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**FOR IMMEDIATE RELEASE
DEC 15, 2016**

SYMBOL: TSX: AGT

AGT Food and Ingredients Inc. Announces Pricing of an Offering of \$200 Million Senior Notes

REGINA, DEC 15, 2016 – AGT Food and Ingredients Inc. (TSX:AGT) ("AGT" or the "Company") announced the pricing of an offering (the "**Offering**") of \$200 million aggregate principal amount of senior notes due 2021 (the "**Notes**"). The Notes will bear interest at an annual rate of 5.875% and will be sold at a price of 100.00% of principal for gross proceeds of \$200 million.

AGT expects to close the offering of the Notes on or about December 21, 2016, subject to the satisfaction of customary closing conditions.

The Notes were offered in all provinces of Canada and in the United States by a syndicate of underwriters led by Scotia Capital Inc., CIBC World Markets Inc., and National Bank Financial Inc. and including Cormark Securities Inc., GMP Securities L.P., AltaCorp Capital Inc., BMO Nesbitt Burns Inc., Raymond James Ltd., RBC Dominion Securities Inc. and TD Securities Inc. (collectively, the "**Underwriters**"), by way of a private placement under applicable securities laws.

AGT intends to apply the net proceeds of the Offering to the early redemption in full of the Company's currently outstanding 9% senior secured second lien notes due 2018 (the "**2013 Notes**") and to the repayment of indebtedness under certain credit facilities, including certain revolving credit indebtedness, which will be available for future reborrowings that may be used for general corporate purposes.

The Notes will not be qualified for distribution to the public under the securities laws of any province or territory of Canada and may not be offered or sold in Canada, directly or indirectly, other than pursuant to applicable private placement exemptions. The Notes have not and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction.

The Company also announced that its wholly-owned subsidiary, Alliance Pulse Processors Inc. ("**APP**"), recently amended and extended its credit facilities under its credit agreement dated November 17, 2015 (the "**Credit Agreement**"), to provide for, among other things, an increase in the aggregate principal amount available to APP to \$437.5 million. APP also extended the maturity date of the Credit Agreement to January 2019, conditional upon the Company refinancing the 2013 Notes.



AGT Food and Ingredients Inc. Profile

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

Cautionary Statements

Certain statements in this press release are forward-looking statements. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by AGT at the time of preparation, may prove to be incorrect. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of AGT (including its operating subsidiaries) to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of harvests, fluctuations in the price of lentils and other crops, failure of plant, equipment or processes to operate as anticipated, accidents or labour disputes, risks relating to the integration of acquisitions or to international operations, as well as those factors referred to in the section entitled "Risk Factors" in the Annual Information Form of AGT dated March 24, 2016 which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although AGT has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. AGT expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

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