AGT FOOD AND INGREDIENTS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016

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The following Management's Discussion and Analysis ("**MD&A**") of financial condition and results of operations has been prepared by management to help readers interpret AGT Food and Ingredients Inc.'s ("**AGT**" or the "**Company**") unaudited condensed consolidated financial results for the three and nine months ended September 30, 2017 and should be read in conjunction with AGT's audited consolidated financial statements and related notes thereto for the year ended December 31, 2016. The consolidated financial statements have been prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("**IFRS**"). Additional information related to AGT, including periodic quarterly and annual reports and the Annual Information Form ("**AIF**"), filed with Canadian securities regulatory authorities and certain production and market information as prepared periodically by management, is available on SEDAR at www.sedar.com and/or on AGT's website at www.agtfoods.com.

This MD&A has been prepared as at November 4, 2017. All references to AGT or the Company include its subsidiaries, as appropriate. All amounts are in Canadian dollars unless otherwise stated.

Highlights for the Three and Nine Months Ended September 30, 2017

- **Issued $190.0 million** in unsecured preferred securities with Fairfax Financial Holdings Limited ("**Fairfax**"), 99 year term and interest at 5.375%

- **Net Debt*** decreased to $386.3 million at September 30,2017, compared to $543.7 million at June 30, 2017 and compared to $538.7 million when compared to December 31, 2016.

- **Consolidated revenue** for the nine months ended September 30, 2017 was $1.3 billion and was consistent with the nine months ended September 30, 2016.

- **Adjusted Gross Profit*** for the three month period ended September 30, 2017 decreased to $29.4 million compared to $47.0 million for the three months ended September 30, 2016.

- **Adjusted EBITDA*** for the three months ended September 30, 2017 decreased to $10.1 million compared to $27.4 million for the three months ended September 30, 2016.

- **Food ingredients and packaged foods** contributed to 53.2% of Adjusted EBITDA* for the nine months ended September 30, 2017 compared to 31.8% for the nine months ended September 30, 2016.

- **Food ingredients and packaged foods** metric tonnes **("mt**") invoiced for the nine months ended September 30, 2017 were 234,173 mt, an increase of 18.6% compared to the nine months ended September 30, 2016.

- **Net working capital*** was $353.0 million at September 30, 2017, a decrease from $361.4 million at June 30, 2017 and a decrease from $388.3 million at September 30, 2016.

- **Net working capital* as a percentage of trailing twelve-month revenue** improved to 17.84% at September 30, 2017 compared to 20.43% at September 30, 2016.

- **Adjusted net loss per share*** was $0.06 ($0.06 fully diluted) for the three months ended September 30, 2017 compared to adjusted net earnings* per share of $0.50 ($0.50 fully diluted) for the three months ended September 30, 2016.

- **Dividend** of $0.15 per share for the quarter ($0.60 per share on an annualized basis).

Business Overview

AGT operates with three reporting segments: (1) pulse and grain processing, (2) food ingredients and packaged foods, and (3) bulk handling and distribution (formerly trading and distribution). The pulse and grain processing segment is the principal core business of AGT and includes subsidiaries and facilities in Canada, the United States ("**U.S.**"), Australia, China and a portion of the operations in Turkey. The bulk handling and distribution segment includes operations in Europe, Russia, India, Switzerland and a portion of the operations in Turkey, Canada and Australia. The food ingredients and packaged foods segment includes subsidiaries and facilities in the U.S., Canada, South Africa and a portion of the operations in Turkey.

Through its three segments, AGT handles a full range of pulses and specialty crops including lentils, peas, chickpeas, beans, popcorn, canary seed, flax and other specialty seeds packed for domestic and export markets as well as in dry small package and canned products for both domestic consumption and export markets. In North America, AGT produces pulse proteins, fibres, starches and flours for food ingredient and industrial uses. AGT's operations in Turkey produce milled durum wheat products such as semolina, pasta (under the *Arbella* brand) and bulgur wheat, as well as medium grain and long grain milled rice. These products are sold for both domestic consumption and export markets. AGT also offers retail and foodservice dry packaged and canned foods in Canada and the U.S. under the *CLIC* brand and in Southern Africa under the *Pouyoukas* and *Freshpop* brands.

AGT is among the world's largest value-added processors and splitters of pulse crops and an international producer, processor and exporter of staple food products to over 120 countries. The Company's common shares are currently listed for trading on the Toronto Stock Exchange under the symbol "AGT".

Business Strategy

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 on five continents.

Management has identified three pillars to AGT's strategy, which are as follows:

- Grow the scale of processing and improve margins in AGT's food ingredients and packaged foods businesses, developing an integrated "farm gate to ingredient and retail consumer package" program for AGT's customers under AGT's brands and as a co-packing supply chain partner.

- Grow AGT's bulk handling business to monetize the earnings potential of its unique grain origination and logistical assets which includes trucking, rail, containerization and bulk vessel loading programs, by linking these efforts with other assets in key consumption markets such as Turkey, India and China; and

- Increase AGT's facility utilization and evolve product mix to improve margins in a supply chain approach to the Company's core pulses business;

Management highlights the following:

Earnings Constraints Seen as Cyclical

Earnings constraints are seen largely as a result of an oversupply in global pulse markets caused by an unusually large crop in India and other regions of production in the world. Record pulses prices for sustained periods over the last year resulted in more seeding and production which has led to more domestic supply in consumption markets. Cyclicality in global agricultural markets is not uncommon and supply and demand fundamentals shift rapidly in high volume staple consumption items, such as pulses, where consumption is generally consistent and which, as a result of such consumption, expands in lower price cycles.

Management believes that margins are bottoming and that signs of recovery are beginning to be evident in the market as crop supplies of all pulses are now available after the completion of the North American harvest. Utilization is expected to rise gradually as 2017 closes out and into 2018. Management expects that local crops in India, Turkey and Canada will contract resulting from lower prices to farmers, which assists the cycle generating higher margins. Local stocks are expected to be consumed and new crop supplies constrained resulting, in increased imports into consumption markets gradually in 2018.

Underlying Profitability Model Unchanged

Prior to the cyclical impacts of the current environment, AGT had relatively stable and consistent profitability in its period spanning 11 quarters from June 30, 2014 to December 31, 2016, averaging EBITDA* per mt of over $55, compared to $23 per mt in Q3 2017. The result in Q3 2017 matches the trough of the last cycle in Q1 2012, after which, margins recovered to the levels seen during the 2014-2016 period. During this relative period of stable and growing earnings, the food ingredients and packaged foods business was ramping up. Management is confident that the fundamental earnings power of its strategically located assets in five continents is not materially impaired when considering AGT's long-term future earnings.

Sub 5% Adjusted EBITDA* margins have been rare in the historical context for AGT and are more common in a commodity price decline market where sharp decreases in the international wholesale prices of pulses, grains and special crops, are magnified by the reluctance of North American farmers to support international sales. Prices are beginning to show signs of stability with international prices moving within a tight pricing band and with North American markets adjusting to such pricing. Management expects that this convergence will become more visible early in the 2018 year as crop conditions in India become better known to the international markets.

Food Ingredients/Packaged Foods Growth and Margin Improvement

AGT continues to develop a platform linking its global farmer origination network to its value-added processing. The food ingredients and packaged foods segment is at the center of this initiative to derive additional margin through the extraction of value from commodities handled in AGT's system. The marketing of food ingredients to major food companies allows AGT to capitalize on its customer's distribution and product development platforms using their brands to reach the end customer. This is being coupled with AGT's strategy to increase relationships with major global food retailers for both the distribution of AGT's owned brands and to act as a manufacturer and co-packer of such retailers' brands.

AGT's food ingredient business continues to advance, with four production lines already commissioned at the Minot Facility focused on production of pulse ingredient flours, proteins, starches and fibres ("**the Minot Facility**"). AGT continues to see household consumer-packaged goods companies include pulse based product development projects, pipelines and commercial and industrial pulse-based quantities in their normal product development cycles. This is expected to provide AGT with further enhanced margin opportunities in protein sales through increased sales for human food, while monetizing higher value pulse food ingredients, such as starches, flours and fibre fractions.

AGT's global packaged foods business continues to grow as both market opportunities and sales and distribution efficiencies are realized. Combined, this segment contributed over 50% of AGT's earnings in 2017, with only 15% of the tonnages handled. This segment is expected to continue to assist in balancing the cyclicality of the traditional pulses business.

Operating Liquidity at an All Time High

AGT's balance sheet and liquidity are improved as a result of recent transactions for capital planning requirements. Debt maturities have been pushed out to as far as 2021 with the $200 million high-yield notes issue that was completed in late 2016 and the recent Fairfax Financial Holding 99-year, no call preferred securities in the amount of $190 million, which has provided capital that was utilized for the reduction of bank indebtedness. Net Debt* was reduced to $386 million as at Q3 2017 versus $544 million in Q2 2017.

At September 30, 2017, AGT had total operating lines available of $255.1 million (December 31, 2016 - $256.0 million). Included in these facilities is a syndicated debt facility in Alliance Pulse Processors ("**APP**"), AGT's operating company, of $211.5 million (December 31, 2016 - $211.5 million) secured by, among other things, assets and real property of APP, AGT and certain of APP's subsidiaries, which matures in January 2019. At September 30, 2017, $22.7 million of the facilities was utilized, leaving $232.4 million unutilized. The weighted average interest rate on available operating lines at September 30, 2017 is 3.6% (December 31, 2016 - 3.3%). At September 30, 2017 AGT was in compliance with all financial covenants.

Demand Fundamentals Unchanged

Management believes that rising incomes in emerging markets and growing populations make the food opportunity an irreversible trend. Management believes that pulse and vegetable protein consumption and efficient water use protein demand will be increasing as the world populations grow in the next 40 years. In fact, the United Nations Food and Agriculture Organization ("**UN FAO**") estimates the world may need to produce as much food in the next 50 years as it has in the past 10,000 years of civilization.

Supply demand cycles are temporary. Macro-economic commentary from the Bank of Canada ("**BOC**") states that over time, "higher output generated . . . combines with stabilizing demand to bring about a period of downward pressure on prices. Faced with lower prices, companies may scale back investment and production. Ultimately, the lower prices will encourage demand, and the reduced investment will crimp future supply, leading to higher prices and producers will ride the price cycle all over again."

The BOC also reports in an Autumn 2016 report that similar macro-economic principles may be applied to global agri-commodity production and markets, as prices, and therefore volumes and margins in AGT's business, may increase as markets resolve themselves, as the supply of most agricultural products should generally react much more quickly than other commodities, usually within the next growing season.

Conclusion

As AGT cannot control the timing of a market recovery, it continues to focus on its tier-one strategy; on being as streamlined and efficient as possible; responsibly managing production, inventory and purchases; and maximizing cash flow and safeguarding its capital. Ultimately, it is AGT's goal is to remain competitive and position the Company to ensure it has the ability to be among the first to respond when the market calls for more pulses.

Business Outlook

Summary

AGT's business has continued to be impacted more significantly than expected by the headwinds and market conditions identified in earlier periods, which have affected global pulse and staple food markets. This impact has been felt in all areas of AGT's business, including volumes and margins, most particularly in AGT's pulse and grain processing segment, with decreases in mt invoiced, as well as material reduction in grain margins.

AGT's bulk handling and distribution segment was also hit with lower volumes and a reduction in margins, while the food ingredients and packaged foods segment reported decreased volumes from last quarter but stable margins. As expected by management, the food ingredients and packaged foods segment was not as negatively impacted by current conditions due to the segment's different market dynamics and large food, petfood and retail clients, whose buying decisions are not impacted by market sentiment and supply-demand conditions in regions like India and Turkey. These segments have demonstrated more resilient trends with regards to sales, volumes and margins, validating management's strategy to ramp up this activity for future periods in AGT's business.

While management expectations were for a slow return to traditional shipping volumes in its core pulse and grain processing segment with regard to volumes, prices and therefore margins, this recovery to more normalized conditions is now expected to come more slowly than previously estimated. Markets are currently impacted by oversupply in production and consumption markets; volatility in prices, including low prices overall and a disconnect between expectations of value from the farmgate to market pricing in consumption markets affecting margins overall; non-tariff governmental import policies in India that have resulted in relative uncertainty in markets; and a sense of general malaise in commodity markets and uncertainty in the global economy resulting from geo-political forces in many regions of the globe.

