-101") of the Ontario Securities Commission, Autorité des marchés financiers; Alberta Securities Commission, Manitoba Securities Commission and New Brunswick Securities Commission and (ii) an opinion (the "Fairness Opinion" and together with the Valuation, the "Valuation and Fairness Opinion") as to the fairness, from a financial point of view, of the Consideration to be received by the Shareholders, other than the Insider Group and their related parties, in connection with the Transaction.

ENGAGEMENT OF TD SECURITIES BY THE SPECIAL COMMITTEE

TD Securities was first contacted by the Special Committee on August 3, 2018, and was engaged by the Special Committee pursuant to an engagement agreement (the "Engagement Agreement") dated August 14, 2018. On December 3, 2018, at the request of the Special Committee, TD Securities orally delivered the Valuation and Fairness Opinion. This Valuation and Fairness Opinion provides the same conclusions and opinions, in writing, as of December 3, 2018. The terms of the Engagement Agreement provide that TD Securities will receive a fee of $1.3 million for its services and is to be reimbursed for industry consultant reports, legal expenses, and its reasonable out-of-pocket expenses. In addition, AGT has agreed to indemnify TD Securities, in certain circumstances, against certain expenses, losses, claims, actions, damages and liabilities incurred in connection with the provision of its services. The fees payable to TD Securities under the Engagement Agreement are not contingent upon the conclusions reached by TD Securities in the Valuation and Fairness Opinion or the completion of the Transaction. Subject to the terms of the Engagement Agreement, TD Securities consents to the inclusion of the Valuation and Fairness Opinion in the Circular, with a summary thereof, in a form acceptable to TD Securities, and to the filing thereof with the applicable Canadian securities regulatory authorities.

CREDENTIALS OF TD SECURITIES

TD Securities is a Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment management and investment research. TD Securities has participated in a significant number of transactions involving public and private companies and has extensive experience in preparing valuations and fairness opinions.

The Valuation and Fairness Opinion are the opinions of TD Securities and their form and content have been approved by a committee of senior investment banking professionals of TD Securities, each of whom is experienced in merger, acquisition, divestiture, valuation and fairness opinion matters. The Valuation and Fairness Opinion have been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Investment Industry Regulatory Organization of Canada (the "Organization") but the Organization has not been involved in the preparation or review of this Valuation and Fairness Opinion.

INDEPENDENCE OF TD SECURITIES

Neither TD Securities nor any of its affiliated entities (as such term is defined for the purposes of the MI 61-101) (i) is an associated or affiliated entity or issuer insider (as such terms are defined for the purposes of MI 61-101) of AGT, any member of the Insider Group, or any of their respective associates or affiliates (collectively, the "Interested Parties"); (ii) is an advisor to any of the Interested Parties in connection with the Transaction; (iii) is a manager or co-manager of a soliciting dealer group for the Transaction (or a member of the soliciting dealer group for the Transaction providing services beyond the customary soliciting dealer's functions or receiving more than the per security or per security holder fees payable to the other members of the group); or (iv) has a material financial interest in the completion of the Transaction.

TD Securities and its affiliated entities have not been engaged to provide any financial advisory services, nor have they acted as lead or co-lead manager on any offering of Shares or any other securities of AGT, or any Interested Party during the 24-months preceding the date TD Securities was first contacted in respect of the Valuation and Fairness Opinion, other than as described herein. In November 2018, the Toronto-Dominion Bank ("TD Bank"), the parent company of TD Securities, participated as a non-lead lender in a lending syndicate comprised of $525 million of credit facilities for AGT. In June 2018, TD Bank participated as a non-lead lender in a lending syndicate comprised of $400 million of credit facilities including a $150 million operating facility and a $250 million revolving facility for AGT. In December 2016, TD Securities participated as a non-lead underwriter of a syndicate for a $200 million senior notes offering for AGT. Since February 2016, TD Securities participated in four equity offerings related to Fairfax Financial Holdings Limited ("Fairfax Limited"). In February 2016, TD Securities participated as a co-manager on a bought equity offering of $735 million subordinate voting shares for Fairfax Limited. In December 2016, TD Securities participated as a bookrunner on a bought equity offering of $197 million subordinated voting shares for Fairfax India Holdings Corporation. In February 2017, TD Securities participated as a bookrunner on a bought equity offering of $81 million subordinate voting shares for Fairfax Africa Holdings Corporation ("Fairfax Africa"). In June 2018, TD Securities participated as a bookrunner on a bought equity offering of $196 million subordinate voting shares for Fairfax Africa. TD Bank and TD Securities provide credit and have a number of normal course ongoing financial dealings with AGT and other Interested Parties.

The fees paid to TD Securities in connection with the foregoing activities, together with the fee payable to TD Securities pursuant to the Engagement Agreement are not, in the aggregate, financially material to TD Securities, and do not give TD Securities any financial incentive in respect of the conclusions reached in

the Valuation and Fairness Opinion. There are no understandings or agreements between TD Securities and AGT or any other Interested Party with respect to future financial advisory or investment banking business. TD Securities may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for AGT or any other Interested Party. TD Bank and TD Securities, may in the future, in the ordinary course of their respective businesses, provide banking services or credit facilities to AGT or any other Interested Party.

TD Securities acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have and may in the future, in the ordinary course of its business, have positions in the securities of any Interested Party, and, from time to time, may have executed or may execute transactions on behalf of such companies or other clients for which it may have received or may receive compensation. As an investment dealer, TD Securities conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including matters with respect to the Transaction, AGT or any Interested Party.

SCOPE OF REVIEW

In connection with the Valuation and Fairness Opinion, TD Securities reviewed and relied upon (without attempting to verify independently the completeness or accuracy of) or carried out, among other things, the following:

1. a draft of an Arrangement Agreement between the Insider Group and AGT dated December 3, 2018;

2. audited financial statements and management's discussion and analysis of AGT as at and for each of the years ended December 31, 2015, 2016, and 2017;

3. unaudited interim financial statements and management's discussion and analysis of AGT as at and for the three month periods ended March 31, June 30, and September 30 in the years 2015, 2016, 2017, and 2018;

4. annual reports, annual information forms, and management information circulars of AGT for the fiscal years ended December 31, 2015, 2016, and 2017;

5. the current 2018 budget and forecast information as prepared by AGT Management as well as historical budget and forecast information TD Securities considered relevant;

6. unaudited projected financial information for AGT, for the years ending December 31, 2018 through to December 31, 2022 as prepared by AGT Management;

7. discussions with AGT Management including with respect to the information referred to above and other issues deemed relevant including the outlook for each business segment;

8. representations contained in a certificate dated December 3, 2018 from senior officers of AGT;

9. various discussions with members of the Special Committee and its legal counsel;

10. various research publications prepared by equity research analysts regarding AGT and other selected public companies deemed relevant;

11. consultation with independent third party consultants specializing in the global pulse market to obtain views on potential market recovery and expected pricing;

12. public information relating to the business, operations, financial performance and trading history of AGT and other selected public companies considered relevant;

13. public information with respect to certain other transactions of a comparable nature considered relevant; and,

14. other corporate, industry and financial market information, investigations and analyses as TD Securities considered necessary or appropriate in the circumstances.

TD Securities has not reviewed any draft of the Circular as it was not available as of December 3, 2018, the date the Valuation and Fairness Opinion was rendered. TD Securities has not, to the best of its knowledge, been denied access by AGT to any information requested by TD Securities. TD Securities has assumed the accuracy and fair presentation of and relied upon the audited financial statements of AGT and the reports of the auditors thereon.

PRIOR VALUATIONS

AGT has represented to TD Securities that there have been no valuations or appraisals relating to AGT or any affiliate or any of their respective securities, material assets, or liabilities made in the preceding 24 months and in the possession or control of AGT other than those which have been provided to TD Securities or, in the case of valuations known to AGT which it does not have within its possession or control, notice of which has not been given to TD Securities. TD Securities prepared the October Valuation (as defined below), which was delivered orally to the Special Committee on October 1, 2018.

ASSUMPTIONS AND LIMITATIONS

With the Special Committee's acknowledgement and agreement as provided for in the Engagement Agreement, TD Securities has relied upon the accuracy, completeness, and fair presentation of all data and other information obtained by it from public sources, provided to it by or on behalf of AGT, or otherwise obtained by TD Securities, including the certificate identified below (collectively, the "Information"). The Valuation and Fairness Opinion is conditional upon such accuracy, completeness, and fair presentation. Subject to the exercise of professional judgment, and except as expressly described herein, TD Securities has not attempted to verify independently the accuracy or completeness of any of the Information.

