

# West Central Road & Rail Ltd.

Box 142  
Eston, SK S0L 1A0  
Phone 306-962-4528  
Fax 306-962-4994

News Release

## WCRR ANNOUNCES SIGNIFICANT ASSET PURCHASE AGREEMENT

**April 14, 2015**

ESTON, SASKATCHEWAN - West Central Road & Rail Ltd. (the "**Company**" or "**WCRR**") is pleased to announce that it, along with its subsidiary Goals Marketing Inc. ("**Goals**"), has entered into an asset purchase agreement (the "**Agreement**") with Alliance Pulse Processors Inc. ("**Alliance**"), a subsidiary of AGT Food and Ingredients Inc. ("**AGT**").

Pursuant to the Agreement, WCRR has agreed to sell to Alliance (the "**Transaction**") substantially all of the assets ordinarily used in the Company's business, consisting of loading facilities located in Eston, Laporte, Lucky Lake, Beechy and Dinsmore, Saskatchewan and substantially all of its other assets related to the storing, receiving, loading out and merchandising of grains, pulses, oilseeds and special crops (collectively, the "**Purchased Assets**"). Excluded from Purchased Assets are any existing sales contracts previously entered into by Goals. The Transaction provides WCRR shareholders (each a "**Shareholder**") many compelling benefits including:

- Realization of fair value for WCRR shares, short holdback period and low indemnity caps result in increased certainty around the sale price;
- The opportunity for Shareholders to capitalize on recent successes while reducing the risks associated with an increasingly challenging market environment;
- Alliance is a Saskatchewan-based company, with an expansive reach into global markets;
- Alliance intends to continue the long-term utilization of the Purchased Assets for the marketing and handling of grains, pulses, oilseeds and specialty crops, allowing continued local marketing and delivery options for area producers; and
- The Purchased Assets will be incorporated into a much larger asset base and will become part of a value-added marketing strategy.

The Agreement provides that the Company will sell the Purchased Assets for cash consideration of \$22,000,000, subject to adjustments regarding any outstanding property tax liabilities that arise. If the Transaction is completed, management expects to distribute any sale proceeds to Shareholders, after first satisfying any outstanding liabilities. It is estimated that each Shareholder could receive an amount ranging from \$310 to \$340 per class A share in the

Company (“**Class A Share**”) or class C share in the Company (“**Class C Share**”), as the case may be. The final amount returned to Shareholders will depend on a number of factors which will be detailed in an information circular to be mailed to Shareholders.

The board of directors of WCRR has approved the Transaction and, with the benefit of an independent valuation on WCRR and advice from its legal advisors and auditors, concluded that the transaction is in the best interests of the Company. The directors and officers of WCRR have each entered into a voting agreement with Alliance pursuant to which they have each agreed, among other things, to vote all of their Class A Shares and Class C Shares, as applicable, in favour of the Transaction.

The closing of the Transaction is subject to a number of customary conditions including, but not limited to, Shareholder approval of the Transaction as required by *The Business Corporations Act* (Saskatchewan).

The Agreement provides that WCRR is subject to non-solicitation provisions and provides that the Board may, under certain circumstances, terminate the Agreement in favour of an unsolicited superior proposal, subject to payment of a termination fee of \$2,000,000 to Alliance and subject to a right in favour of Alliance to match the superior proposal. In addition, WCRR has agreed to pay the termination fee to Alliance in the event the Transaction is terminated in certain other circumstances.

It is expected that the Shareholder meeting will take place in late May 2015, with closing expected to occur as soon as possible thereafter, subject to receipt of all requisite approvals and satisfaction of other customary closing conditions.

Full details of the Transaction will be available in an information circular that WCRR will mail to Shareholders in due course. The information circular will also be available on [www.sedar.com](http://www.sedar.com). All Shareholders are urged to read the relevant information circular once it becomes available as it will contain additional important information concerning the Transaction. Ultimately, management is proposing that WCRR will be wound-up and dissolved. The dissolution of WCRR will need to be approved by Shareholders at the meeting in May, 2015 held to approve the Transaction. There is no action required for Shareholders to take today.

### **WCRR Profile**

WCRR is a transloader based in Eston, Saskatchewan. WCRR operates five facilities capable of receiving grains, pulses, oilseeds and special crops locally, which are transloaded into railcars for national and international shipments. Through its wholly-owned subsidiary, Goals, the group is also engaged in purchasing grains, pulses, oilseeds and special crops from producers directly.

### **AGT Food and Ingredients Inc. Profile**

Alliance is a wholly-owned subsidiary of AGT which 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.

On behalf of the Board of  
West Central Rail & Road Ltd.

"Rob Lobdell"  
Rob Lobdell, President

CONTACT INFORMATION:

West Central Rail & Road Ltd.  
Telephone: +1-306-962-4528  
Fax: +1-306-962-4994  
Email: [rlabdell@wccr.ca](mailto:rlabdell@wccr.ca)

*This news release contains certain forward-looking statements, including management's assessment of future plans and operations, and the timing thereof, that involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control. These statements can be identified by the fact that they include words like "anticipate," "believe," "estimate," "expect," "intend," "project," "plan" and other words with similar meaning. In particular, this news release contains forward-looking information regarding both the Transaction, the Agreement, Alliance's plans for the Purchased Assets, the distribution of sales proceeds, the distribution per share, the timing of the shareholders meeting and the closing of the Transaction. The risks and uncertainties with respect to forward-looking information contained in this press release include, without limitation, risks associated with timing of the Transaction, if it is to occur at all, delays resulting from obtaining, or the inability to obtain, required regulatory and shareholders approvals, including the expected timing of the requisite Shareholders' meeting, the value of consideration that will be received by WCRR, whether the estimated values will be available for distribution to shareholders and the ability of WCRR and Goals, or any other requisite party to satisfy the conditions precedent to the Agreement. The Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the Company's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)).*

*Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements and if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable law. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.*