Viewed in totality, these conditions do not appear to affect the underlying long-term demand fundamentals of pulses and staple foods markets, as a large percentage of the world's population depends on sustainably produced vegetable protein from pulses and nutrition from agricultural products and staple foods overall, particularly with increasing global populations and trends towards urbanization. Canada and other origins that AGT is involved in are key production and supply origins for agricultural and agri-food commodities. The BOC Governor, Stephen Poloz commented in a September 21, 2015 presentation that these trends imply much more than just stronger demand for traditional protein sources but also "implies demand for… animal feed, oilseeds and specialty crops such as lentils and chickpeas".

However, as is the case in commodity markets, supply and demand imbalances form part of the commodity super cycle and can impact agri-food businesses, such as AGT. The duration of such impact is often minimized as consumption markets balance dynamics such as local supply, import supply, food security and food prices.

Production at high levels is a contributing factor to the oversupply position of global pulses. This increased production was a manifested reaction to historically high prices. As reported by the Saskatchewan Ministry of Agriculture in an October 5, 2017 report, the North American harvest was effectively completed on the week of September 26, 2017, with 99% of lentils, peas and chickpeas being reported as harvested. The United States Department of Agriculture ("**USDA**") also reported the harvest for pulses being substantially completed in a similar time period. Agriculture and Agri-Food Canada ("**AAFC**") is reporting high levels of production, with approximately 6.7 million mt of pulses (lentils, peas, chickpeas and beans) in Canada and 2.6 million mt in the U.S. Added to this is a Pulse Australia estimate of 2.8 million mt of pulses in Australia, consisting mostly of chickpeas. Additionally, STAT Publishing reports production levels on the higher end of the three-year average in Turkey and India, as well as increasing acreages of pulses in Russia, Ukraine and Kazakhstan based on information from trade sources in these origins.

In addition to significant production volumes in Canada, which have followed high production levels for a number of years and high prices to farmers, many farmers in Western Canada have been slow to reconcile their own price expectations with global pulse prices. Western Canadian farmers may, in some cases, have the ability to wait on selling pulses produced in 2017 until prices are higher and more in line with their expectations, as they may not have immediate cash needs.

The opposite is true in consumption markets, where higher raw material costs, priced based on Western Canadian farmer expectations, have not been consistent with workable consumption market buyer expectations with regard to pricing, as oversupply and relatively lower cost local production is available in the market. Buyers in local consumption markets appear to have been following the practice of "hand to mouth" purchasing to ensure they are not caught by rising prices or other market headwinds by buying small lots in the local market to supply their own sales programs without taking market positions that may turn against them.

Global production in this quarter is historically important to supply the traditional shipping periods of late Q3, Q4 and the immediately following Q1 period, where imports from production origins, like Canada and Australia, to consumption origins, like India and Turkey, are traditionally high to supply consumption demand in these markets in advance of or in between periods of their own local production being available.

However, in export statistics up to August 2017, Statistics Canada ("**StatsCan**") reports that Canadian export of lentils, peas and chickpeas reduced by approximately 40% over the full year of 2016 and decreased by 30% over the same two months (where data is available) for the current year (July-Aug) from the previous year. This appears to demonstrate that local consumption and distribution regions like India and the subcontinent and Turkey and the Middle East and North Africa ("**MENA**") region markets are working through local production and local market stocks, purchased earlier in the year or in previous periods, rather than importing new crop products for the 2017 harvest.

Therefore, the cyclical dynamics of imports in India, Turkey and the MENA regions are viewed by management as consistent with past historical cycles, as markets react to surplus or deficit stock positions when considering local production of pulses, imports and demand pace. Product flows in latter parts of each calendar year and early in each new year coincide with traditional winter consumption patterns of these markets.

While short-term flows may be impacted by local supply and demand conditions, long-term growth with the impact of normalization of AGT's export and merchandising programs in future periods is seen as likely by management.

Increased programs on durum wheat and other similar crops and diversified shipping methods such as bulk shipments as opposed to these which are bagged and containerized, may provide AGT with added diversification in future periods, a trend that is expected to allow AGT's bulk handling and distribution segment to utilize its bulk rail and handling infrastructure assets in Canada. Port agreements or facilities, like the MobilEx Terminal in Thunder Bay and the announced CanEst Terminal investment in the Port of Montreal, are expected to allow AGT to generate earnings when the supply-demand comes back into balance.

Additionally, performance in AGT's food ingredients and packaged foods segment is expected to continue to provide added diversification as these business units grow and mature, contributing increased earnings to AGT.

India is viewed as a key driver in the global pulse sector and on local markets, not only from a volume standpoint, but also from the standpoint of global prices and market psyche in all markets. The impact of local production on import volumes in India, and to a lesser extent Turkey, has slowed imports from Canada and replaced them in some cases with relatively lower cost products from Russia and other former Soviet Republic countries, is clear (described by the BOC and stated in terms of India's pulse markets) in the manner of high local production results in lower prices creating a cycle of stimulating consumption of more and higher quality protein, derived from pulses as vegetable protein in many of these markets, while at the same time resulting in decreases in local and global production of these products, as farmers in all origins move to other relatively higher price agricultural outputs until prices correct sufficiently to commence the cycle once again.

Government policies and messaging surrounding non-tariff trade barriers on fumigation, local market supply and pricing as well as food security and inflation in India continues to be one of the major factors adversely affecting global pulse markets, in part resulting in the lower import levels to India. The Government of India ("**GoI**") and the Government of Canada ("**GoC**") are negotiating to establish a science-based approach to resolve the matter for Canadian agricultural products consistent with GoI policy and treatment of other agriculture and agri-food exporting nations surrounding fumigation.

GoI food policy is constantly evolving to address a delicate balance between local farm support programs to ensure rural incomes are rising and food security and food inflation protection measures, with these objectives sometimes clashing directly. GoI programs aimed at curbing skyrocketing food prices of basic commodities have built up buffer stocks that are being released to markets, putting these markets under added pressure, with local prices falling dramatically for domestic farmers, dropping below the minimum support levels for pulses and putting budgetary pressures on government, continuing the cycle. Farmers are expected to plant fewer pulses in 2018 as a reaction to lower price levels, potentially reducing stocks of pulses later in 2018. Management expects this supply and demand rebalancing—without such material government intervention in India—as positive for the resumption of normal buying patterns.

Additionally, production conditions and volumes of pulses in India become more visible in the Q1 period, contributing to management's belief that GoI messaging on self-sustaining pulse production and supply may be aimed at curbing food inflation and supporting its own agricultural and agri-food sector.

In July 2017, as was reported in the media and through information provided by Pulse Canada—Canada's pulse industry national association involved in the negotiations between the two countries—the GoC was notified by the GoI of the "Canada specific" policy for exports of pulses from Canada to India, which included:

1. India's policy for Canada was effective up to a bill of lading dated September 30, 2017.
2. Exports of pulses from Canada to India did not have to be fumigated with Methyl Bromide ("**MeBr**") prior to shipment or on arrival in India.
3. Canada was exempt from the five times normal fee for fumigation of cargo at arrival to India.

While a solution was expected by the expiration of the September 30, 2017 policy, confirmation did not come, resulting in the expiration of the fumigation derogation extension and subsequent fumigation fees coming into effect. Importers are currently subject to a fumigation import fee for fumigation on cargo arrival to India for agricultural products from Canada. This fee equates to approximately $USD 12 to $USD 14 per mt.

Pulse Canada has reported to its members, including AGT, that the GoC has engaged on a daily basis with GoI officials and, along with Pulse Canada, is continuing discussions with the goal of achieving immediate policy clarity from India, commensurate treatment with other pulse origins, and ultimately a long-term resolution through recognition by India of Canada's systems approach, including the recognition of the ban on the use of MeBr in Canada since the late 1980's; the quality of the Canadian grain handling system; and the fact that with extreme cold in the winter—the Weather Network reports average winter lows in Saskatchewan at -15.6°C for November to March and a record low with wind-chill of -59.2°C in January 1962, typical of winter temperatures in the Prairie provinces—Canada is free of pests of concern.

A high level GoC ministerial delegation is planned for mid-November 2017 and discussions are expected to be ongoing. In the interim, Canadian pulses continue to be exported to India, with modest demand but with signs of improvement as the calendar year draws to a close.

AGT supports the Canadian pulse industry in its belief that it has a long-term future in supplying pulses to India and to all pulse importing markets. To continue the important trade relationship with India, the Canadian pulse industry, including processors like AGT, is working with GoC to communicate three important principles during the upcoming trade mission to India by GoC cabinet ministers:

1. Canada does not have pests of concern to India. Therefore, there is no basis to require fumigation of pulses from Canada either in Canada or on arrival in India. Canada's systems approach to pest control is working effectively.
2. Canada must have the same access to India as every other country that exports pulses. India must provide Canada with the same policy as other nations that do not have pests of concern. Canada should immediately be granted the same policy considerations that are afforded to USA and France.
3. In the longer term, Canada must ensure that India meets its World Trade Organization obligations and provides all pulses origins with an equal opportunity for access to the market. Canada will compete on a commercial basis with other origins of pulses destined for India when provided with a level playing field for trade.

It should be noted, however, that some form of fumigation policy, whether granted a temporary exemption or not, is in place for many countries exporting agriculture and agri-food products to India, so this policy is not unique to Canada, pulses or to AGT individually. This is a systemic agricultural issue for countries exporting to India.

While management had expected a resumption of more normal trade activities and a move towards normal price levels in the traditional shipping period, that being post-harvest in North America and substantially commencing in late Q4 and Q1 periods, market conditions have not corrected as quickly as estimated with regard to volumes, prices and margins. This impact is viewed as cyclical and appears, based on market intelligence gathered by AGT through its network of global customers that global pulses and staple foods markets may have largely passed through this trough period. Should production trends in major consumption regions revert back to insufficient local production levels, imports could again increase as they have in the past four or five years.

Consumer demand for pulses and the vegetable protein they provide in traditional diets in these regions is estimated by management to be consistent with past seasonal demands as a result of population growth and demand for food. Lower prices may also stimulate more consumption, fueling the need for imports to fill the gap between available local supply and demand.

As market conditions and headwinds alleviate, AGT has taken a measured approach to the market, with a strategy focused on disciplined capital allocation, participation in the market, focusing on costs and efficiencies in our current production systems, and focusing on the utilization of our processing and bulk handling infrastructure more efficiently, growing value-added opportunities for our products globally.

A discussion of AGT's segments and their performance follows.

Reporting Segments

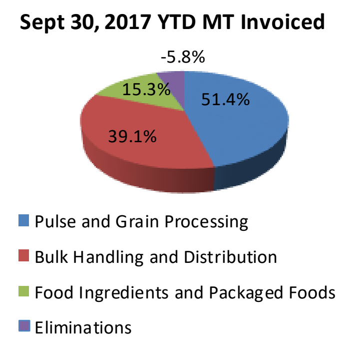
AGT's chief operating decision maker reviews AGT's operations and resource allocation by multiple business segments. Business segments are strategic business units with different products, processes and marketing strategies.

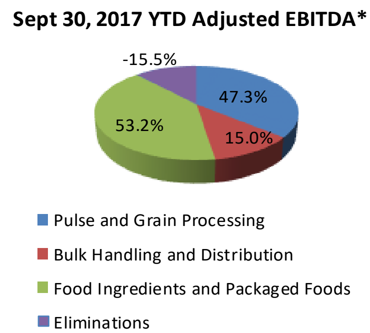
Segment performance is evaluated on the basis of Adjusted EBITDA*. Management believes that Adjusted EBITDA* is an important indicator of AGT's ability to generate liquidity through operating cash flow to fund future working capital needs, service outstanding debt and fund future capital expenditures and uses the metric for this purpose.

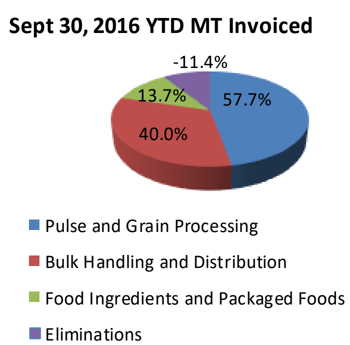
The accounting policies used within each segment are consistent with the policies outlined in the notes to AGT's December 31, 2016 annual audited consolidated financial statements. Segmented revenues, expenses and results include transactions between segments that occurred during the ordinary course of business with normal market terms and conditions. Certain estimates and assumptions were made by management in the determination of segment composition.