With respect to the budgets, forecasts, projections or estimates provided to TD Securities and used in its analyses, TD Securities notes that projecting future results is inherently subject to uncertainty. TD Securities has assumed, however, that such budgets, forecasts, projections and estimates were prepared using the assumptions identified therein which TD Securities has been advised are (or were at the time of preparation and continue to be), in the opinion of AGT, reasonable in the circumstances.

Senior officers of AGT have represented to TD Securities in a certificate dated December 3, 2018, among other things, that after due inquiry (i) AGT has no information or knowledge of any facts public or otherwise not specifically provided to TD Securities relating to AGT which would reasonably be expected to affect materially the Valuation and Fairness Opinion; (ii) with the exception of forecasts, projections or estimates referred to in subparagraph (iv) below, the information, data and other material as filed under AGT's profile on SEDAR and/or provided to TD Securities by or on behalf of AGT or its representatives in respect of AGT and its affiliates in connection with the Transaction is or, in the case of historical Information was, at the date of preparation, true, complete and accurate and did not and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the Information not misleading in the light of circumstances in which it was presented; (iii) to the extent that

any of the Information identified in subparagraph (ii) above is historical, there have been no changes in any material facts or new material facts since the respective dates thereof which have not been disclosed to TD Securities or updated by more current information not provided to TD Securities by AGT and there has been no material change, financial or otherwise in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of AGT and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Valuation and Fairness Opinion; (iv) any portions of the Information provided to TD Securities (or filed on SEDAR) which constitute forecasts, projections or estimates were prepared using the assumptions identified therein, which, in the reasonable opinion of AGT, are (or were at the time of preparation and continue to be) reasonable in the circumstances; (v) there have been no valuations or appraisals relating to AGT or any affiliate or any of their respective material assets or liabilities made in the preceding 24 months and in the possession or control of AGT other than those which have been provided to TD Securities or, in the case of valuations known to AGT which it does not have within its possession or control, notice of which has not been given to TD Securities; (vi) there have been no verbal or written offers or serious negotiations for or transactions involving any material property of AGT or any of its affiliates during the preceding 24 months which have not been disclosed to TD Securities; (vii) since the dates on which the Information was provided to TD Securities (or filed on SEDAR), no material transaction has been entered into by AGT or any of its affiliates; (viii) other than as disclosed in the Information, neither AGT nor any of its affiliates has any material contingent liabilities and there are no actions, suits, claims, proceedings, investigations or inquiries pending or threatened against or affecting the Transaction, AGT or any of its affiliates at law or in equity or before or by any federal, national, provincial, state, municipal or other governmental department, commission, bureau, board, agency or instrumentality which may, in any way, materially adversely affect AGT or its affiliates or the Transaction; (ix) there are no material agreements, undertakings, commitments or understandings (whether written or oral, formal or informal) relating to the Transaction, except as have been disclosed in reasonable detail to TD Securities; (x) the contents of any and all documents prepared in connection with the Transaction for filing with regulatory authorities or delivery or communication to securityholders of AGT (collectively, the "Disclosure Documents") are (or will be), as of their respective dates, true, complete and correct in all material respects, and do not (or will not), as of their respective dates, contain any misrepresentation (as defined in the Securities Act (Ontario)), and the Disclosure Documents comply (or will comply), as applicable, with all requirements under applicable laws; (xi) to the best of its knowledge, information and belief after due inquiry, there is no plan or proposal for any material change (as defined in the *Securities Act* (Ontario)) in the business or affairs of AGT which has not been disclosed to TD Securities.

In preparing the Valuation and Fairness Opinion, TD Securities has made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to TD Securities, conditions precedent to the completion of the Transaction can be satisfied in due course, all consents, permissions, exemptions or orders of relevant regulatory authorities or third parties will be obtained, without adverse condition or qualification, the procedures being followed to implement the Transaction are valid and effective, the Circular will be distributed to the Shareholders of AGT in accordance with all applicable laws, the Circular will be accurate, in all material respects, and will comply, in all material respects, with the requirements of all applicable laws. In its analysis in connection with the preparation of the Valuation and Fairness Opinion, TD Securities made numerous assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond the control of TD Securities or AGT or any other Interested Party. Among other things, TD Securities has assumed the accuracy, completeness and fair presentation of and has relied upon, without independent verification, the financial statements forming part of the Information. All financial figures in the Valuation and Fairness Opinion are in Canadian dollars unless otherwise stated.

The Valuation and Fairness Opinion has been provided for the use of the Special Committee and is not intended to be, and does not constitute, a recommendation that any Shareholder vote in favor of the Transaction. The Valuation and Fairness Opinion may not be used by any other person or relied upon by any other person other than the Special Committee without the express prior written consent of TD Securities. The Valuation and Fairness Opinion does not address the relative merits of the Transaction as compared to other transactions or business strategies that might be available to AGT, nor does it address the underlying business decision to implement the Transaction. TD Securities expresses no opinion with respect to future trading prices of Shares of AGT. In considering fairness, from a financial point of view, TD Securities considered the Transaction from the perspective of Shareholders other than the Insider Group and their related parties generally and did not consider the specific circumstances of any particular Shareholder, including with regard to income tax considerations. The Valuation and Fairness Opinion is rendered as of December 3, 2018, on the basis of securities markets, economic and general business and financial conditions prevailing on that date and the condition and prospects, financial and otherwise, of AGT and its respective subsidiaries and affiliates as they were reflected in the Information provided to TD Securities. Any changes therein may affect the Valuation and Fairness Opinion and, although TD Securities reserves the right to change or withdraw the Valuation and Fairness Opinion in such event, it disclaims any undertaking or obligation to advise any person of any such change that may come to its attention, or update the Valuation and Fairness Opinion after such date. In preparing the Valuation and Fairness Opinion, TD Securities was not authorized to solicit, and did not solicit, interest from any other party with respect to the acquisition of Shares or other securities of AGT, or any business combination or other extraordinary transaction involving AGT, nor did TD Securities negotiate with any other party in connection with any such transaction involving AGT. TD Securities has not undertaken an independent evaluation, appraisal or physical inspection of any assets or liabilities of AGT or its subsidiaries. TD Securities is not an expert on, and did not render advice to the Special Committee regarding, legal, accounting, regulatory or tax matters. We have relied upon, without independent verification, the assessment of the Special Committee and its legal, tax or regulatory advisors with respect to legal, tax or regulatory matters.

The preparation of a Valuation and Fairness Opinion is a complex process and is not necessarily amenable to partial analysis or summary description. TD Securities believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete view of the process underlying the Valuation and Fairness Opinion. Accordingly, the Valuation and Fairness Opinion should be read in its entirety.

OVERVIEW OF AGT

AGT is a globally diversified, vertically integrated originator, processor and distributor of value-added pulses and staple foods, with origination, processing and distribution capabilities in key pulse origination markets. AGT is engaged in the business of sourcing and value-added processing (cleaning, splitting, sorting and bagging) of pulses and specialty crops for export and domestic markets including a full range of lentils, peas, chickpeas, beans and canary seed, as well as the production and distribution of food ingredient products such as pulse flours, proteins, starches, fibres and staple foods such as pasta, rice, and milled wheat products. AGT also operates canning, small packaging and distribution facilities for the supply of products to retail and food service customers.

Headquartered in Regina, Saskatchewan, AGT currently serves its global customer base from a network of 45 facilities across five continents. AGT operates with three reporting segments: (i) pulse and grain processing ("Pulse Processing"), (ii) bulk handling and distribution ("Bulk Handling"), and (iii) food ingredients and packaged foods ("Food Ingredients"). The Pulse Processing segment is the principal core business of AGT and includes subsidiaries and facilities in Canada, the United States, Australia, China

and a portion of the operations in Turkey. The Bulk Handling segment includes operations in Europe, Russia, India, Switzerland and a portion of the operations in Turkey, Canada and Australia. The Food Ingredients segment includes subsidiaries and facilities in the U.S., Canada, South Africa and a portion of the operations in Turkey.

