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**FOR IMMEDIATE RELEASE
DECEMBER 18, 2017**

SYMBOL: TSX: AGT

**AGT Food and Ingredients Inc. Announces
Terminal Services Agreement with Fibreco Export Inc.**

REGINA, DECEMBER 18, 2017 – AGT Food and Ingredients Inc. (TSX:AGT) (“**AGT**” or the “**Company**”) has announced that it has entered into a long-term terminal services agreement (the “**Services Agreement**”) with Fibreco Export Inc. (“**Fibreco**”), pursuant to which, among other things, Fibreco will construct an agriproducts export terminal facility (the “**Terminal Enhancement Project**”) at Fibreco’s current bulk handling and loading facility located at the Port of Vancouver (the “**Agriproducts Facility**”). The Agriproducts Facility will include approximately 43,000 metric tonnes of dry bulk storage, rail capacity to receive full unit trains, and a new shiploader and expanded ship berth capable of loading Panamax vessels. Fibreco will provide terminal services and additional services to AGT for the guaranteed throughput of agricultural commodities in respect of the Agriproducts Facility, for and in consideration of services and other fees payable by AGT, on and subject to the terms and conditions contained in the Services Agreement. The term of the Services Agreement is 20 years and contains certain exclusive rights for shipping select agricultural commodities in favor of AGT.

Fibreco has received project permit approval from the Vancouver Fraser Port Authority and has requested development permit approval from the District of North Vancouver for the Fibreco Terminal Enhancement Project. Development permit approval from the District of North Vancouver is the last major condition precedent outstanding to the Services Agreement.

“With our investments in logistics, rail and bulk handling, access to tide water at port is an essential infrastructure piece, particularly on the west coast of Canada where access to port facilities is in limited supply to reach key markets in Asia. Our Services Agreement with Fibreco for port access in Vancouver complements our shortline rail system and works in concert with our recent investment in CanEst in Montreal. Much as we did with the CanEst investment through an east coast port, our agreement with Fibreco allows us to take control of our logistics chain from farmers through our shortline rail system to move unit trains through Vancouver to vessels for shipment to our global network of clients. We have identified port facility access at tide water as an essential component to allow us to execute the growth strategy of our Canadian bulk handling business. The Fibreco facility is unique in its operations and location and that made this opportunity one that we felt was a good fit with our investments in bulk rail logistics, port and terminal assets,” said Murad Al-Katib, President and CEO of AGT.



“This agreement with Fibreco allows us to target increased volumes to our key markets for pulses as well as diversified products such as durum wheat and other agri-commodities. AGT is uniquely positioned as an agri-food company to utilize the Fibreco port facility and we look forward to working with the team at Fibreco through the term of this agreement to capitalize on opportunities for our further growth. The fact that Fibreco owns the land at the Port was attractive to us and the major shareholder of Fibreco is a Tolko affiliate, which is a strong partner for us for the long-term,” added Huseyin Arslan, Executive Chairman of AGT.

Kerry Lige, President and CEO of Fibreco said “Fibreco is very pleased to embark on its Terminal Enhancement Project with a global company like AGT. We view the signing of the Services Agreement as the start of a long-term strategic alliance with AGT that benefits both parties, the District of North Vancouver, the Port of Vancouver, British Columbia and the agricultural industry in Western Canada. Further, by helping the efficiency and fluidity of the logistics chain, the Terminal Enhancement Project will improve logistics challenges faced at the Port of Vancouver today. We look forward to commencing construction as soon as possible once final permits are received.”

AGT Food and Ingredients Inc. Profile

AGT is a processor of value-added pulses, staple foods and ingredients for export and domestic markets as well as a supplier of retail packaged and canned foods to retail and food service sectors. Through its offices and processing facilities located in some of the best agricultural growing regions in Canada, the U.S., Turkey, China, Australia and South Africa, merchandising and sales offices in the U.K., the Netherlands, Spain, Switzerland and India and origination offices in Russia, AGT produces a full range of pulses and specialty crops including lentils, peas, chickpeas, beans and canary seed as well as food ingredients such as pulse flours, proteins, starches and fibres. Through its subsidiaries in Turkey, the Arbel Group, AGT also produces staple foods such as Arbella Pasta, rice, and milled wheat products, including bulgur and semolina.

About Fibreco Export Inc.

B.C. owned and operated, Fibreco has successfully served the western Canadian forest and renewable energy industries by moving wood chips and wood pellets to customers throughout the world for 40 years. Today, Fibreco also handles canola meal pellets. In order to provide longer term sustainability to the business and better optimize terminal utilization and logistics infrastructure, Fibreco is undertaking an upgrade to the facility to allow product diversification to include handling food ingredients for the international agricultural trade, including grains, pulses and oilseeds. Fibreco is majority owned by an affiliate of Tolko Industries Ltd.

Cautionary Statements

Certain statements in this press release are forward-looking statements. In particular, this press release contains forward looking statements with respect to, among other things, consumer markets, export



markets, volumes and margins, deliveries, prospects, opportunities, demand fundamentals and the expected benefits of AGT's investment herein and its production facilities in response to the foregoing. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by AGT at the time of preparation, may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of AGT (including its operating subsidiaries) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of harvests, fluctuations in the price of lentils and other crops, failure of plant, equipment or processes to operate as anticipated, accidents or labour disputes, risks relating to the integration of acquisitions or to international operations, as well as those factors referred to in the section entitled "Risk Factors" in the Annual Information Form of AGT which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although AGT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. AGT expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

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