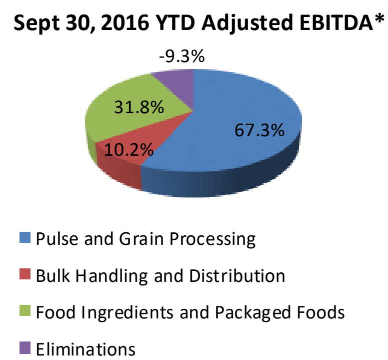
A review of the outlook for each of AGT's business segments is below.

In the following charts, eliminations relate to mt that were sold from one AGT subsidiary to another for further manufacturing, further packaging and/or for sale to a final customer.









Pulse and Grain Processing

The pulse and grain processing segment represents the principal core business of AGT in the origination and processing (including cleaning, calibrating, sizing, splitting, packaging, bulk loading, shipping and export) of pulses and staple foods in AGT owned and operated facilities around the globe. This segment represents the largest segment of AGT's business and provides the core infrastructure that enables AGT's other segments of operation, including origination of raw materials, processing and logistics support of pulse and grain products.

Results are as follows:

Selected Results by Reporting Segment [1][2]
(in thousands of Cdn. $ except as indicated, unaudited)

	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Sept 30, 2016	Year to Date Sept 30, 2017	Year to Date Sept 30, 2016
Revenue	$ **204,953**	$ 232,714	$ 248,460	$ 756,611	$ 812,342
Cost of sales	**199,132**	219,505	224,961	721,316	739,513
Gross profit	**5,821**	13,209	23,499	35,295	72,829
Adjusted Gross Profit*	**9,478**	16,884	27,204	46,460	83,969
Adjusted EBITDA*	$ **3,447**	$ 8,895	$ 18,264	$ 23,342	$ 56,613
Total mt invoiced	**216,204**	263,851	254,259	787,578	835,531
Gross profit per mt	$ **26.92**	$ 50.06	$ 92.42	$ 44.81	$ 87.16
Adjusted Gross Profit* per mt	**43.84**	63.99	106.99	58.99	100.50
Adjusted EBITDA* per mt	**15.94**	33.71	71.83	29.64	67.76

(1) See table on page 23 for consolidated segmented results
(2) Certain estimates and assumptions were made by management in the determination of segment composition

Adjusted Gross Profit* and Adjusted EBITDA* per mt decreased when comparing the three and nine months ended September 30, 2017 to the three months ended June 30, 2017 and when compared to the same periods in the prior year. This is due to constrained availability of product and margin compression resulting from high carry-in stocks in consumption regions and lower demand for imported product.

Global pulse markets have continued to be affected by identified market conditions, particularly what management characterizes as an unusual amount of local stocks in India, resulting from robust trailing twelve month imports and local harvests that exceeded original estimates. This has ultimately impacted AGT volumes and margins in its core pulse and grain processing segment. The Q3 reporting period is historically the start of the traditional shipping period, extending through Q4 and Q1 in the following year, with North American harvest complete and market activities resuming after a summer slowdown in buying and awaiting visibility into harvest volumes, timing and quality.

This year, Q3 was one of particularly challenging demand and margin conditions as North American crop of good quality was materially constrained from the 2016-2017 crop year with remaining stocks being relatively poor quality. Due to the minimal presence of stocks, old crop and new crop differential was wide, further constraining the adjustment of markets in the later parts of Q3 as the 2017-2018 crop was harvested. Demand in the July and August months were materially lower than in past years, which has further added to the strain on AGT's earnings and margin in the period.

The 2017-2018 crop was harvested with near ideal quality, estimated by management as one of the best overall harvest qualities seen in the past decade for the majority of crops. Volumes were average to slightly above average. However, the relatively higher crop prices from last year did not facilitate the orderly adjustment of the prior two crop years' pricing to match international markets.

In Q3 2017, after periods where volumes were already slowing, a resumption of more normal trade activities and a move towards more normal price levels has come slower than previously estimated. Markets need to work through the global oversupply position, which has resulted from high levels of production in recent years, low price products in the market for a number of competing origins, and market psyche impacted by intervention of governments in the market. This has resulted for AGT in the decreases in volumes and mt invoiced, as well as material temporary cyclical reduction in grain margins in this segment.

While volumes in this segment decreased 18% in Q3 2017, compared to Q2 2017 and 15% compared to Q3 2016, the decrease in gross profit per mt affected the overall contribution to earnings of this segment more dramatically than the decrease in mts would indicate.

The global oversupply position has resulted in not only a slowdown in import demand to key consumption markets; it has also resulted in a significant move downwards in pricing, as new crop product from North America must compete with local market prices in key consumption markets like India and Turkey, where local production has increased, as reported by government and statistical reporting outlets. Additionally, stocks imported earlier in the year from previous year 2016 harvest were brought into market in higher volumes to ensure minimum stock levels. The relatively stronger Canadian dollar against global currencies such as the Turkish Lira has also affected the margin position and the competitiveness of Canadian exports.

Lower prices affect AGT margins as capacity at AGT facilities is available and must be utilized. While management identifies margin targets for merchandising activities, market pricing, raw material costs and the high fixed cost environment AGT operates in all affect the ability of AGT's pulse and grain processing segment to convert sales to margin above fixed costs and thereby earnings in these types of market conditions.

Oversupply conditions are expected to result in current low prices decreasing production in key consumption markets, as farmers in Turkey and India may move to relatively higher value crops. In fact, the GoI recently announced increases in minimum support payments (or MSP as they are referred to in India) for pulses in the Rabi season (Times of India, October 25, 2017), in part to boost production of pulses and support GoI messaging surrounding self-sufficiency in pulses and staple foods supply in two years (The Economic Times India, October 24, 2017), curbing food inflation and ensuring food security. Decrease in acres and therefore production is viewed by management as positive as it will assist in regulating the supply and demand imbalance.

AAFC is reporting high levels of production in Canada, with approximately 6.7 million mt of pulses (lentils, peas, chickpeas and beans) and 2.6 million mt in the U.S. Added to this are Pulse Australia estimates of 2.8 million mt of pulses in Australia, mostly chickpeas. STAT Publishing estimates production levels on the higher end of the three-year average in Turkey and India, as well as increasing acreages of pulses in Russia, Ukraine and Kazakhstan based on information from trade sources in these origins. Crop availability is not viewed as constrained, but rather it is inventories in consumption markets which are causing reduced demand for imports. Management believes the slow pace of new imports will alleviate this supply pressure in the coming two to three quarters.

While low prices negatively affect farmers in terms of revenue, they are positive for consumers where these conditions may have the result of ramping up consumption of relatively lower cost however high quality protein. Viewed together, these two conditions may have the result of rebalancing supply/demand and accelerating market normalization in the near-term.

Added to the production oversupply conditions is a need for reconciliation by North American, and particularly Western Canadian, farmers for their own price expectations with global pulse prices. Western Canadian farmers may, in some cases, have the ability to wait on selling pulses produced in 2017 until prices are more in line with their expectations, as they may not have immediate cash needs or as their expectations re-align to the world markets.

AGT operates in a high fixed cost environment of operating processing plants. Lower utilization predictably yields lower margins, as each additional percentage of utilization above 50% utilization has a high contribution to net earnings. It is management's expectation that more normalized product mix, with all pulses available in the new crop harvest, stable pricing systems and better utilization as supply-demand comes back into balance, which is expected by management in the early part of 2018 and into future periods, should lead to a gradual recovery in this segment.

Management expects volume and margin expansion to begin in Q4 2017, and the gradual recovery is expected to continue over the subsequent periods.

Food Ingredients and Packaged Foods

AGT's food ingredients and packaged foods segment includes AGT's pulse ingredient production facility located in Minot, North Dakota, producing pulse ingredient flours, starches, proteins and fibres for human food consumption as well as pet food, animal feed and aquaculture; and business units focused on pasta production, retail packaged foods production, packaging, canning and distribution in many markets for listing of AGT brands and private label business in North America, Europe, Turkey, the MENA region and Southern Africa.

Results are as follows:

Selected Results by Reporting Segment (1)(2)
(in thousands of Cdn. $ except as indicated, unaudited)

	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Sept 30, 2016	Year to Date Sept 30, 2017	Year to Date Sept 30, 2016
Revenue	**$ 73,665**	$ 101,247	$ 72,252	$ 248,371	$ 213,608
Cost of sales	**64,237**	89,205	60,671	216,546	179,382
Gross profit	**9,428**	12,042	11,581	31,825	34,226
Adjusted Gross Profit*	**11,905**	14,580	13,509	38,897	39,587
Adjusted EBITDA*	**$ 7,903**	$ 10,057	$ 9,187	$ 26,253	$ 26,707
Total mt invoiced	**73,186**	92,106	65,376	234,173	197,499
Gross profit per mt	**$ 128.82**	$ 130.74	$ 177.14	$ 135.90	$ 173.30
Adjusted Gross Profit* per mt	**162.67**	158.30	206.64	166.10	200.44
Adjusted EBITDA* per mt	**107.99**	109.19	140.53	112.11	135.23

(1) See table on page 23 for consolidated segmented results
(2) Certain estimates and assumptions were made by management in the determination of segment composition

Adjusted Gross Profit* per mt increased and Adjusted EBITDA* per mt decreased slightly for the three months ended September 30, 2017 compared to the three months ended June 30, 2017 and decreased when compared to the same quarter in the prior year. The results were overall relatively consistent with the prior quarter due to consistent margins on sales from the Minot Facility as well as on sales of pasta.

Adjusted Gross Profit* and Adjusted EBITDA* per mt decreased for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016. This is due largely to margin pressure related to high priced remaining old crop stock earlier in 2017.

AGT's food ingredient business unit in Minot, North Dakota, centered on production of pulse protein, starch, fibre and flours, continues to advance with incremental volume gains in Q3 2017 when compared to Q3 2016; however, margins decreased due to product mix in the packaged foods side of the business. Customers for AGT's pulses ingredient products continue to incorporate pulse ingredients into their products and work to increase inclusion rates in the food industry and pet food manufacturing sectors, with deflavoured product, regular milled pulse ingredient products and various other milled product offerings.

While margins have declined in the segment overall, the pace of adoption of AGT's pulse ingredients by customers that translates to sales volumes is expected to increase in 2018 as products from AGT's new production lines at AGT's Minot Facility are available for sale from a fourth production line and sales of deflavoured products have commenced.

The product development cycle for human food products is one that is long in nature. AGT has been working collaboratively with its client base to advance the development and commercialization of new uses for its food ingredient offerings. In the Q3 period, customers typically enter seasonal summer slowdown and maintenance cycles during the July and August months, resulting in adjustments to shipments from a timing perspective accounting for volumes in food ingredients, reducing by approximately 17% when comparing Q3 2017 to Q2 2017. However, when comparing Q3 2017 to Q3 2016, volumes were up 34% year over year.

Product and customer mix has had some impact on AGT's ingredient business unit, with fibre, flour and starch sales continuing to develop to complement the growing book of sales as customers in both human food and pet food markets ramp up their requirements for protein. This continues to be a focus for AGT, with success being realized with respect to increasing mt invoiced. All starches, flours and co-product streams are being sold out as produced and management is seeing a gradual stability and increase in the average price for its starch fractions, which has the long term potential to positively impact margins in the segment overall.

Additionally, food manufacturer customers have provided feedback that while they are pleased with functionality of pulse ingredients, prices for ingredients of all types, including AGT's pulse ingredients, are pressured by lower corn feed prices affecting the sales of starch and flour byproducts. Higher raw material pea prices through the end of the 2016-2017 shipping year have been largely alleviated as pea and pulse prices have materially reduced with the new crop 2017-2018 harvest allowing for both Canadian and U.S. origin peas to be available for processing.

While most focus has been put on human food applications by public markets, the pet food business should not be viewed as less valuable than human food. Pet food manufacturers and customers provide many benefits to AGT's pulse ingredient business, including higher inclusion rates, more diverse product requirements for protein and starch, more rapid time to market for new product launches over some human food manufacturers, consistent margins, and in some cases, stricter quality specifications. In this way, AGT has continued to develop new markets for its fibres, starches and flours to complement its protein sales. Pet food company contracts for the 2018 year have been progressing well, and all repeat orders have been secured. Volumes for the major consumer packaged goods (or CPG) companies are projected to increase in the coming year, with a number of new formulations expected to come online in 2018.

Currently, AGT's Minot Facility is operating at approximately 90% capacity over four production lines, with the newly commissioned fourth line ramping up commercial production filling pet food and human food sales programs, which are expected to continue to increase volumes as AGT's sales programs develop.