Historical Financial Information

The following table summarizes certain of AGT's consolidated operating results for the fiscal years ended December 31, 2015 to 2017 and for the nine months ended September 30, 2017 and September 30, 2018:

	Year Ended December 31,			Unaudited Nine Months Ended Sept. 30,		Unaudited LTM Ended Sept. 30,
(C$ millions)	**2015**	**2016**	**2017**	**2017**	**2018**	**2018**
Total Revenue	1,704.5	1,973.2	1,735.3	1,276.2	1,130.5	1,589.6
EBITDA[1]	101.0	118.8	64.9	49.3	51.8	67.3
EBITDA Margin	*5.9%*	*6.0%*	*3.7%*	*3.9%*	*4.6%*	*4.2%*
Net Earnings (Loss)	16.0	21.1	(36.9)	(22.1)	(38.3)	(53.2)
Capital Expenditures	52.3	82.2	50.0	39.8	31.9	42.0
Cash Flow from Operations[2]	9.0	53.1	(22.4)	47.1	49.0	(20.5)

1. Represents Adjusted EBITDA.
2. Cash flow from operations before interest paid.

Source: AGT public filings.

The following table summarizes AGT's consolidated balance sheet as at the end of the fiscal years 2015, 2016, and 2017, and as at September 30, 2017 and September 30, 2018:

	As at December 31,			Unaudited as at September 30,	
(C$ millions)	**2015**	**2016**	**2017**	**2017**	**2018**
Cash	22.3	29.0	21.4	18.5	28.3
Current Assets	771.4	723.4	651.7	564.4	539.8
Property, Plant and Equipment	402.4	436.1	437.6	437.0	414.6
Other Long Term Assets	100.5	103.7	88.3	111.9	95.1
Total Assets	1,296.6	1,292.3	1,199.0	1,131.9	1,077.8
Total Current Liabilities	348.0	336.5	236.2	211.2	218.2
Debt and Other Long Term Liabilities	591.7	653.2	592.6	481.8	634.3
Shareholders' Equity[1]	356.9	302.6	370.3	439.0	225.3
Total Liabilities and Shareholders' Equity	1,296.6	1,292.3	1,199.0	1,131.9	1,077.8

Source: AGT public filings.

1. Includes book value of preferred securities and warrants, net of deferred income tax liabilities and issuance costs.

On a fully-diluted basis, AGT has 25.1 million shares which include in-the-money restricted share units and appreciation restricted share units.

Share Trading Information

The Shares are listed on the Toronto Stock Exchange (the "TSX") under the symbol AGT. The following table sets forth, for the periods indicated, the high and low closing prices quoted on the TSX and the volume traded on the TSX:

Period	TSX Closing Prices ($)		Volume (000s)
	High	Low	TSX
July, 2017	27.33	23.26	4,226
August, 2017	25.78	23.58	3,835
September, 2017	26.98	24.26	1,887
October, 2017	24.94	20.30	4,797
November, 2017	22.47	18.16	4,365
December, 2017	20.86	19.15	1,704
January, 2018	22.44	20.41	2,717
February, 2018	21.06	19.15	1,439
March, 2018	18.90	14.90	4,462
April, 2018	16.96	16.19	1,518
May, 2018	16.94	15.64	1,696
June, 2018	16.00	14.94	1,335
July 1, 2018 to July 25, 2018	15.12	13.17	1,032
July 1, 2017 to July 25, 2018	27.33	13.17	35,011

Source: Bloomberg.

The closing price of the Shares on the TSX on July 25, 2018, the last trading day prior to the public announcement of the initial proposal from the Insider Group, was $13.17.

DEFINITION OF FAIR MARKET VALUE

For purposes of the Valuation, fair market value is defined as the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act. In accordance with MI 61-101, TD Securities has made no downward adjustment to the fair market value of the Shares to reflect the liquidity of the Shares or the effect of the Transaction on the Shares.

APPROACH TO VALUE

The Valuation is based upon techniques and assumptions that TD Securities considers appropriate in the circumstances for the purposes of arriving at an opinion as to the range of fair market value of the Shares. Fair market value of the Shares was analyzed on a going concern basis and was expressed as an amount per Share.

VALUATION METHODOLOGIES

In preparing the Valuation, TD Securities primarily considered two methodologies:

1. discounted cash flow ("DCF") analysis; and

2. comparable precedent transactions analysis.

Discounted Cash Flow Analysis

TD Securities applied the DCF methodology to AGT in order to arrive at its conclusion regarding fair market value of the Shares. The DCF methodology reflects the growth prospects and risks inherent in AGT's business by taking into account the amount, timing and relative certainty of projected free cash flows expected to be generated by AGT. The DCF approach requires that certain assumptions be made regarding, among other things, future free cash flows, discount rates, and terminal values. The possibility that some of the assumptions will prove to be inaccurate is one factor involved in the determination of the discount rates to be used in establishing a range of values. TD Securities' DCF analysis involved discounting to a present value AGT's projected unlevered after-tax free cash flows from October 1, 2018 until December 31, 2022 under the Adjusted Forecast (defined below), including terminal values determined as at December 31, 2022, using an appropriate weighted average cost of capital ("WACC") as the discount rate.

Comparable Precedent Transactions Analysis

TD Securities applied the comparable precedent transactions methodology to AGT in order to arrive at its conclusion regarding the fair market value of the Shares. TD Securities identified and reviewed eight comparable precedent transactions involving grain and bulk handling, and food ingredients companies which had been concluded and for which there was sufficient public information to derive valuation multiples. Ideally, comparable precedent transactions considered would be comparable in terms of operating characteristics, growth prospects, risk profile and size. TD Securities considered enterprise value to earnings before interest, taxes, depreciation, and amortization ("EBITDA") to be the primary valuation multiple when applying the precedent transactions methodology to AGT.

Secondary Indications of Value

TD Securities applied the market trading multiples methodology to AGT in order to determine whether such an analysis might imply values which exceed the values implied by the DCF and comparable precedent transactions methodologies. TD Securities identified and reviewed five publicly traded companies in the grain and bulk handling industry and five publicly traded companies in the food ingredient industry and derived appropriate valuation multiples for such companies based on the market trading prices of their common shares. Ideally, comparable public companies considered would be comparable in terms of operating characteristics, growth prospects, risk profile and size. TD Securities considered enterprise value to EBITDA to be the primary valuation multiple when applying the market trading multiples methodology to AGT. Based on this review, TD Securities concluded that the market trading multiples analysis implied values that were generally below the values determined by the other methodologies. Given the foregoing and the fact that market trading prices generally reflect minority discount values, TD Securities did not rely on this methodology in order to arrive at its conclusion regarding the fair market value of the Shares.

Discounted Cash Flow Analysis

AGT Management Forecast

TD Securities reviewed unaudited projected operating and financial information for AGT provided by management of AGT (the "AGT Management Forecast"). TD Securities reviewed the relevant underlying assumptions including, but not limited to, tonnage, revenue, product margin, revenue and EBITDA per metric tonne ("MT"), operating costs, and other fixed costs. In addition, TD Securities reviewed the assumptions underlying the maintenance and expansion capital expenditure forecast as well as working

capital assumptions for AGT. These assumptions were reviewed in comparison to sources considered relevant including discussions with AGT Management.