New crop contracts are being negotiated with large customers and demand forecasts in all segments of food ingredients are for additional volume growth in 2018, boding well for new production capacity from the fourth line that was brought online late in Q2 2017. Margins are expected to begin a gradual recovery later in this year as new crop stocks are purchased.

AGT's global packaged foods business continues to grow as market opportunities and sales and distribution efficiencies are realized and the units contribute positively to this segment. This segment includes Arbella brand pasta as well as co-packaged pasta for customers sold in many markets around the world, including Turkey and Canada. Pasta sales volumes reduced in the quarter, a normal seasonal trend, reducing approximately 8% when comparing Q3 2016 and Q3 2017 and down 37% when comparing Q3 2017 and Q2 2017. Margins were stable, with new 2017 crop durum supplies of good quality from Turkey and new crop North American durum being harvested in ideal quality. U.S. origin harvest is viewed as constrained, with North Dakota yields projected as down materially due to drought. Sales prospects for North American durum into the U.S. for pasta and semolina manufacturing are rated as strong by management for the 2017/2018 crop year. AGT will focus some effort on efficient utilization of its bulk handling infrastructure to capitalize on these opportunities.

As the pulse ingredient business ramps up, management evaluations of opportunities and investments for additional pasta production infrastructure, production of pulse-based or blended pulse ingredient/traditional wheat pasta production are ongoing. Markets for healthier and gluten free or reduced gluten pasta in North America, Asia and Europe are continuing to grow and management continues to investigate production, co-packing and sales opportunities in this important future business line.

Sales volumes and margins in Southern Africa stabilized after the 2016-17 drought effects. Seasonally, the South Africa business is weighted to the second half of the year, and management expects that to be a contributor to overall segment performance in Q4 of 2017 and into 2018.

The segment is advancing as expected by management with regard to shipments and management expects that margins will improve. The strategy aimed at further growth in the segment is expected to yield success in coming quarters as new enhanced products are available to meet customer requests and demand.

Bulk Handling and Distribution

AGT continues to offer other commodities to its global network of existing clients. These sales are reported through AGT's bulk handling and distribution segment, which is made up of products not specifically processed in AGT facilities. This includes some non-core commodity sales of AGT to aid programs, cross-selling of other commodities to pulse and staple foods business customers for distribution of raw material products to AGT's own processing infrastructure in Turkey for durum wheat. Products in the distribution business units contained in this segment include durum, sorghum, popcorn, coffee, canola, sugar and spices and a variety of seeds.

While relative margins are potentially lower in this segment when compared to AGT's other segments, they benefit from volumes shipped or handled and are expected to continue to be a positive contributor to AGT's earnings. This is because these mt do not require processing and facility infrastructure, nor significant additional capital investments, and provide utilization of assets during periods where they are not contributing to AGT's core business segments. In addition, working capital requirements for sales out of this segment are largely financed on relatively short trade finance terms, with the utilization of structured trade finance instruments and supplier credits.

Wheat margins have been very thin and other commodities have also been challenged, with rice and sugar demand following the path of all agricultural commodities, with "hand to mouth" buying across consumption markets.

Results are as follows:

Selected Results by Reporting Segment [1][2]
(in thousands of Cdn. $ except as indicated, unaudited)

	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Sept 30, 2016	Year to Date Sept 30, 2017	Year to Date Sept 30, 2016
Revenue	**$ 79,700**	$ 146,815	$ 168,489	$ 412,418	$ 433,687
Cost of sales	**72,006**	140,196	162,254	391,799	415,062
Gross profit	**7,694**	6,619	6,235	20,619	18,625
Adjusted Gross Profit*	**8,004**	6,700	6,320	21,255	18,710
Adjusted EBITDA*	**$ 1,300**	$ 2,913	$ 2,680	$ 7,391	$ 8,605
Total mt invoiced	**165,288**	179,328	228,203	598,178	578,145
Gross profit per mt	**$ 46.55**	$ 36.91	$ 27.32	$ 34.47	$ 32.22
Adjusted Gross Profit* per mt	**48.42**	37.36	27.69	35.53	32.36
Adjusted EBITDA* per mt	**7.87**	16.24	11.74	12.36	14.88

(1) See table on page 23 for consolidated segmented results
(2) Certain estimates and assumptions were made by management in the determination of segment composition

The bulk handling and distribution segment showed increased Adjusted Gross Profit* per mt and decreased Adjusted EBITDA* per mt for the three months ended September 30, 2017 compared to the three months ended June 30, 2017 and when compared to the same period in the prior year. This is due primarily to strong margins on sales out of AGT's Indian subsidiary and consistent expenses with a lower amount of mt shipped and invoiced.

Adjusted Gross Profit* per mt and Adjusted EBITDA* per mt for the nine months ended September 30, 2017 were relatively consistent when compared to the nine months ended September 30, 2016.

Corporate and Eliminations

Inter-segment shipments were 13,474 mt and 89,086 mt for the three and nine months ended September 30, 2017. These mt were sold from one AGT subsidiary to another for further manufacturing, further packaging and/or for sale to a final customer. Management continues in its efforts to increase the margin of its international business in all segments by capturing additional margins by encouraging AGT subsidiaries to work collaboratively to increase trade that utilizes the sourcing advantage of one company and the distribution advantage of another.

Consolidated Segmented Results

Selected Results by Reporting Segment [1]
(in thousands of Cdn. $ except as indicated, unaudited)

	Pulse and Grain Processing			Bulk Handling and Distribution			Food Ingredients and Packaged Foods			Corporate and Eliminations			Consolidated		
	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Sept 30, 2016	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Sept 30, 2016	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Sept 30, 2016	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Sept 30, 2016	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Sept 30, 2016
Quarterly comparisons															
Revenue	$ 204,953	$ 232,714	$ 248,460	$ 79,700	$ 146,815	$ 168,489	$ 73,665	$ 101,247	$ 72,252	$ (17,390)	$ (14,555)	$ (46,913)	$ 340,928	$ 466,221	$ 442,288
Cost of sales	199,132	219,505	224,961	72,006	140,196	162,254	64,237	89,205	60,671	(17,390)	(14,555)	(46,913)	317,985	434,351	400,973
Gross profit	5,821	13,209	23,499	7,694	6,619	6,235	9,428	12,042	11,581	-	-	-	22,943	31,870	41,315
Adjusted Gross Profit*	9,478	16,884	27,204	8,004	6,700	6,320	11,905	14,580	13,509	-	-	-	29,387	38,164	47,033
Adjusted EBITDA*	**$ 3,447**	**$ 8,895**	**$ 18,264**	**$ 1,300**	**$ 2,913**	**$ 2,680**	**$ 7,903**	**$ 10,057**	**$ 9,187**	**$ (2,519)**	**$ (2,804)**	**$ (2,735)**	**$ 10,131**	**$ 19,061**	**$ 27,396**
Total mt invoiced	216,204	263,851	254,259	165,288	179,328	228,203	73,186	92,106	65,376	(13,474)	(19,417)	(59,661)	441,204	515,868	488,177
Gross profit per mt	$ 26.92	$ 50.06	$ 92.42	$ 46.55	$ 36.91	$ 27.32	$ 128.82	$ 130.74	$ 177.14				$ 52.00	$ 61.78	$ 84.63
Adjusted Gross Profit* per mt	43.84	63.99	106.99	48.42	37.36	27.69	162.67	158.30	206.64				66.61	73.98	96.34
Adjusted EBITDA* per mt	15.94	33.71	71.83	7.87	16.24	11.74	107.99	109.19	140.53				22.96	36.95	56.12
Percentage of mt invoice	49.0%	51.1%	52.1%	37.5%	34.8%	46.7%	16.6%	17.9%	13.4%	-3.1%	-3.8%	-12.2%			
Percentage of Adjusted EBITDA*	34.0%	46.7%	66.7%	12.8%	15.3%	9.8%	78.0%	52.8%	33.5%	-24.9%	-14.8%	-10.0%			

(1) Certain estimates and assumptions were made by management in the determination of segment composition

	Pulse and Grain Processing		Bulk Handling and Distribution		Food Ingredients and Packaged Foods		Corporate and Eliminations		Consolidated	
	Year to Date Sept 30, 2017	Year to Date Sept 30, 2016	Year to Date Sept 30, 2017	Year to Date Sept 30, 2016	Year to Date Sept 30, 2017	Year to Date Sept 30, 2016	Year to Date Sept 30, 2017	Year to Date Sept 30, 2016	Year to Date Sept 30, 2017	Year to Date Sept 30, 2016
Year to date comparisons										
Revenue	$ 756,611	$ 812,342	$ 412,418	$ 433,687	$ 248,371	$ 213,608	$ (89,346)	$ (137,296)	$ 1,328,054	$ 1,322,341
Cost of sales	721,316	739,513	391,799	415,062	216,546	179,382	(89,346)	(137,296)	1,240,315	1,196,661
Gross profit	35,295	72,829	20,619	18,625	31,825	34,226	-	-	87,739	125,680
Adjusted gross profit*	46,460	83,969	21,255	18,710	38,897	39,587	-	-	106,612	142,266
Adjusted EBITDA*	**$ 23,342**	**$ 56,613**	**$ 7,391**	**$ 8,605**	**$ 26,253**	**$ 26,707**	**$ (7,679)**	**$ (7,817)**	**$ 49,307**	**$ 84,108**
Total mt invoiced	787,578	835,531	598,178	578,145	234,173	197,499	(89,086)	(164,346)	1,530,843	1,446,829
Gross profit per mt	$ 44.81	$ 87.16	$ 34.47	$ 32.22	$ 135.90	$ 173.30			$ 57.31	$ 86.87
Adjusted gross profit* per mt	58.99	100.50	35.53	32.36	166.10	200.44			69.64	98.33
Adjusted EBITDA* per mt	29.64	67.76	12.36	14.88	112.11	135.23			32.21	58.13
Percentage of mt invoice	51.4%	57.7%	39.1%	40.0%	15.3%	13.7%	-5.8%	-11.4%		
Percentage of Adjusted EBITDA*	47.3%	67.3%	15.0%	10.2%	53.2%	31.8%	-15.5%	-9.3%		

Summary of Quarterly Results (1)(3)
(in thousands of Cdn. $ except as indicated, unaudited)

	3 Months Ended Sept 30, 2017	3 Months Ended Jun 30, 2017	3 Months Ended Mar 31, 2017	3 Months Ended Dec 31, 2016	3 Months Ended Sept 30, 2016	3 Months Ended June 30, 2016	3 Months Ended Mar 31, 2016	3 Months Ended Dec 31, 2015
Revenue	$ 340,928	$ 466,221	$ 520,905	$ 650,863	$ 442,288	$ 438,660	$ 441,393	$ 578,270
Gross profit	22,943	31,870	32,926	48,104	41,315	38,411	45,954	46,419
Adjusted Gross Profit*	**29,387**	**38,164**	**39,061**	**54,106**	**47,033**	**43,678**	**51,555**	**51,458**
Adjusted EBITDA*	**10,131**	**19,061**	**20,115**	**34,706**	**27,396**	**25,322**	**31,390**	**32,938**
Adjusted net (loss) earnings*	**(1,368)**	**2,334**	**6,731**	**17,270**	**12,024**	**13,285**	**4,722**	**15,192**
Adjusted basic net (loss) earnings per share*	**(0.06)**	**0.10**	**0.28**	**0.72**	**0.50**	**0.56**	**0.20**	**0.64**
Adjusted diluted net (loss) earnings per share*	**(0.06)**	**0.10**	**0.28**	**0.72**	**0.50**	**0.55**	**0.20**	**0.64**
Net (loss) earnings per financial statements	(15,455)	(180)	(6,437)	(11,198)	7,438	(2,193)	27,006	19,238
Distributions on preferred securities	(613)	-	-	-	-	-	-	-
Net (loss) earnings for earnings per share calculation	(16,068)	(180)	(6,437)	(11,198)	7,438	(2,193)	27,006	19,238
Basic net (loss) earnings per share	(0.66)	(0.01)	(0.27)	(0.47)	0.31	(0.09)	1.13	0.82
Diluted net (loss) earnings per share	(0.66)	(0.01)	(0.27)	(0.46)	0.31	(0.09)	1.12	0.81
Pulse and grain processing mt invoiced (2)	216,204	263,851	307,523	477,850	254,259	247,891	333,381	483,596
Bulk handling and distribution mt invoiced (2)	165,288	179,328	253,562	257,104	228,203	177,992	171,950	154,476
Food ingredients and packaged foods mt invoiced (2)	73,186	92,106	68,881	58,537	65,376	70,774	61,349	60,781
Inter-company mt	(13,474)	(19,417)	(56,195)	(48,536)	(59,661)	(39,016)	(65,669)	(76,291)
Total mt invoiced	441,204	515,868	573,771	744,955	488,177	457,641	501,011	622,562
Gross profit per mt	$ 52.00	$ 61.78	$ 57.39	$ 64.57	$ 84.63	$ 83.93	$ 91.72	$ 74.56
Adjusted Gross Profit* per mt	66.61	73.98	68.08	72.63	96.34	95.44	102.90	82.66
Adjusted EBITDA* per mt	22.96	36.95	35.06	46.59	56.12	55.33	62.65	52.91

Notes:

(1) Calculated from the unaudited condensed consolidated interim financial statements for the quarters ended September 30, 2017, June 30, 2017, March 31, 2017, September 30, 2016, June 30, 2016 and March 31, 2016, and the audited annual financial statements for the year ended December 31, 2016 and 2015.

(2) For a breakdown on segmented information, see the table entitled "Consolidated Segmented Results".

(3) Key things to note:

- AGT's financial results are strongly influenced by the performance of the pulse and grain processing segment which accounted for 60.1% of consolidated revenue in Q3 of 2017 and 57.0% of consolidated revenue year to date Q3 2017.
- The timing of customer shipments, which tend to vary from quarter to quarter, drives revenue in the segments; meaning quarterly results are not necessarily a good indication of annual results due to seasonal variability.
- Net earnings do not trend directly with revenue due to foreign exchange volatility and transactions that occur from time to time. AGT uses Adjusted Net Earnings*, a non-IFRS measure, as a more meaningful way to compare results from period to period.

Discussion of Quarterly and Year to Date Results

(in Thousands of Cdn. $ except as indicated, unaudited)

Revenue, Gross Profit and Adjusted Gross Profit*

	3 Months Ended Sept 30			9 Months Ended Sept 30		
	2017	2016	Change	2017	2016	Change
Revenue	340,928	442,288	(101,360)	1,328,054	1,322,341	5,713
Less: cost of sales	317,985	400,973	(82,988)	1,240,315	1,196,661	43,654
Gross profit	22,943	41,315	(18,372)	87,739	125,680	(37,941)
Add back: depreciation in cost of sales	6,444	5,718	726	18,873	16,586	2,287
Adjusted Gross Profit*	29,387	47,033	(17,646)	106,612	142,266	(35,654)
Gross profit percentage	6.7%	9.3%	-2.6%	6.6%	9.5%	-2.9%
Adjusted Gross Profit* percentage	8.6%	10.6%	-2.0%	8.0%	10.8%	-2.8%

Gross profit and Adjusted Gross Profit* decreased in absolute dollars and percentage when comparing the three months and nine months ended September 30, 2017 to the same period in the prior year. This is due to constrained demand globally, affecting the pulse and grain processing which was partially offset by contributions from the bulk handling and distribution and the food ingredients and packaged foods segments.

Adjusted EBITDA*

	3 Months Ended Sept 30			9 Months Ended Sept 30		
	2017	2016	Change	2017	2016	Change
Adjusted EBITDA*	10,131	27,396	(17,265)	49,307	84,108	(34,801)
Adjusted EBITDA* percentage of revenue	2.97%	6.19%	-3.22%	3.71%	6.36%	-2.65%

Adjusted EBITDA* as a percentage of revenue for the three and nine months ended September 30, 2017 decreased when compared to the same periods in the prior year. This is due to continued margin compression on sales and low utilization of processing plant infrastructure that carry high fixed costs.

Expenses

	3 Months Ended Sept 30			9 Months Ended Sept 30		
	2017	2016	Change	2017	2016	Change
General and administrative and marketing, sales and distribution expenses	23,437	21,046	2,391	68,896	65,451	3,445
Finance expense	7,802	7,955	(153)	24,934	23,305	1,629
Depreciation and amortization	7,474	6,917	557	23,153	19,870	3,283
(Recovery of) provision for income taxes	(3,777)	500	(4,277)	(6,477)	10,902	(17,379)
Unrealized foreign exchange loss (gain)	10,936	4,376	6,560	22,458	(6,229)	28,687

General and administrative and marketing, sales and distribution expenses for the three and nine months ended September 30, 2017 increased over the same periods in the prior year. This is largely due to certain marketing and promotional campaign activities aimed at product development, marketing and channel development for pasta. In addition, depreciation included in general and administration expense increased by approximately $1 million.

Finance expenses for the three and nine months ended September 30, 2017 include amortization of the high yield bond discounts and fees, which increased when compared to the prior year due to an overlap in Q1 when both the $125 million notes and the $200 million notes were outstanding. Trade finance instruments are utilized to improve the cash collection cycle and fees increased due to utilization. This was offset by lower interest on bank indebtedness. In addition, the prior year included a gain on the fair value adjustment, resulting in consistent to lower finance expense for the three and nine months ended September 30, 2016 compared to the current year.

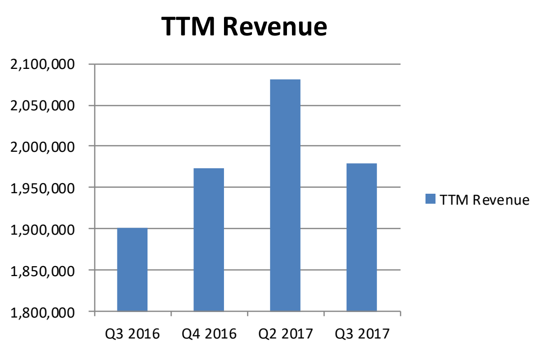
Depreciation expenses for the three months ended September 30, 2017 were relatively consistent compared to the same period in the prior year but increased when comparing the nine months ended September 30, 2017 to the same period in the prior year due to additional assets being put into use in Canada, the U.S. and Turkey.

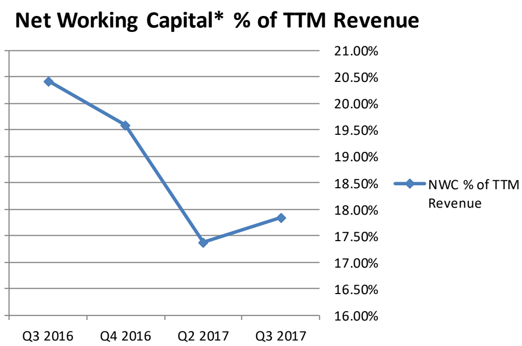
The income tax expense is calculated for each subsidiary at the individual rate for that country and therefore can fluctuate depending on the earnings reported for each tax jurisdiction.

AGT estimates an average tax rate in the range of 25% to 26%, depending on which jurisdiction has earnings or losses, and the tax treatment of various revenues or expenses.

Non-cash foreign exchange results from changes in foreign exchange rates associated with certain foreign denominated loans, receivables, payables and derivative contracts and includes the cross currency swap related to the high yield debt offering. Adjustments to foreign exchange on foreign investments are recorded in other comprehensive (loss) income on AGT's Unaudited Consolidated Statements of Comprehensive (Loss) Income and are recorded in accumulated other comprehensive (loss) income on AGT's Unaudited Consolidated Statements of Financial Position.

Trailing Twelve Month ("**TTM**") Revenue and Net Working Capital as a percentage of TTM Revenue:





Net Working Capital* is defined as trade accounts receivable, inventory, prepaid and other less accounts payable, accrued liabilities and deferred revenue. Net working capital was $353.0 million at September 30, 2017, a decrease from $361.4 million at June 30, 2017 and a decrease from $388.3 million at September 30, 2016 (see table on page 34). Net working capital as a percentage of TTM revenue has decreased from 20.43% at September 30, 2016, and increased slightly from 17.37% at June 30, 2017 to 17.84% at September 30, 2017.

AGT management monitors this metric and has set a target Net Working Capital* percentage of TTM revenue of 17% to 18%. This will remain a focus.

Net Debt* is comprised of bank indebtedness, long term debt and current portion of long term debt, less cash and totaled $386.3 million at September 30, 2017, a decrease from $543.7 million at June 30, 2017 (see table on page 33). The decrease is due to the addition of preferred securities during Q3 2017, and resulting reduction in debt offset by capital expenditures.

Current assets (excluding derivative assets) were $578.9 million at September 30, 2017 compared to $750.8 million at December 31, 2016. The current asset base is largely accounts receivable and inventory, in addition to deposits related to inventory purchases. It is important to note that accounts receivables are largely insured by Export Development Canada ("**EDC**") or other credit risk mitigation strategies, such as letters of credit, significantly reducing the risks associated with accounts receivable collection, since buyer risk is being replaced by Government of Canada risk through the export insurance.

Trade accounts receivable decreased to $147.7 million at September 30, 2017, compared to $203.3 million at June 30, 2017 and when compared to $219.3 million at September 30, 2016 (see table on page 34). The decrease from June 30, 2017 and from September 30, 2016 is due largely to collections in Canada and Turkey, in addition to decreased mt sold in the pulse and grain processing segment.

Inventory increased to $313.8 million at September 30, 2017, compared to $282.7 million at June 30, 2017 and decreased when compared to $333.1 million at September 30, 2016 (see table on page 34). During the quarter, inventory in Canada and Turkey increased due to the timing of the Canadian harvest and subsequent shipments to AGT's Turkish operations. Inventory at September 30, 2017 decreased when compared to the same period in the prior year due largely to lower commodity prices.

Working capital management in the areas of accounts receivable and inventory continue to be a focus of AGT management. While the inventory value is $313.8 million at September 30, 2017, this value represents a number of different commodities globally. Much of this inventory is also earmarked for sales contracts and will remain as inventory until substantial risks transfer from seller to buyer under AGT's revenue recognition policy. AGT management continues the practice of examining stock levels at each of its foreign operations to achieve an optimization of inventory levels. In addition, inventory management practices include book to physical inventory reconciliations monthly to ensure accurate recording of inventory values.

The majority of AGT sales are insured through EDC providing coverage on receivables in the event of customer default on payment. In addition, ownership of the original documents for the cargo in transit remains with AGT in most cases, due to the terms of sale. If a customer defaults on the contract, AGT can choose to resell the cargo to another customer or divert the cargo to another market. With extensive market reach and facilities or warehouses in key consumption markets, AGT has numerous options available to minimize or mitigate risk and exposure in these areas. AGT also has the option to make a claim to EDC to cover up to 90% of the receivable in question. AGT has extended its EDC coverage to all foreign operations, excluding China, to ensure that additional financial risks are largely mitigated in the current macro-economic environment.

Working capital and short-term debt are typically used by AGT to finance its export program and customer orders due to the long transit times. In addition, costs associated with the goods, such as processing costs, payments to the farmer from whom raw materials were purchased and freight costs, must be paid prior to receiving payment for sale. Customer purchases are typically backed by irrevocable letters of credit or cash against document terms and therefore payment risk is mitigated. The EDC policy remains in place to ensure that a catastrophic loss in any particular region will not hinder payment. Management has implemented steps to monitor accounts receivable aging and inventory turns at each facility. Metrics are calculated for each facility and correlate to facility compensation.

In addition, much of the bank financing availability is determined based on a borrowing base calculation and therefore this financing is backed by the inventory and accounts receivable.

AGT management will continue in its efforts to optimize capital utilization and debt levels to ensure a predictable return on deployed capital for shareholders.

Dividends - AGT paid a dividend in October 2017 of $3.6 million ($0.15 per share) in the aggregate to its shareholders of record on September 29, 2017.

It is currently anticipated that, going forward, AGT will continue to pay a quarterly dividend, the amount of which will be determined by AGT's Board of Directors. AGT's dividend policy will be subject to the discretion of the Board of Directors and may vary depending on, among other things, AGT's earnings, financial requirements, the satisfaction of solvency tests imposed by the *Business Corporations Act* (Ontario) for the declaration of dividends and other relevant factors. AGT and its predecessors have declared and paid the quarterly dividend each quarter since its inception in 2005. Management does not anticipate a reduction of the current dividend in the coming periods.

AGT's financial statements are presented in Canadian dollars, but AGT's operating subsidiaries earn revenues and incur expenses in several currencies, including U.S. dollars ("**USD**"), Turkish lira ("**TL**"), Australian dollars ("**AUD**"), Pounds Sterling ("**GBP**"), Euros ("**EUR**"), South African rand ("**ZAR**"), Renminbi of the People's Republic of China ("**RMB**") and the Indian Rupee ("**INR**").