The following is a summary of the 2018 – 2022 forecast, as prepared by AGT Management and provided to TD Securities:

(in C$ millions)	Year Ended December 31,				
	2018[1]	**2019**	**2020**	**2021**	**2022**
Revenue					
Pulse Processing	196.9	771.0	777.8	776.2	782.0
Bulk Handling	134.8	491.5	613.9	610.4	610.0
Food Ingredients	95.1	346.4	362.2	362.2	362.2
Intersegment Eliminations[2]	(38.3)	(72.9)	(79.9)	(80.6)	(80.8)
Total Revenue	388.5	1,535.9	1,674.0	1,668.2	1,673.4
EBITDA	19.8	83.1	97.1	107.0	112.3
EBITDA Margin	*5.1%*	*5.4%*	*5.8%*	*6.4%*	*6.7%*
Capital Expenditures	16.4	37.1	37.1	24.9	24.9

1. Three months ended December 31, 2018.
2. Includes eliminations for sales between corporate segments.

Adjusted Forecast

As a basis for the development of projected unlevered after-tax free cash flows for TD Securities' DCF analysis and forecast value drivers for TD Securities' market trading multiples analysis, TD Securities reviewed the AGT Management Forecast assumptions and considered independent views of a potential recovery in the global pulse market and the impact to AGT. These assumptions were reviewed in comparison to independent economic and industry reports and forecast estimates, forecasts by equity research analysts, prior budgets prepared by AGT Management as well as other sources considered relevant including detailed discussions with AGT Management and the Special Committee. From this review, TD Securities developed an adjusted forecast for the period starting October 1, 2018 and ending December 31, 2022 (the "Adjusted Forecast"). The Adjusted Forecast was formed independently with the benefit of TD Securities' understanding of the assumptions behind the AGT Management Forecast. The following is a summary of the Adjusted Forecast:

(in C$ millions)	Year Ended December 31,				
	2018[1]	**2019**	**2020**	**2021**	**2022**
Revenue					
Pulse Processing	196.9	801.7	839.4	866.1	889.3
Bulk Handling	134.8	516.6	591.0	623.9	650.5
Food Ingredients	95.1	370.4	383.1	386.9	395.4
Intersegment Eliminations[2]	(38.3)	(76.5)	(82.6)	(86.5)	(89.2)
Total Revenue	388.5	1,612.1	1,730.8	1,790.4	1,846.1
EBITDA	19.8	88.1	99.4	113.3	126.8
EBITDA Margin	*5.1%*	*5.5%*	*5.7%*	*6.3%*	*6.9%*
Capital Expenditures	16.4	37.1	37.1	24.9	24.9

1. Three months ended December 31, 2018.
2. Includes eliminations for sales between corporate segments.

Revenue

TD Securities constructed a forecast of revenue beyond 2018 based upon the market outlook for each business segment, as follows:

1. The AGT Management Forecast assumed relatively flat revenue for the Pulse Processing Segment with no meaningful recovery in the near term for tonnage or pricing given the current supply and demand imbalance negatively impacting the global pulse market. Following discussions with AGT Management and independent market consultants, the Adjusted Forecast considers that while protectionist policies in India continue to negatively impact global market dynamics, other countries are poised to fill the demand gap and the increase in demand for pulses has the potential to rebalance the markets. The Adjusted Forecast assumes that, in light of recent deterioration of key markets for AGT, the recovery in the Pulse Processing Segment would occur in the second half of the 2019 fiscal year or in the 2020 fiscal year. The Adjusted Forecast assumes a modest recovery in pulse prices from 2018 to 2022 with the Revenue Compound Annual Growth Rate ("CAGR") of 3.6% as compared to AGT Management's assumed CAGR of 0.4%, over this period.

2. The AGT Management Forecast assumed tonnage growth in the Bulk Handling Segment given recent initiatives undertaken by AGT, however; AGT Management also assumed overall pricing would be lower than historical levels realized due to a higher weighting towards lower value bulk products in the forecast period. The Adjusted Forecast includes an increase in bulk tonnage as compared to AGT Management's assumption and results in a modest increase in Revenue per MT above the levels estimated by AGT Management. Following discussions with AGT Management, it is reasonable to assume AGT Management would be able to optimize the product mix towards higher valued products as demand and tonnage increase through the forecast period. The Adjusted Forecast assumes an increase in Revenue CAGR of 6.6% from 2018 – 2022 as compared to AGT Management's CAGR of 4.9%, over this period.

3. The AGT Management Forecast assumed minimal near term growth in the Food Ingredients Segment followed by a period of zero revenue growth from 2020 – 2022. AGT Management is expecting increased competition in this sector, which would result in lower implied Revenue per MT and overall tonnage in the forecast period. AGT Management also indicated that the AGT Management Forecast assumes no significant use has been found for various starch byproducts, resulting in muted revenue and EBITDA growth. Following discussions with AGT Management, the Adjusted Forecast considers that changing consumer preferences will drive more volume in foods with lower environmental impact and healthier nutrition profiles. Furthermore, AGT Management would be able to find an economic use for its starch byproducts, resulting in increased revenue and EBITDA contribution through the forecast period. The Adjusted Forecast results in Revenue CAGR of 4.0% as compared to AGT Management's estimate of 1.7%, over this period.

Cost of Goods Sold and Operating Expenses

Cost of goods sold and operating expenses consists of cost of grain expenses, commission expenses, exportation & transportation expenses, harbor & shipping expenses and other fixed costs. The Adjusted Forecast largely assumes the relationship of the costs to revenue to be consistent with the AGT Management Forecast with adjustments in margins based on discussions with AGT Management, consultation with industry experts, and a view that a recovery would occur in the 2019 / 2020 period for the global pulse market.

Capital Expenditures

TD Securities reviewed AGT Management's capital expenditure forecast and compared it with historical capital expenditures and future capacity requirements in the forecast period. The AGT Management Forecast provides sufficient capital expenditures to meet capacity requirements in the forecast period, which limits required expansionary capital expenditures. TD Securities concluded that the AGT Management Forecast was reasonable given discussions with AGT Management and their views on planned expansions and expenditures in the forecast period.

Net Working Capital

AGT Management uses a targeted net working capital methodology using a percentage of trailing twelve month revenue of 17% to 18%, which AGT is forecast to achieve in the later years of the AGT Management Forecast. The targeted net working capital, as a percentage of revenue, is lower than the current level of approximately 20% as at September 30, 2018. The Adjusted Forecast maintains this methodology through the forecast period in line with AGT Management's views.

Trade Finance Costs

In discussions with AGT Management, TD Securities further considered trade finance costs, which are cash expenses required to manage AGT's net working capital. AGT uses trade finance instruments to improve its cash collection cycle, with a particular focus on their working capital requirements for sales in the Bulk Handling Segment. TD Securities determined these amounts should be included in calculating unlevered free cash flow given these expenses are not permanent debt financing related expenses and are incurred in place of additional debt that would otherwise be required to manage net working capital.

Currency

AGT maintains accounts in Canadian Dollars, United States Dollars, Australian Dollars, Turkish Lira, Great British Pounds, South African Rand, Chinese Renminbi, and Indian Rupee. AGT's sales are predominantly denominated in U.S. Dollars while processing and production costs are largely denominated in the functional currency of the country in which each subsidiary operates. Accordingly, the results of AGT's operations are subject to currency exchange risks. AGT periodically holds derivative financial instruments to help AGT manage their exposure. AGT Management forecasts a stable exchange rate environment with no hedging in the forecast period given AGT Management does not take a view of future currency movements. The Adjusted Forecast maintained this methodology through the forecast period in line with AGT Management's views.

Cash Income Taxes

As likely purchasers of AGT were deemed to be taxable entities, AGT was assumed to be a fully taxable corporation for the purposes of the DCF analysis. Cash income taxes were forecasted based on calculations of taxable income and the applicable subsidiary level tax rates applicable over the period covered by the Adjusted Forecast and included the benefit of any tax loss balances available for use.

Benefits to a Purchaser of Acquiring 100% of the Shares

In accordance with MI 61-101, TD Securities reviewed and considered whether any distinctive material value would accrue to the Insider Group and its affiliates or any other purchaser of AGT through the acquisition of 100% of the Shares. TD Securities specifically addressed whether there were any material operating or financial benefits that would accrue to such a purchaser including: (i) savings of direct costs

resulting from being a publicly-listed entity; and (ii) savings of other corporate expenses including, but not limited to, legal, finance, human resources, operations, sales and marketing.

Based upon discussions with AGT Management, TD Securities concluded that the amount of synergies that could be realized by an in-market purchaser would include the elimination of public company costs and a reduction of certain management and administration costs. TD Securities did not assume any cost of goods sold or selling expense synergies as the cost, complexity, and risk of integrating AGT's operations with a purchaser as well as the potential negative impacts on customer service as a result of diverting from the AGT business model as a specialized, niche player potentially offsets cost savings in these areas.

AGT Management provided TD Securities with a breakdown of estimated public company and administrative costs totaling $6.1 million per annum including tax, audit and public company costs, board costs, and executive management costs. Based on discussions with AGT Management, TD Securities assumed $750,000 of these expenses would not be fully eliminated following a Transaction and therefore assumed achievable synergies of $5.4 million. For the purposes of the Valuation and Fairness Opinion, TD Securities assumed that a purchaser of AGT would be willing to pay for 50% of the value of these synergies in an open auction of AGT. TD Securities has reflected 50% of the synergies, net of 50% of the estimated costs to achieve such synergies for 2018, into its DCF analysis.