Balance sheet accounts of subsidiaries are valued at September 30, 2017 and December 31, 2016 foreign exchange rates as follows [Source: BOC - 2016 and X-Rates - 2017]:

	Sept 30, 2017	**Dec 31, 2016**
USD/CDN	1.24680	1.34270
AUD/CDN	0.97680	0.97070
TL/CDN	0.34965	0.38150
GBP/CDN	1.67029	1.65640
EUR/CDN	1.47309	1.41690
ZAR/CDN	0.09190	0.09800
RMB/CDN	0.18735	0.19300
INR/CDN	0.01910	0.01980

For each subsidiary, any difference between the September 30, 2017 exchange rate and the average exchange rate used to record revenues and expenses is recorded as other comprehensive income (loss) on AGT's Consolidated Statements of Comprehensive (Loss) Income and Consolidated Statement of Changes in Equity.

Liquidity and Capital Resources

Liquidity risk is the risk that AGT cannot meet a demand for cash or fund its obligations as they become due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price.

AGT has been able to generate sufficient cash from its operations and through access to equity, operating lines and other facilities to maintain its operations and development activities and pay its declared dividends. AGT's ability to generate sufficient cash resources from its operations will depend, among other things, on future harvests of and demand for pulses and special crops. Please see "Dividends" and "Business Outlook" above for a discussion of these factors. Further information relating to the risks and uncertainties to which AGT and its subsidiaries are subject to is summarized in AGT's most recent AIF, which is available, together with additional information relating to AGT, on SEDAR at www.sedar.com and on AGT's website at www.agtfoods.com.

AGT's working capital requirements fluctuate from quarter to quarter as the supply of pulses and special crops fluctuates, since payments to suppliers form the largest item of the working capital requirements. AGT's working capital requirements are met from its earnings, with its credit facility providing bridge financing until payments for sales are received.

At September 30, 2017, AGT had total operating lines available of $255.1 million (December 31, 2016 - $256.0 million). Included in these facilities is a syndicated debt facility in APP of $211.5 million (December 31, 2016 - $211.5 million) secured by a general security agreement and security interests against real property owned by AGT and certain of its subsidiaries, maturing in January 2019. At September 30, 2017, $22.7 million of the facilities was utilized, leaving $232.4 million unutilized. The weighted average interest rate on available operating lines at September 30, 2017 is 3.6% (December 31, 2016 - 3.3%).

The Canadian credit facilities have floating interest rates and management regularly monitors interest rates to make adjustments to its fixed versus floating interest rate management program. AGT also uses short term banker's acceptances or similar instruments from time to time to mitigate a portion of its floating interest rate risk in its operating credit facilities. As a result of the low interest rates prevailing in Canada in recent years, management has decided to leave its Canadian credit facilities largely at floating interest rates.

The Alliance Pulse Processors Inc. group of companies ("**APP**" group), includes the operations of APP, AGT Foods USA, Australia Milling Group, AGT CLIC, Mobil and Poortmans.

The terms of the credit facility ("**APP Credit Facility**") include customary conditions, events of default, covenants and representations and warranties. The credit facilities are guaranteed by AGT and a select number of its direct and indirect wholly-owned subsidiaries.

At September 30, 2017, AGT is in compliance with its financial covenants under all credit agreements.

On December 21, 2016, AGT finalized a transaction to issue senior unsecured notes in the amount of $200.0 million. These notes bear interest at 5.875% per annum and mature on December 21, 2021. The proceeds after deducting expenses were $194.9 million. Optional early redemption features of the notes are:

i) Prior to December 21, 2018, a 5.875% premium upon equity offering in respect of partial redemptions up to 35% of the aggregate principal amount then outstanding
ii) Prior to December 21, 2018, all other redemptions on a "make whole" basis
iii) On or after December 21, 2018, a 4.4% premium
iv) On or after December 21, 2019, a 2.2% premium
v) No premium on or after December 21, 2020

On February 14, 2013, AGT issued senior secured second lien notes in the amounts of $125.0 million. These notes bear interest at 9% per annum and mature on February 14, 2018.

On December 21, 2016, AGT issued a notice of redemption for the outstanding senior secured second lien notes in the amount of $125.0 million. The redemption date was February 14, 2017 and the notes were redeemed at par value.

On February 14, 2017, the syndicated debt facilities expiration date was extended out to January 2019.

On February 16, 2017, AGT entered into a cross currency swap agreement as part of the management of its $200 million senior unsecured notes which are disclosed in note 8 of AGT's December 31, 2016 annual audited consolidated financial statements. The agreement is effective December 21, 2016 to December 21, 2021 with semi-annual payments commencing on June 21, 2017 and concluding December 21, 2021.

On July 11, 2017, AGT acquired a minority interest in CanEst Transit Inc., a terminal in the Port of Montreal. The activities of CanEst include storing and filling containers as well as handling and transporting bulk products. The purchase was executed through AGT's wholly owned subsidiary, AGT Terminal East Inc ("**AGTTE**"). AGTTE's minority equity interest may be increased pursuant to an earn-up, based on delivered volumes under a terminal agreement, which expires on August 31, 2033. The terminal agreement includes an option to extend by both parties for an additional 5 years. The aggregate consideration in terms of both an equity investment and shareholder loan was $1.925 million.

On August 31, 2017, AGT issued $190 million of 5.375% securities ("**Preferred Securities**") to Fairfax for cash. The Preferred Securities are unsecured obligations, maturing August 31, 2116 and guaranteed by certain of AGT's subsidiaries. The $190 million principal amount is to be repaid in cash on maturity.

Concurrently, AGT issued 5,714,286 common share purchase warrants (the "**Warrants**"), each exercisable into one common share of AGT and exercisable at $33.25 per share. Each Warrant will be exercisable within 7 years. AGT may also elect to require early exercise of the Warrants if the five-day volume weighted-average closing price of its common shares reaches $53.20 at any time after the fifth anniversary of the closing.

The transaction is being assessed to determine whether there are any taxable temporary differences required to be recognized on the Unaudited Consolidated Statements of Financial Position.

Capital Management

AGT manages its capital to ensure financial flexibility and to increase shareholder value through a combination of acquisitions and organic growth. This allows AGT to respond to changes in economic and/or marketplace conditions. AGT also strives to maintain an optimal capital structure to reduce the overall cost of capital. In the management of capital, AGT includes bank indebtedness net of cash, long term debt and shareholders' equity. It may be difficult to accurately predict market requirements for attracting capital. There were no changes in AGT's approach to capital management during the year.

AGT includes Net Debt* and shareholders' equity as components of its capital structure. The calculation of shareholders' equity, Net Debt* and capital is set out in the following table:

Net Debt and Capital

(in thousands of Cdn. $)		**Sept 30, 2017 (unaudited)**		**Jun 30, 2017 (unaudited)**		**Dec 31, 2016**
Long term debt	$	365,961	$	460,864	$	410,776
Bank indebtedness and current portion of long term debt		38,792		100,675		156,939
Cash		(18,498)		(17,866)		(29,025)
Net Debt*	**$**	**386,255**	**$**	**543,673**	**$**	**538,690**
Shareholders' equity		438,952		287,749		302,622
Capital	**$**	**825,207**	**$**	**831,422**	**$**	**841,312**
TTM Adjusted EBITDA*		84,013		101,278		118,814
Net Debt* to TTM Adjusted EBITDA*		4.60		5.37		4.53

Selected asset and liability information

(in thousands of Cdn. $)	Sept 30, 2017 (unaudited)	Jun 30, 2017 (unaudited)	Dec 31, 2016	Sept 30, 2016 (unaudited)
Cash	$ 18,498	$ 17,866	$ 29,025	$ 21,507
Trade accounts receivable	147,724	203,308	279,782	219,268
Inventory[1]	313,849	282,678	323,320	333,109
Prepaid expenses and other[1]	96,402	106,022	113,631	124,534
Bank indebtedness and current portion of long term debt	38,792	100,675	156,939	146,094
Accounts payable, accrued liabilities and deferred revenue	204,981	230,653	330,134	288,595
Long-term debt	365,961	460,864	410,776	366,196
Net Working Capital* calculation				
Trade accounts receivable	147,724	203,308	279,782	219,268
Inventory[1]	313,849	282,678	323,320	333,109
Prepaid expenses and other[1]	96,402	106,022	113,631	124,534
Less: Accounts payable, accrued liabilities and deferred revenue	204,981	230,653	330,134	288,595
Net Working Capital*	352,994	361,355	386,599	388,316
TTM revenue	1,978,917	2,080,277	1,973,204	1,900,611
Net Working Capital* as a percentage TTM Revenue	17.84%	17.37%	19.59%	20.43%

[1]AGT reclassified $80.5 million from inventory to prepaid expense and other for September 30, 2016.

Consolidated capitalization information

Consolidated capitalization information of AGT includes information on the operations of the APP group as well as information on AGT and other entities, and is set out in the following table:

Capital Structure
(in thousands of Cdn. $)

	Sept 30, 2017	Dec 31, 2016	Financial Statement Caption
APP Group			
Senior secured APP bank facility	$ 4,153	$ -	bank indebtedness
Senior secured APP bank facility	134,377	180,833	long term debt
Poortman facility	9,862	9,303	bank indebtedness
AGT CLIC mortgage on building and other	7,414	8,029	long term debt
Mobil mortgage and debt	27,865	24,349	long term debt
Other	1,594	2,051	long term debt
	$ 185,265	$ 224,565	
Arbel/Other Entities (excluding AGT)			
Senior secured Advance Seed facility	$ 8,715	$ 10,417	bank indebtedness
Other	121	162	long term debt
	$ 8,836	$ 10,579	
AGT			
Note payable related to Mobil purchase	$ 14,490	$ 14,230	long term debt
Notes outstanding	195,568	$ 318,341	long term debt
Other	594	-	long term debt
	$ 210,652	$ 332,571	
Total debt	$ 404,753	$ 567,715	
September 30, 2017 financial statements			
Bank indebtedness	$ 22,730	$ 19,720	
Long term debt, including current portion	382,023	547,995	
	$ 404,753	$ 567,715	

Cash flow summary (unaudited for the three month period ended)
(in thousands of Cdn. $)

Cash flow from (used in)	3 months ended Sept 30, 2017	3 months ended June 30, 2017	3 months ended Sept 30, 2016	Difference Sept 30, 2017 to Sept 30, 2016
Operating activities	$ (7,118)	$ 39,054	$ 8,733	$ (15,851)
Financing activities	26,740	(23,509)	2,201	24,539
Investing activities	(16,003)	(10,943)	(14,573)	(1,430)
Effect of exchange rate changes on cash	(2,988)	(5,844)	653	(3,641)
Change in cash	$ 631	$ (1,242)	$ (2,986)	$ 3,617

	3 months ended Sept 30, 2017	3 months ended June 30, 2017	3 months ended Sept 30, 2016	Difference Sept 30, 2017 to Sept 30, 2016
Non-cash working capital	$ (15,098)	$ 36,494	$ (7,201)	$ (7,897)

Cash flow from (used in)	9 months ended Sept 30, 2017	9 months ended Sept 30, 2016	Difference
Operating activities	$ 26,444	$ 53,331	$ (26,887)
Financing activities	14,831	4,702	10,129
Investing activities	(41,053)	(57,033)	15,980
Effect of exchange rate changes on cash	(10,750)	(1,799)	(8,951)
Change in cash	$ (10,528)	$ (799)	$ (9,729)

	9 months ended Sept 30, 2017	9 months ended Sept 30, 2016	Difference
Non-cash working capital	$ 8,762	$ (90)	$ 8,852

Cash flow used in operating activities for the three months ended September 30, 2017 was $7.1 million compared to cash flow from operating activities of $39.1 million for the three months ended June 30, 2017 and compared to cash flow from operations of $8.7 million for the three months ended September 30, 2016. The change when comparing the three months ended September 30, 2017 and to the three months ended June 30, 2017 is due to a decrease in non-cash working capital.

Cash flow from operating activities was $26.4 million for the nine months ended September 30, 2017 compared to $53.3 million for the same period in the prior year. This is due largely to lower earnings in the current year partially offset by an increase in non-cash working capital.

Cash flow from financing activities for the three months ended September 30, 2017 was an increase of $26.7 million compared to a decrease of $23.5 million for the three months ended June 30, 2017 and compared to an increase of $2.2 million for the three months ended September 30, 2016. The cash from financing activities is due to the issuance of preferred securities, offset by a reduction in long term debt.

Cash from financing activities was $14.8 million for the nine months ended September 30, 2017 compared to cash from financing activities of $4.7 million for the nine months ended September 30, 2016. This is due to the issuance of preferred securities.

Cash flow used in investing activities was $16.0 million for the three months ended September 30, 2017 compared to cash used of $10.9 million in the three months ended June 30, 2017 and compared to cash used of $14.6 million for the three months ended September 30, 2016. This is due largely to the purchase of railcars that were formerly leased, in addition to continued construction of the rail consolidation project in Saskatchewan.

Cash flow used in investing activities was $41.1 million for the nine months ended September 30, 2017 compared to cash used of $57.0 million for the nine months ended September 30, 2016. This is due to projects at the Minot facility as well as the cogeneration project in Turkey being close to finalization.

Cash Flow Information – Non-Cash Working Capital

Non-cash working capital decreased by $15.1 million for the three months ended September 30, 2017 compared to an increase of $36.5 million for the three months ended June 30, 2017 and compared to a decrease of $7.2 million for the three months ended September 30, 2016. The change when comparing the three months ended September 30, 2017 to the three months ended June 30, 2017 is due largely to the impacts of North American harvest.

Non-cash working capital increased by $8.8 million for the nine months ending September 30, 2017 compared to a decrease of $0.1 million for the nine months ended September 30, 2016. This is due mainly to lower accounts payable in Canada compared to the prior year, resulting from lower commodity prices as well as decreased volumes in the third quarter of 2017, compared to the prior year.

Accounts Payable, accrued liabilities and deferred revenue

Accounts payable, accrued liabilities and deferred revenue decreased from $330.1 million at December 31, 2016 and decreased from $230.7 million at June 30, 2017 to $205.0 million at September 30, 2017. This is due largely to lower product receipts and the timing of receipts and inventory in North America and Australia.

Leases

AGT classifies leases as either finance or operating. Leases that transfer substantially all of the benefits and risk of ownership to AGT are accounted for as finance leases. Assets under finance leases are depreciated on a straight-line basis over the term of the lease unless the terms contain a bargain purchase option in which case the asset is amortized over the asset's estimated economic life on a straight-line basis. Rental payments under operating leases are expensed as incurred.

Transactions with other related parties

AGT has defined key management personnel as senior executive officers, as well as the Board of Directors, as they have the collective authority and responsibility for planning, directing and controlling the activities of AGT. The following table outlines the total compensation expense for key management personnel:

	Sept 30, 2017	Sept 30, 2016
Short term benefits (wage, bonus, vacation paid out, directors fees)	$ 3,250	$ 3,157
Post employment benefits (RRSP)	98	98
Share based compensation	761	2,432
	$ 4,109	$ 5,687

	Sept 30, 2017	December 31, 2016
Accounts receivable	$ 3,145	$ 227
Accounts payable	1,005	1,359

The accounts receivable in table above relates to employee amounts owing related to the exercise of options.
The accounts payable in the table above relates to deferred compensation.

Certain key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The transactions were conducted in the normal course of business and were accounted for at the exchange amount.

Transactions with key management and corporations significantly influenced or controlled by AGT directors or key management

	Sept 30, 2017	December 31, 2016
Accounts receivable	$ 5	$ 39
Accounts payable	25	-

	Sept 30, 2017	Sept 30, 2016
Purchases	$ 435	$ 98

Transactions with other related parties

	Sept 30, 2017	December 31, 2016
Accounts payable	$ 15	$ 467

	Sept 30, 2017	Sept 30, 2016
Purchases	$ 1,257	$ 500

Off Balance Sheet Arrangements and Derivative Instruments

The nature of AGT's off balance sheet arrangements and derivative instruments are disclosed in note 10 of AGT's December 31, 2016 annual audited consolidated financial statements. AGT has no other off balance sheet arrangements.

Critical Accounting Estimates

The preparation of the consolidated financial statements in conformity with IFRS requires AGT management to make judgments, estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity or where assumptions and estimates are significant to the consolidated financial statements are as follows:

Impairment of long-lived and intangible assets

In assessing the recoverability of long-lived and intangible assets, judgment is required in the determination of the appropriate grouping of assets that generate cash inflows or cash generating units ("**CGU's**"). The determination of CGU's is based on management's assessment of independence of revenue earned, operating asset utilization, shared infrastructure, geographic proximity and similarity of risk exposures. AGT also uses significant judgment in evaluating if a triggering event occurs which would warrant an evaluation of impairment of long-lived and intangible assets based on the identified CGU's.

Recoverability is determined through assumptions and estimates regarding future cash flows, sustaining capital requirements, discount rates, and asset lives. A material change in assumptions may impact the potential recoverability of these assets, resulting in amounts charged against current earnings.

Income Taxes

AGT operates in a number of tax jurisdictions and is required to estimate its income taxes in each of these jurisdictions in preparing its financial statements. Significant judgment is required related to the classification of transactions and assessment of probable outcomes as well as timing of future results. Significant estimates are required in determining income tax provisions and the recoverability of deferred income tax assets. In calculating income taxes, consideration is given to items such as tax rates in each jurisdiction, deductibility of expenses, changing tax laws and management's expectations about future results. AGT estimates deferred income taxes based on temporary differences, income and losses for financial reporting purposes and income and losses determined under the substantively enacted tax laws and rates. The tax effect of these temporary differences is recorded as a deferred tax assets or liabilities in the financial statements. If these estimates prove to be inaccurate, future earnings may be materially impacted.

Derecognition of accounts receivable

Significant judgment is applied when determining whether financial instruments qualify for derecognition and whether substantially all of the risks, as well as the rights, control and ownership of the accounts receivable and their cash flows were transferred to a third party. AGT has removed the related accounts receivable from the statement of financial position and recognizes any costs in finance expense.

Fair value of derivative instruments

The fair value of derivative instruments is estimated using inputs, including foreign exchange rates and interest rates (Level 2), as described in note 10 of AGT's December 31, 2016 annual audited consolidated financial statements. These inputs are subject to change on a regular basis based on the interplay of various market forces. Consequently, the fair value of AGT's derivative instruments is subject to change each reporting period.

Functional Currency

The identification of functional currency for each of the legal entities involves significant judgment. AGT has assessed the factors in determining the appropriate functional currency and summarized the results in note 3(c) of AGT's December 31, 2016 annual audited consolidated financial statements.

Business Combinations

The purchase price related to a business combination or asset acquisition is allocated to the underlying acquired assets and liabilities based on their estimated fair values at the time of acquisition. The determination of fair value requires AGT to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amounts assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts AGT's reported assets and liabilities and future net earnings due to the impact on future depreciation and amortization expense and impairment tests.

Significant Accounting Policies

Financial Instruments:

Non-derivative financial assets

AGT initially recognizes loans and receivables and deposits on the date that they are originated at fair value and subsequently measured at amortized cost. All other financial assets are recognized initially on the trade date at which AGT becomes a party to the contractual provisions of the instrument.

AGT derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interests in transferred financial assets that are created or retained by AGT are recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, AGT has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Financial assets at fair value through profit and loss

A financial asset is classified at fair value through profit and loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit and loss if AGT manages such investments and makes purchase and sale decisions based on their fair value in accordance with AGT's documented risk management or investment strategy. Upon initial recognition relevant transaction costs are recognized in net earnings as incurred. Financial assets at fair value through profit and loss are measured at fair value, and changes therein are recognized in net earnings.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Non-derivative financial liabilities

AGT initially recognizes short term debt securities on the date that they are originated at fair value and expenses related transaction costs. Debt associated with long term agreements is initially recognized at fair value less any directly attributable transaction costs. All other financial liabilities (including liabilities designated at fair value through profit and loss) are recognized initially on the trade date at which AGT becomes a party to the contractual provisions of the instrument. AGT derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Subsequent to initial recognition, liabilities are categorized as fair value through profit and loss or other liabilities measured at amortized cost using the effective interest method. Refer to note 10 of AGT's December 31, 2016 annual audited consolidated financial statements for current year presentation of financial liabilities by category.

Derivative financial instruments

AGT holds derivative financial instruments to mitigate its foreign currency risk exposures. Embedded derivatives are separated from the host contracts and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through net earnings.

Derivatives are recognized initially at fair value with attributable transaction costs recognized in net earnings as incurred. AGT has not elected to follow hedge accounting and subsequent to initial recognition, derivatives are measured at fair value, and changes in fair value are recognized immediately in net earnings.

Disclosure Controls and Procedures

Disclosure Controls and Procedures ("**Disclosure Controls**") are designed to provide reasonable assurance that all relevant information required to be disclosed in documents filed with securities regulatory authorities is recorded, processed, summarized and reported on a timely basis, and is accumulated and communicated to AGT management, including the Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**"), as appropriate, to allow timely decisions regarding required disclosure. Management, including the CEO and the CFO, do not expect that AGT's Disclosure Controls will prevent or detect all error and all fraud. The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, within the Company have been detected.

National Instrument 52-109 "*Certification of Disclosure in Issuers' Annual and Interim Filings*" ("**National Instrument 52-109**"), issued by the Canadian Securities Administrators ("**CSA**"), requires CEOs and CFOs to certify that they are responsible for establishing and maintaining Disclosure Controls for the issuer, that Disclosure Controls have been designed to provide reasonable assurance that material information relating to the issuer is made known to them, that they have evaluated the effectiveness of the issuer's Disclosure Controls, and that their conclusions about the effectiveness of those Disclosure Controls at the end of the period covered by the relevant annual filings have been disclosed by the issuer. AGT's CEO and the CFO evaluated the design and operating effectiveness of AGT's Disclosure Controls as at September 30, 2017 and concluded that AGT's Disclosure Controls were effective.

Internal Controls over Financial Reporting

National Instrument 52-109 also requires the CEO and CFO to certify that they are responsible for establishing and maintaining internal controls over financial reporting ("**ICFR**"), as defined by the CSA, that the ICFR have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS, and that AGT has disclosed any changes in its ICFR during its most recent period that have materially affected, or are reasonably likely to materially affect, its financial reporting.

As discussed above, the inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any, have been detected. Therefore, no matter how well-designed, ICFR have inherent limitations and can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

Management, under the supervision of the CEO and the CFO, has evaluated the ICFR using the framework and criteria established in the 2013 Internal Controls – Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("**COSO**"). Management, including the CEO and CFO, evaluated the design and operating effectiveness of AGT's ICFR. Based on this evaluation, the CEO and the CFO have concluded that as at September 30, 2017, ICFR (as defined in NI 52-109) were designed effectively.

There were no changes in our ICFR during the three month period ended September 30, 2017 that have materially affected, or are reasonably likely to affect our ICFR.

New Standards and Interpretations

The International Accounting Standards Board ("**IASB**") and International Financial Reporting Interpretations Committee ("**IFRIC**") have issued the following standards and amendments that have not been applied in preparing these consolidated financial statements, as their effective dates fall in annual periods beginning subsequent to the current reporting period.

Proposed Standard	Description	Previous Standard	Effective Date
IFRS 15 Revenue from Contracts with Customers	The new standard creates a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. This standard may change how much and when revenue can be recognized.	IAS 18 Revenue, IFRIC 18 Transfer of Assets from Customers	Fiscal years beginning on or after January 1, 2018, applied retrospectively
IFRS 9 Financial Instruments	The new standard is a single financial instrument accounting standard addressing classification and measurement, impairment and hedge accounting.	IAS 39; IAS 32; IFRS 7 - Financial Instruments: Recognition and Measurement; Presentation; Disclosure	Fiscal years beginning on or after January 1, 2018, applied retrospectively with certain exceptions
IFRS 2 Share-based Payment Amendment	The amendment clarifies how to account for and measure certain types of share-based payment transactions.	IFRS 2 Share-based Payment	Fiscal years beginning on or after January 1, 2018, applied prospectively
IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration	The interpretation clarifies which date should be used for translation when a foreign currency transaction involves an advance payment or receipt.	IAS 21 The Effects of Changes in Foreign Exchange Rates	Fiscal years beginning on or after January 1, 2018, applied retrospectively or prospectively
IFRS 16 Leases	The new standard requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors.	IAS 17 Leases	Fiscal years beginning on or after January 1, 2019, applied retrospectively
IFRIC Interpretation 23 Uncertainty over Income Tax Treatments	The interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments.	IAS 12 Income Taxes	Fiscal years beginning on or after January 1, 2019, applied prospectively

Management is assessing the potential impact of standards, amendments and interpretations effective in future years for impacts on both quantitative and qualitative disclosure. AGT expects to adopt these standards on their respective effective dates.