Summary of Adjusted Forecast

A summary of the Adjusted Forecast unlevered after-tax free cash flow projections used for the DCF analysis is presented below:

(C$ millions)	Year Ended December 31,				
	2018[1]	2019	2020	2021	2022
EBITDA	19.8	88.1	99.4	113.3	126.8
Trade Finance Costs	(4.8)	(11.0)	(11.4)	(11.8)	(12.2)
Unlevered Cash Taxes	(1.2)	(9.3)	(9.8)	(12.0)	(17.4)
Capital Expenditures	(16.4)	(37.1)	(37.1)	(24.9)	(24.9)
Changes in Non-cash Working Capital	18.5	(2.5)	(5.2)	(1.8)	(9.7)
Total Unlevered Free Cash Flow (Pre-Synergies)	15.9	28.1	35.8	62.8	62.5
Synergies – Public Co. Costs Saved – 50%	(1.3)	2.7	2.7	2.7	2.7
Taxes on Synergies	0.4	(0.7)	(0.7)	(0.7)	(0.7)
Total Unlevered Free Cash Flow (Post-Synergies)	14.9	30.1	37.8	64.8	64.5

1. Three months ended December 31, 2018.

Discount Rates

Projected unlevered after-tax free cash flows for AGT developed from the Adjusted Forecast were discounted based on the WACC. The WACC for AGT was calculated based upon AGT's after-tax cost of debt and equity, weighted based upon an assumed optimal capital structure. The assumed optimal capital structure was determined based upon a review of the capital structures of comparable companies and the risks inherent in AGT and the Pulse Processing, Bulk Handling, and Food Ingredients sectors. The cost of debt for AGT was calculated based on the risk free rate of return and an appropriate borrowing spread to reflect credit risk at the assumed optimal capital structure. TD Securities used the capital asset pricing model ("CAPM") approach to determine the appropriate cost of equity. The CAPM approach calculates the cost of equity with reference to the risk-free rate of return, the volatility of equity prices relative to a benchmark ("Beta") and the equity risk premium. TD Securities also applied a micro-cap size premium to the cost of equity. TD Securities reviewed a range of unlevered betas for AGT and a select group of comparable companies that have risks similar to AGT in order to select the appropriate beta for AGT.

The selected unlevered beta was levered using the assumed optimal capital structure and was then used to calculate the cost of equity.

The base assumptions used by TD Securities in estimating the WACC for AGT were as follows:

Cost of Debt	
Risk Free Rate (10-Year Government of Canada Bonds)	2.34%
Borrowing Spread	5.16%
Pre-tax Cost of Debt	7.50%
Tax Rate	27.0%
After Tax Cost of Debt	5.48%
Cost of Equity	
Risk Free Rate (10-Year Government of Canada Bonds)	2.34%
Equity Risk Premium	5.00%
Size Premium[1]	3.48%
Unlevered Beta	0.60
Levered Beta	0.89
After Tax Cost of Equity	10.28%
WACC	
Optimal Capital Structure (% Debt)	40.0%
WACC	8.36%

1. Source: Size premium for Micro-Cap 9-10 decile companies from Duff & Phelps 2018 Valuation Handbook.

Based upon the foregoing and taking into account sensitivity analyses on the variables discussed above, TD Securities determined the appropriate WACC for AGT to be in the range of 8.0% to 9.0%.

Terminal Value

TD Securities developed a terminal enterprise value for AGT based on a review of comparable precedent transactions and taking into account the growth prospects and risks for AGT beyond the terminal year. TD Securities considered the implied growth rates into perpetuity of the free cash flows following the end of the forecast period, which range from 3.2% to 3.6%, to be reasonable in the circumstances.

Summary of Discounted Cash Flow Analysis

The following is a summary of the equity value per share of AGT implied by TD Securities' DCF analysis:

(C$ millions, except per share data)	Value	
	Low	**High**
Assumptions		
WACC	9.00%	8.00%
Terminal Value EBITDA Multiple	10.5x	11.5x
DCF Analysis		
EBITDA Multiple Approach		
Net Present Value		
Unlevered After-tax Free Cash Flows	180.5	186.8
Terminal Value	923.2	1,051.6
Enterprise Value	1,103.7	1,238.3
Net Debt[1]	(510.6)	(510.6)
Preferred Securities[1]	(190.0)	(190.0)
Equity Value	403.1	537.7
Equity Value Per Share	$16.07	$21.43

1. Estimated Net Debt and Preferred Securities as at September 30, 2018, as per AGT public filings.

Sensitivity Analysis

As part of the DCF analysis, TD Securities performed sensitivity analyses on certain key assumptions as outlined below:

Variable	Sensitivity	Impact on per Share Value[1]
		($)
WACC	+ 1.0%	- 1.69
	- 1.0%	+ 1.78
Terminal EBITDA Multiple	+ 0.5x	+ 1.81
	- 0.5x	- 1.81

1. Impact is calculated based on the mid-point of the DCF analysis.

Comparable Precedent Transactions Analysis

TD Securities applied the comparable precedent transactions methodology to calculate an enterprise value for AGT and then adjusted for the value impact of AGT's net debt to determine the resulting implied value per Share.

Given the recent downturn in the global pulse market and the current "trough" in the business cycle, applying precedent transaction multiples to the last twelve months reported EBITDA as at September 30, 2018 ("LTM EBITDA") would not provide an indication of value that a prudent and informed buyer and prudent and informed seller would agree to in an arm's length transaction. For the purposes of the comparable precedent transactions analysis, TD Securities made a number of normalization adjustments to LTM EBITDA to account for the fact that current results have been heavily impacted by various macroeconomic trends and do not represent the level of EBITDA achievable in a normal course operating environment. Adjustments were made on a segmented level to provide an estimate of what a run-rate EBITDA would be in a normalized operating environment ("Normalized LTM EBITDA"). TD Securities held multiple discussions with AGT Management, considered various research analyst views, as well as independent consultant reports to derive specific adjustments to LTM EBITDA in determining Normalized LTM EBITDA. Based on this analysis, TD Securities determined Normalized LTM EBITDA to be $104.4 million as at September 30, 2018. TD Securities notes this estimate is consistent with AGT Management's views of a longer term EBITDA level under normalized market conditions.

The comparable precedent transactions involving companies in the grain and bulk handling and food ingredients sectors which were identified and reviewed by TD Securities are summarized below:

Date	Target Acquiror	EV	EV / LTM EBITDA
(US$ millions)			
Grain & Bulk Handling			
Sep-15	Legumex Special Crops Division..	$132	12.5x
	The Scoular Company		
Mar-12	Viterra Inc.	$7,506	10.9x
	Glencore plc		
Oct-10	Company A	Undisclosed	10.3x
	Company B		
May-09	ABB Grain Ltd.	$1,661	16.1x
	Viterra Inc.		
Nov-06	Agricore United	$1,685	12.5x
	Viterra Inc.		
Food Ingredients			
Sep-13	Dakota Growers Pasta Company, Inc.	$370	8.7x
	Post Holdings, Inc.		
Jun-10	American Italian Pasta Company	$1,233	8.3x
	Ralcorp Holdings, Inc.		
Jun-09	Arbel S.A.	$142	5.7x
	AGT Food & Ingredients, Inc.		
Total Average			**10.6x**

The process of analyzing valuation multiples implied by comparable precedent transactions and applying these valuation multiples to AGT involved certain judgments concerning the financial and operating characteristics of the companies acquired in these transactions compared to AGT. Given differences in business mix, economic and market conditions, growth prospects and risks inherent in the comparable precedent transactions identified, TD Securities did not consider any specific precedent transactions to be directly comparable to AGT. TD Securities also considered that precedent transactions occurred in a varying range of cyclical commodity environments and this cyclicality is reflected in the average multiple over these transactions.

Based on the foregoing and a review of all of the comparable precedent transactions identified, TD Securities selected appropriate valuation multiples and applied such multiples to the corresponding value drivers for AGT. Given AGT's business is more weighted towards grain and bulk handling as compared to food ingredients, TD Securities' selected multiple range is more weighted towards the grain and bulk handling comparable precedent transactions.

Summary of Comparable Precedent Transactions Value

The following is a summary of the results of TD Securities' comparable precedent transactions analysis and the adjustments made by TD Securities for AGT's net debt to determine the resulting implied value per Share:

(C$ millions, except per share data)	LTM EBITDA[1]	Multiple		Enterprise Value	
		Low	High	Low	High
Comparable Precedent Transactions Analysis					
Enterprise Value / EBITDA	$104.4	10.5x	11.5x	1,096.5	1,201.0
Less: Net Debt[2]				(510.6)	(510.6)
Less: Preferred Securities[2]				(190.0)	(190.0)
Equity Value Range				395.9	500.4
Equity Value per Share				$15.78	$19.94

1. Normalized LTM EBITDA adjusted as described herein.
2. Estimated Net Debt and Preferred Securities as at September 30, 2018, as per AGT public filings.

VALUATION SUMMARY

The following is a summary of the range of fair market values of the Shares resulting from the DCF analysis and the comparable precedent transactions analysis:

(C$ millions, except per share data)	Value Using DCF Analysis		Value Using Comparable Precedent Transactions Analysis	
	Low	High	Low	High
Equity Value	403.1	537.7	395.9	500.4
Equity Value Per Share	$16.07	$21.43	$15.78	$19.94

In arriving at its opinion as to the fair market value of the Shares, TD Securities made qualitative judgments based upon its experience in rendering such opinions and on circumstances prevailing as to the significance and relevance of each valuation methodology.

VALUATION CONCLUSION

Based upon and subject to the foregoing, TD Securities is of the opinion that, as of December 3, 2018, the fair market value of the Shares is in the range of $17.00 to $21.00 per Share.

OCTOBER VALUATION

This valuation updates a prior valuation by TD Securities (the "October Valuation"), publicly announced on October 1, 2018 which was delivered orally to the Special Committee. The analysis supporting the October Valuation provided a range of fair market values of $17.50 to $21.50 per share, utilizing an assumed balance sheet date of June 30, 2018. For the purposes of the Valuation, TD Securities utilized a balance sheet date of September 30, 2018 as AGT reported third quarter financial results on November 12, 2018. During the interim period between October 1, 2018 and December 3, 2018, TD Securities reconfirmed the assumptions underpinning the AGT Management Forecast with AGT Management and did not make adjustments to the Adjusted Forecast beyond 2018. The difference in range of fair market values as determined by the October Valuation and the Valuation was primarily the result of factors that impacted the third quarter of 2018, including: (i) cash flow from operations; (ii) changes in net working capital; (iii) financing expenses and dividends; and (iv) foreign exchange impacts.

FAIRNESS OPINION

Approach to Fairness

In considering the fairness of the Consideration to be received by the Shareholders, other than the Insider Group and their related parties, in connection with the Transaction, TD Securities principally considered and relied upon:

1. a comparison of the Consideration to the fair market value of the Shares as determined in the Valuation; and

2. a comparison of the premiums implied by the Consideration to the trading prices of the Shares prior to announcement of the Transaction to the premiums implied by Canadian large cap takeover premiums.

Comparison of the Consideration to the Fair Market Value of the Shares

The Consideration to be received by the Shareholders, other than the Insider Group and their related parties, in connection with the Transaction is within the range of fair market value of the Shares as at December 3, 2018 as determined by TD Securities in the Valuation.

Comparison of Implied Premiums

TD Securities considered premiums implied by the Consideration to the trading price of the Shares prior to the day of announcement of the Transaction (July 26, 2018) and premiums implied by Canadian large cap takeover transactions calculated based on the closing price one day prior to announcement.

	1 Day Premium
Canadian Large Cap Takeovers[1]	
Average	36.0%
Median	28.1%
Premium Implied by the Consideration	
AGT Common Shares	36.7%

1. Based on all deals with Canadian targets and a deal value greater than $500mm (since 2005).

Although TD Securities did not consider any specific transaction to be directly comparable to the Transaction, TD Securities believes that the transactions considered, in the aggregate, provide a useful comparison benchmark. TD Securities noted that the premiums implied by the Consideration are generally in line with the mean and median premiums implied by the takeover transactions.

FAIRNESS OPINION CONCLUSION

Based upon and subject to the foregoing, TD Securities is of the opinion that, as of December 3, 2018, the Consideration to be received by the Shareholders, other than the Insider Group and their related parties, in connection with the Transaction is fair, from a financial point of view, to such Shareholders.

Yours very truly,

TD SECURITIES INC.

APPENDIX D
INTERIM ORDER

(See attached)

Court File No. CV-18-00611760-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE Mr.	)	MONDAY, THE 7TH DAY
JUSTICE Penny	)	OF JANUARY, 2019

AGT FOOD AND INGREDIENTS INC.

Applicant

IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT*, BEING CHAPTER B.16 OF THE REVISED STATUTES OF ONTARIO 1990, AS AMENDED

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING AGT FOOD AND INGREDIENTS INC. AND 2667980 ONTARIO INC.

INTERIM ORDER

THIS MOTION made by the Applicant, AGT Food and Ingredients Inc. ("AGT"), for an interim order for advice and directions pursuant to section 182 of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended, (the "OBCA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Notice of Application issued on December 28, 2018, and the affidavit of Marie-Lucie Morin (the "Supporting Affidavit"), including the Plan of Arrangement, which is attached as Appendix "B" to the draft management information circular of AGT (the "Circular"), which is attached as Exhibit

"B" to the Supporting Affidavit, and on hearing the submissions of counsel for AGT and counsel for 2667980 Ontario Inc. (the "Purchaser").

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that AGT is permitted to call, hold, and conduct a special meeting (the "Meeting") of the holders of common shares (the "Shareholders") in the capital of AGT to be held at the Confederation Room 5/6 of the Fairmont Royal York, 100 Front Street West, Toronto, Ontario, M5J 1E3, at 10:00 a.m. (Toronto time) on February 5, 2019 in order for the Shareholders to consider, among other things, and, if determined advisable, pass, with or without variation, a special resolution authorizing, adopting and approving the Arrangement and the Plan of Arrangement (collectively the "Arrangement Resolution") in the form set forth in Appendix "A" to the Circular.

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the OBCA, the Notice of Meeting and the articles and by-laws of AGT, subject to what may be provided hereafter and subject to further order of this Court.

4. **THIS COURT ORDERS** that the record date (the "Record Date") for determination of the Shareholders entitled to notice of, and to vote at, the Meeting shall be December 17, 2018, and shall not change in respect of any adjournments or postponements of the Meeting.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

(a) the Shareholders or their respective proxyholders;

(b) the officers, directors, auditors, and advisors of AGT;

(c) representatives and advisors of the Purchaser; and

(d) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that AGT may transact such other business at the Meeting as is contemplated in the Circular, or as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by AGT in accordance with the by-laws of AGT and that the quorum at the Meeting shall be at least two (2) Shareholders holding or representing in aggregate not less than ten percent (10%) of the total number of issued common shares of AGT at the opening of the Meeting who are entitled to vote at the Meeting, whether present in person or by proxy.

Amendments to the Arrangement and Plan of Arrangement

8. **THIS COURT ORDERS** that AGT is authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 9 below, such amendments, modifications

or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Court at the hearing for the final approval of the Arrangement.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement, as referred to in paragraph 8 above, would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as AGT may determine.

Amendments to the Circular

10. **THIS COURT ORDERS** that AGT is authorized to make such amendments, revisions and/or supplements to the Circular as it may determine and the Circular, as so amended, revised and/or supplemented, shall be the Circular to be distributed in accordance with paragraphs 12 and 13.

Adjournments and Postponements

11. **THIS COURT ORDERS** that AGT, if it deems advisable and subject to the provisions of the OBCA, AGT's by-laws, and the Arrangement Agreement, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as AGT may determine is appropriate in the circumstances. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of Meeting

12. **THIS COURT ORDERS** that, in order to effect notice of the Meeting, AGT shall send the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the letter of transmittal, along with such amendments or additional documents as AGT may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "Meeting Materials"), to the following:

(a) the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting by one or more of the following methods:

(i) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of AGT, or its registrar and transfer agent, at the close of business on the

Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of AGT;

(ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

(iii) by facsimile or electronic transmission to any Shareholder, who is identified to the satisfaction of AGT, who requests such transmission in writing and, if required by AGT, who is prepared to pay the charges for such transmission;

(b) non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer; and

(c) the directors and auditors of AGT, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that AGT is hereby directed to distribute the Circular (including the Notice of Application and this Interim Order), and any other communications or documents determined by AGT to be necessary or desirable

(collectively, the "Court Materials") to the holders of warrants, deferred share units, and restricted share units by any method permitted for notice to Shareholders as set forth in paragraphs 12(a) or 12(b) above, concurrently with the distribution described in paragraph 12 of this Interim Order. Distribution to such persons shall be to their addresses as they appear on the books and records of AGT or its registrar and transfer agent at the close of business on the Record Date.