Outstanding Share Data

As at the date hereof, there are issued and outstanding 24,236,536 common shares and 5,714,286 warrants of AGT.

Risks and Uncertainties

Information relating to the risks and uncertainties to which AGT and its subsidiaries are subject is summarized in AGT's most recent AIF, which is available, together with additional information relating to AGT, on SEDAR at www.sedar.com and on AGT's website at www.agtfoods.com. Potential risks and uncertainties include operating requirements, volume, transportation and transloading, distribution and supply contracts, customer retention and competitive environment, foreign operations, integration of acquisitions, realization of benefits from acquisitions, acquisition and expansion, reliance on key personnel, localized decision making, potential undisclosed liabilities, uninsured and underinsured losses, global financial crisis and general economic conditions, wholesale price volatility, capital markets, leverage and capital requirements, financing and credit liquidity, reduced dividend payment, international agricultural trade, foreign exchange, counterparty and export, geographic and political, environmental protection, energy price fluctuation, information technology, regulatory oversight, financial reporting, control of AGT and dilution of shareholders. To management's knowledge, no significant changes to these risks and uncertainties have occurred in the period ended September 30, 2017.

Commitments and Contingencies

AGT enters into contracts with producers. The contracts provide for delivery of specific quantities and include specific prices based on the grade that is delivered. The terms of the production contracts are not longer than one year.

At September 30, 2017, AGT had a contract of insurance in favour of the Canadian Grain Commission for $13.0 million (December 31, 2016 - $13.0 million). The policy can be claimed against by the beneficiary in the event of a producer grain payment default. The policy expires on June 30, 2018.

At September 30, 2017, AGT had letters of guarantee in Turkey for $4.1 million (December 31, 2016 - $7.0 million).

AGT has various legal matters pending which, in the opinion of management, will not have a material effect on AGT's consolidated financial position or results of operations. Should the ultimate resolution of actions differ from management's assessments and assumptions, a material adjustment to AGT's financial position or results of operations could result. Should circumstances change, provisions could change materially.

Interest Rate Risk

Fluctuations in interest rates impact the future cash flows and fair values of various financial instruments. With respect to its debt portfolio, AGT addresses interest rate risk by using various floating rate instruments. The exposure is also managed by aligning current and long term assets with outstanding debt and making use of global credit facilities.

AGT is exposed to interest rate fluctuations on its variable-rate debt. Changes in market interest rates cause the fair value of long term debt with fixed interest rates to fluctuate but do not affect net earnings as AGT's debt is carried at amortized cost and the carrying value does not change as interest rate changes.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. AGT‘s sales are routinely denominated in the U.S. dollar while processing and production costs are largely denominated in the functional currency of the country in which the subsidiary operates.

AGT manages foreign currency risk by matching foreign currency denominated assets and liabilities. Management reviews the foreign currency open position and takes risk management measures if required. AGT has also entered into certain foreign exchange contracts with maturities of less than two years to manage risks associated with entering into new sales contracts denominated in USD, EUR, GBP and AUD. AGT’s foreign exchange contracts are not designated as hedges and are recorded at fair value with changes in fair value recognized in earnings. AGT has also entered into a cross currency swap as part of the management of the senior unsecured notes.

Commodity Price Risk

AGT is a significant processor and supplier of pulse crops and bears significant exposure to changes in prices to these products. A substantial change in prices will affect the Company's net earnings, working capital and operating cash flows. Prices for AGT’s products are volatile and are influenced by numerous factors beyond the Company's control, such as supply and demand fundamentals, geographical events and weather.

AGT’s sales contracting strategy focuses on reducing the volatility in future earnings and cash flow while providing protection against decreases in market price and retention of future market price increases. To mitigate the risks associated with the fluctuations in the market price for pulse crops, AGT maintains a portfolio of product sales contracts with a variety of delivery dates and pricing mechanisms that provide a degree of protection from pricing volatility.

Reconciliation of Net Earnings, Adjusted Net Earnings*, Adjusted Net Earnings Per Share* and Adjusted EBITDA*
(in thousands of CDN $ except as indicated, unaudited)

	3 Months Ended		9 Months Ended	
	Sept 30, 2017	Sept 30, 2016	Sept 30, 2017	Sept 30, 2016
Revenue	$ 340,928	$ 442,288	$ 1,328,054	$ 1,322,341
Less: cost of sales (1)	317,985	400,973	1,240,315	1,196,661
Gross profit	22,943	41,315	87,739	125,680
Add back: depreciation in cost of sales	6,444	5,718	18,873	16,586
Adjusted gross profit*	**29,387**	**47,033**	**106,612**	**142,266**
Deduct: General and administrative and marketing, sales and distribution expenses	(23,437)	(21,046)	(68,896)	(65,451)
Deduct: Non cash foreign exchange effect	(10,936)	(4,376)	(22,458)	6,229
Add: Amortization in general and administrative expense	1,030	1,199	4,280	3,284
EBITDA	(3,956)	22,810	19,538	86,328
Add: Non-recurring and other expenses (2)	3,151	210	7,311	4,009
Add (deduct): Non cash foreign exchange effect	10,936	4,376	22,458	(6,229)
Adjusted EBITDA (*)	**10,131**	**27,396**	**49,307**	**84,108**
Deduct: Finance expense	(7,802)	(7,955)	(24,934)	(23,305)
Deduct: Depreciation and amortization	(7,474)	(6,917)	(23,153)	(19,870)
Deduct: Recovery (provision) for income taxes	3,777	(500)	6,477	(10,902)
Adjusted net (loss) earnings (*)	**(1,368)**	**12,024**	**7,697**	**30,031**
Adjusted basic net (loss) earnings per share*	(0.06)	0.50	0.32	1.26
Adjusted diluted net (loss) earnings per share*	(0.06)	0.50	0.32	1.25
Non-recurring and other expenses (2)	(3,151)	(210)	(7,311)	(4,009)
Deduct: Non cash foreign exchange effect	(10,936)	(4,376)	(22,458)	6,229
Net (loss) earnings per financial statements	**(15,455)**	**7,438**	**(22,072)**	**32,251**
Distributions on preferred securities	(613)	-	(613)	-
Net (loss) earnings for earnings per share calculation	(16,068)	7,438	(22,685)	32,251
Basic net (loss) earnings per share	(0.66)	0.31	(0.94)	1.35
Diluted net (loss) earnings per share	(0.66)	0.31	(0.94)	1.34
Basic weighted average number of shares outstanding	24,236,536	23,928,201	24,151,646	23,883,769
Diluted weighted average number of shares outstanding	24,236,536	24,124,790	24,151,646	24,084,710

(1) Cost of sales includes depreciation on equipment used to process inventory. Total depreciation is added back for Adjusted EBITDA*.

(2) Non-recurring and other expenses deemed by management to be non-cash, non-recurring, relating to acquisitions, financing, severance costs, share-based payments or other, predominantly reported within General and Administrative Expenses.

Reconciliation of Net Working Capital* and Net Debt*

(in thousands of CDN $, unaudited for the September 30, 2017 period)

	Sept 30, 2017	Dec 31, 2016
Trade accounts receivable	$ 147,724	$ 279,782
Inventory	313,849	323,320
Prepaid expenses and other	96,402	113,631
Less: Accounts payable, accrued liabilities and deferred revenue	(204,981)	(330,134)
Net Working Capital*	$ 352,994	$ 386,599

	Sept 30, 2017	Dec 31, 2016
Long term debt	$ 365,961	$ 410,776
Bank indebtedness and current portion of long term debt	38,792	156,939
Cash	(18,498)	(29,025)
Net Debt*	$ 386,255	$ 538,690

Non-IFRS Financial Measures

AGT provides some non-IFRS measures as supplementary information that management believes may be useful to investors to explain AGT's financial results. These non-IFRS measures include Adjusted Gross Profit (gross profit plus depreciation in cost of sales), Adjusted EBITDA* (earnings before finance expense, income taxes, depreciation and amortization, restructuring costs and any effects of non-cash, non-recurring and other costs and foreign exchange adjustment), Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Net Earnings Per Share* (earnings before any effects of non-cash, non-recurring and other costs, restructuring costs and foreign exchange adjustments), Net Debt* (bank indebtedness, short term financing and long term debt less cash) and Net Working Capital* (current assets less current liabilities). Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Net Earnings Per Share* do not include the tax effect of non-cash, non-recurring and other costs and foreign exchange. Management believes that Adjusted EBITDA*, Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share, Net Debt* and Net Working Capital* are important indicators of AGT's ability to generate liquidity through operating cash flow to fund future working capital needs, service outstanding debt and fund future capital expenditures and uses the metric for this purpose. The exclusion of non-cash and foreign exchange adjustments eliminates the non-cash impact on Adjusted EBITDA*, Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share*. Adjusted EBITDA* and Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share*, Adjusted Diluted Net Earnings Per Share*, Net Debt* and Net Working Capital* are also used by investors and analysts for the purpose of valuing AGT. The intent of these measures is to provide additional useful information to investors and analysts and the measure does not have any standardized meaning under IFRS. Adjusted Gross Profit*, Adjusted EBITDA* and Adjusted Net Earnings*, Adjusted Basic Net Earnings Per Share*, Adjusted Diluted Net Earnings Per Share*, Net Debt* and Net Working Capital* should therefore not be considered in isolation or used as a substitute for measures of performance prepared in accordance with IFRS. For a reconciliation of net earnings (loss) determined in accordance with IFRS to Adjusted EBITDA*, Adjusted Net Earnings* and Adjusted Basic Net Earnings Per Share* and Adjusted Diluted Earnings Per Share*, see the table on page 47.

Market Share, Industry Data and Other Statistical Information

This MD&A includes market share, industry data and other statistical information that AGT has obtained from independent industry publications, government publications, market research reports and other published independent sources. Such publications and reports generally state that the information contained therein has been obtained from sources believed to be reliable. Although AGT believes these publications and reports to be reliable, it has not independently verified any of the data or other statistical information contained therein, nor has it ascertained or validated the underlying economic or other assumptions relied upon by these sources and cannot, and does not, provide any representation or assurance as to the accuracy or completeness of the information or data, or the appropriateness of the information or data for any particular analytical purpose and, accordingly, disclaims any liability in relation to such information and data. AGT has no intention and undertakes no obligation to update or revise any such information or data, whether as a result of new information, future events or otherwise, except as required by law.

Caution about forward looking statements

This MD&A contains certain forward-looking statements. Forward-looking statements include but are not limited to, those with respect to: the performance of certain of AGT's segments, including without limitation, margin pressures, export levels, production quality, conditions, timing of harvest, demand, capacity utilization, capital expenditures utilization, yields, sales volumes, supply, capital expenditures and growth expectations, allocation of certain corporate and operating costs between segments and AGT's corporate cost structure, mt levels, and supply constraints; the Minot Facility, including without limitation, additional facilities that may be commissioned, sales volumes in 2016, 2017 or future periods, the requirement for additional capacity, capacity increases; expected synergies; global supplies; global demand; expected tax rates; sales opportunities; AGT's dividend policy; and internal controls over financial reporting. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects", "viewed", "in the opinion of", "is expected", "estimates", "forecasts", "intends", "planned to", "anticipates" or "does not anticipate", or "believes", "is optimistic", "not expected" or variations of such words and phrases, or statements that certain actions, events or results "transforms (transforming)", "grows and develops", "provides opportunity", "boding well", "are viewed", "appear", "potential", "can have", "may", "could", "would", or "will" be taken, occur or be achieved.

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 AGT's most recent AIF, which is available on SEDAR at www.sedar.com and on AGT's website at www.agtfoods.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.

Although AGT believes the assumptions inherent in forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as at the date of this MD&A. In addition to other assumptions identified in this MD&A, assumptions have been made regarding, among other things, production quality; the volume and quality of crops held on-farm by producer customers in North America; demand for and supply of open market pulses; movement and sale of pulses in Australia and Turkey; agricultural commodity prices; demand for crop products and the market share of these products that will be achieved; general financial conditions for Western Canadian, U.S. Northern Plains, Turkish and Southern Australian agricultural producers; the ability of the railways to ship pulses to port facilities for export without labor or other service disruptions; the ability to maintain existing customer contracts and relationships; the impact of competition; the ability to obtain and maintain existing financing on acceptable terms; and currency, exchange and interest rates.

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 as may be required in accordance with applicable securities laws.