14. **THIS COURT ORDERS** that accidental failure or omission by AGT to give notice of the meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of AGT, or the non-receipt of such notice shall, subject to further order of this Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of AGT, it shall use reasonable commercial efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

15. **THIS COURT ORDERS** that AGT is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials as AGT may determine in accordance with the terms of the Arrangement Agreement ("Additional Information"), and that notice of such Additional Information may, subject to paragraph 9 above, be distributed by press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as AGT may determine.

16. **THIS COURT ORDERS** that distribution of the Meeting Materials and Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9 above.

Solicitation and Revocation of Proxies

17. **THIS COURT ORDERS** that AGT is authorized to use the letter of transmittal and proxies substantially in the form of the drafts accompanying the Circular, with such amendments and additional information as AGT may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. AGT and the Purchaser are authorized, at their expense, to solicit proxies, directly or through their respective officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or such other forms of personal or electronic communication as they may determine. AGT may waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Shareholders, if AGT deems it advisable to do so.

18. **THIS COURT ORDERS** that, in respect of the Arrangement Resolution, Shareholders shall be entitled to revoke their proxies in accordance with subsection 110(4) of the OBCA (except as the procedures of that section are varied by this

paragraph) provided that any instruments in writing delivered pursuant to clause 110(4)(a) of the OBCA may be deposited at the registered office of AGT, as set out in the Circular, at any time up to and including the last day (excluding Saturdays, Sundays and holidays) preceding the day of the Meeting or any adjournment or postponement thereof, including by depositing a new proxy, or by any other manner permitted by applicable law. Notwithstanding the foregoing, a Shareholder who attends personally at the Meeting may revoke its proxy and vote in person at the Meeting.

Voting

19. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders who hold common shares as of the close of business (Toronto time) on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

20. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per common share and that in order for the Plan of Arrangement to be implemented, subject to further order of this Court, the Arrangement Resolution must be passed, with or without variation, at the Meeting by:

(a) an affirmative vote of at least two-thirds (66⅔%) of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Shareholders; and

(b) a simple majority of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Shareholders, other than those of: (i) the Purchaser; (ii) Fairfax Financial Holdings Limited, together with its affiliates, successors, or permitted assigns; (iii) Point North Capital (O) LP, (iv) Point North Capital (PNG) LP; (v) Murad Al-Katib; (vi) Gaetan Bourassa; (vii) Lori Ireland; (vii) Omer Al-Katib; (viii) certain other members of AGT management and other employees of AGT or its subsidiaries, together with any entities beneficially owned or controlled by such persons; (ix) any person who is a "related party" of any of (i) through (viii) above in respect of the Arrangement; and (x) any other person who is a "joint actor" with any of (i) through (ix) above in respect of the Arrangement, as determined by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* and subject to the exceptions noted therein.

Such votes shall be sufficient to authorize AGT to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Court.

21. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting AGT (other than in respect of the

Arrangement Resolution), each Shareholder is entitled to one vote for each common share of AGT held.

Dissent Rights

22. **THIS COURT ORDERS** that each registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 185 of the OBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 185(6) of the OBCA, any Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to AGT in the form required by section 185 of the OBCA and the Arrangement Agreement, which written objection must be received by the Corporate Secretary of AGT, at c/o Alliance Pulse Processors Inc. at 6200 East Primrose Green Drive, Regina, Saskatchewan S4V 3L7, with a copy to Cassels Brock & Blackwell LLP, Suite 3810, Bankers Hall West, 888 - 3rd Street SW, Calgary, Alberta, T2P 5C5 (to the attention of Kenton Rein) not later than 5:00 p.m. (Toronto time) three (3) business days immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time), and must otherwise strictly comply with the requirements of the OBCA. For purposes of these proceedings, the "court" referred to in section 185 of the OBCA means this Court.

23. **THIS COURT ORDERS** that the Purchaser shall be required to offer to pay fair value, as of the day prior to approval of the Arrangement Resolution, for common shares held by Shareholders who duly exercise Dissent Rights, and to pay the amount

to which such Shareholders may be entitled pursuant to the terms of the Plan of Arrangement. In accordance with the Plan of Arrangement and the Circular, all references to the "corporation" in section 185 of the OBCA shall be deemed to refer to the Purchaser in place of the "corporation", and the Purchaser shall have all of the rights, duties, and obligations of the "corporation" under section 185 of the OBCA.

24. **THIS COURT ORDERS** that any Shareholder who duly exercises such Dissent Rights set out in paragraph 22 above and who:

(i) is ultimately determined by this Court to be entitled to be paid fair value for his, her or its common shares, shall be paid fair value for such common shares, which fair value, notwithstanding anything to the contrary contained in Part XIV of the OBCA, will be determined as of the close of business on the day before the Arrangement Resolution was adopted, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such common shares; or

(ii) is for any reason ultimately determined by this Court not to be entitled to be paid fair value for his, her or its common shares pursuant to the exercise of Dissent Rights, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall AGT or the Purchaser or any other person be required to recognize such Shareholders as holders of common shares of AGT at or after the date upon which the Arrangement becomes effective and the names of such Shareholders shall be deleted from AGT's register of holders of common shares at that time.

Hearing of Application for Approval of the Arrangement

25. **THIS COURT ORDERS** that upon approval by the Shareholders of the Arrangement Resolution and the Plan of Arrangement in the manner set forth in this Interim Order, AGT may apply to this Court for final approval of the Arrangement, ~~before~~ for February 11, 2019.

26. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order in the Circular, when sent in accordance with paragraphs 12 and 13, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served, unless a Notice of Appearance is served in accordance with paragraph 27.

27. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for AGT as soon as reasonably practicable, and, in any event, no less than four (4) business days before the hearing of this Application at the following address:

CASSELS BROCK & BLACKWELL LLP
Barristers & Solicitors
Scotia Plaza, Suite 2100
40 King Street West
Toronto, Ontario M5H 3C2

John M. Picone
Tel: 416.640.6041
Fax: 416.350.6924

28. **THIS COURT ORDERS** that, subject to further order of this Court, the only persons entitled to appear and be heard at the hearing of the within application for final approval of the Arrangement shall be:

(i) AGT;

(ii) the Purchaser; and

(iii) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

29. **THIS COURT ORDERS** that any materials to be filed by AGT in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Court.

30. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 shall be entitled to be given notice of the adjourned date.

Precedence

31. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the common shares, warrants, deferred share units, restricted share units, or the articles or by-laws of AGT, this Interim Order shall govern.

Extra-Territorial Assistance

32. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Court in carrying out the terms of this Interim Order.

Variance

33. **THIS COURT ORDERS** that AGT shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Court may direct.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JAN 07 2019

PER / PAR: RW

Court File No.: CV-18-00611760-00CL

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING AGT FOOD AND INGREDIENTS INC. AND 2667980 ONTARIO INC.

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

INTERIM ORDER

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Lawyers for the Applicant

APPENDIX E
NOTICE OF APPLICATION

(See attached)

Court File No. CV-18-00611760-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

AGT FOOD AND INGREDIENTS INC.

Applicant

IN THE MATTER OF AN APPLICATION UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT*, BEING CHAPTER B.16 OF THE REVISED STATUTES OF ONTARIO 1990, AS AMENDED

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING AGT FOOD AND INGREDIENTS INC. AND 2667980 ONTARIO INC.

NOTICE OF APPLICATION

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following pages.

THIS APPLICATION will be made to a judge presiding over the Commercial List on Monday February 11, 2019 at 10:00 a.m. at 330 University Avenue, 8th Floor, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with the documents in the application, you or an Ontario lawyer acting for you must prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer(s) or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyers(s) must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you and your lawyer(s) must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyers or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LEGAL AID OFFICE.

Date: December 28, 2018

Issued by May Nikolaidis
Local Registrar
May Nikolaidis

Address of court office: 330 University Avenue
7th floor, Toronto ON M5G 1R7

TO: **ALL HOLDERS OF SHARES, RESTRICTED SHARE UNITS, DEFERRED SHARE UNITS, AND WARRANTS OF AGT FOOD AND INGREDIENTS INC.**

AND TO: **THE DIRECTORS OF AGT FOOD AND INGREDIENTS INC.**

AND TO: **THE AUDITORS OF AGT FOOD AND INGREDIENTS INC.**

AND TO: **TORYS LLP**
79 Wellington St. W.
33rd Floor, Toronto, ON
M5K 1N2

Andrew Gray
Tel: 416.865.7630
Fax: 416.865.7380
agray@torys.com

Lawyers for 2667980 Ontario Inc.

APPLICATION

1. **THE APPLICANT MAKE APPLICATION FOR:**

   (a) an Interim Order for the advice and directions of this Honourable Court pursuant to subsection 182(5) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the "OBCA"), with respect to notice and the conduct of a meeting (the "Meeting") of the holders of common shares (the "Shareholders") of AGT Food and Ingredients Inc. ("AGT") and such other matters pertaining to a proposed plan of arrangement involving AGT and 2667980 Ontario Inc. (the "Purchaser"), as described below (the "Plan of Arrangement");

   (b) a Final Order of this Honourable Court pursuant to subsections 182(3) and 182(5) of the OBCA approving the Plan of Arrangement if it is adopted and approved by the Shareholders at the Meeting and declaring that the terms of the Plan of Arrangement are fair and reasonable; and

   (c) such further and other relief as to this Honourable Court seems just.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

   (a) AGT is a corporation incorporated under the OBCA, with its registered office located in Toronto, Ontario;

   (b) AGT is a global leader in pulse and staple food processing and distribution, with processing facilities and sales offices located around the globe. Pulse crops include peas, beans, lentils and chickpeas, which produce edible seeds called pulses;

   (c) the common shares of AGT (the "Shares") are listed for trading on the Toronto Stock Exchange under the symbol "AGT";

(d) AGT has other securities outstanding, namely warrants, deferred share units ("DSUs"), and restricted share units ("RSUs");

(e) the Purchaser is a corporation incorporated under the OBCA;

(f) on December 4, 2018, AGT entered into an arrangement agreement with the Purchaser (the "Arrangement Agreement") whereby, subject to the terms and conditions of the Arrangement Agreement, the Purchaser will acquire all of the Shares of AGT, other than the Shares of AGT already owned by the Purchaser or its affiliates, pursuant to the Plan of Arrangement under section 182 of the OBCA;

(g) pursuant to the Plan of Arrangement:

(i) the Purchaser will acquire each outstanding Share that is not already owned by (i) the Purchaser, (ii) Fairfax Financial Holdings Limited, together with its affiliates, successors, or permitted assigns, (iii) Point North Capital (O) LP, (iv) Point North Capital (PNG) LP; (v) Murad Al-Katib; (vi) Gaetan Bourassa; (vii) Lori Ireland; (vii) Omer Al-Katib; (viii) certain other members of AGT management and other employees of AGT or its subsidiaries, together with any entities beneficially owned or controlled by such persons; (ix) any person who is a "related party" of any of (i) through (viii) above in respect of the Arrangement; and (x) any other person who is a "joint actor" with any of (i) through (ix) above in respect of the Arrangement (those listed in (ii) through (x) above being the "Rolling Shareholders"), for cash consideration of $18 per share (the "Consideration");

(ii) the Shares held by each Rolling Shareholder shall be exchanged for shares in the capital of the Purchaser pursuant to rollover agreements entered into by each Rolling Shareholder and the Purchaser, all in accordance with the Arrangement;

(iii) the DSUs will be transferred to AGT and terminated and will be of no further force and effect, all in exchange for payment of $18.00 per DSU, in accordance with the terms of the Arrangement;

(iv) the RSUs will be continued on the same terms and conditions as applicable prior to the effective time of the Plan of Arrangement, except that, following the amalgamation of the Purchaser and AGT as contemplated in the Plan of Arrangement, the value of such RSUs will be based on the shares in the capital of the entity resulting from such amalgamation; and

(v) the warrants will be amended such that their exercise price will be reduced from $33.25 to $18.00, being equal to the amount of the Consideration, the number of Shares issuable pursuant to the warrants will be reduced, and the accelerated expiry provision will be removed; and

(vi) all Shares of AGT held by Shareholders who exercise dissent rights (the "Dissenting Shareholders") in respect of the Plan of Arrangement shall be deemed to have been transferred to the Purchaser, free and clear of all liens, in exchange for a claim by such Dissenting Shareholders to be paid fair value;

(h) the Plan of Arrangement is an "arrangement" within the meaning of subsection 182(1) of the OBCA and is being proposed for a *bona fide* business purpose;

(i) the Plan of Arrangement is fair and reasonable to the Shareholders and in the best interests of AGT;

(j) all statutory requirements under the OBCA have been or will be fulfilled by the return date of this application for final approval;

(k) the directions set out and the approvals required pursuant to any Interim Order this Honourable Court may grant have been followed and obtained, or will be followed and obtained, by the return date of this application for final approval;

(l) pursuant to an Interim Order of this Court to be obtained by AGT, notice of this application will be served on all of the Shareholders as well as the holders of AGT warrants, DSUs, and RSUs at their respective registered addresses as they appear on the books of AGT at the close of business (Toronto time) on December 17, 2018, including those persons whose registered addresses are outside the Province of Ontario. Service in these proceedings on persons outside of Ontario will be effected pursuant to Rule 17.02(n) of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, and the Interim Order. With respect to all other persons and entities having an interest in the affairs of AGT, notice of this application will be given in accordance with the provisions of the Interim Order;

(m) this application is brought in good faith and has a material connection to the Toronto Region in that, among other things:

(i) AGT has its registered office located in Toronto;

(ii) the transfer agent of AGT is located in Toronto; and

(iii) the Shares are listed for trading on the Toronto Stock Exchange;

(n) section 182 of the OBCA and rules 14.05, 17.02(n), and 38 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194; and

(o) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

(a) the affidavit of Marie-Lucie Morin, member of the Special Committee of Independent Directors of AGT, in support of the Interim Order and the Final Order, to be sworn;

(b) supplementary affidavits to be filed in respect of the Meeting and compliance with the Interim Order, to be sworn; and

(c) such further and other evidence as counsel may advise and this Honourable Court may permit.

December 28, 2018

CASSELS BROCK & BLACKWELL LLP
Scotia Plaza, Suite 2100
40 King Street West
Toronto, Ontario M5H 3C2

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jpicone@casselsbrock.com

Lawyers for the Applicant

Court File No.: CV-18-00611760-00CL

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING AGT FOOD AND INGREDIENTS INC. AND 2667980 ONTARIO INC.

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

NOTICE OF APPLICATION

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Lawyers for the Applicant

APPENDIX F
DISSENT PROVISIONS

185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

(a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;

(b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;

(c) amalgamate with another corporation under sections 175 and 176;

(d) be continued under the laws of another jurisdiction under section 181; or

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 185 (1) of the Act is amended by striking out "or" at the end of clause (d) and by adding the following clauses: (See: 2017, c. 20, Sched. 6, s. 24)

(d.1) be continued under the Co-operative Corporations Act under section 181.1;

(d.2) be continued under the Not-for-Profit Corporations Act, 2010 under section 181.2; or

(e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c. B.16, s. 185 (1).

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

(a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or

(b) subsection 170 (5) or (6). R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

(a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or

(b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in

respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (5).

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c. B.16, s. 185 (6).

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c. B.16, s. 185 (8).

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares. R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

(a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);

(b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or

(c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

(a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or

(b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,

(i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and

(ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and

(b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (15).

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made. R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (18).

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow. R.S.O. 1990, c. B.16, s. 185 (19).

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders. R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions. R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. R.S.O. 1990, c. B.16, s. 185 (23).

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (25).

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b). R.S.O. 1990, c. B.16, s. 185 (26).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (28).

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

(a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders. R.S.O. 1990, c. B.16, s. 185 (29).

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. R.S.O. 1990, c. B.16, s. 185 (30).

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation. 1994, c. 27, s. 71 (24).


AGT
FOOD AND INGREDIENTS INC.