En Route

2015 ANNUAL REPORT

CERES
GLOBAL AG CORP.

Ceres' Northgate Commodities Logistics Centre is capable of handling unit trains of up to 120 railcars.

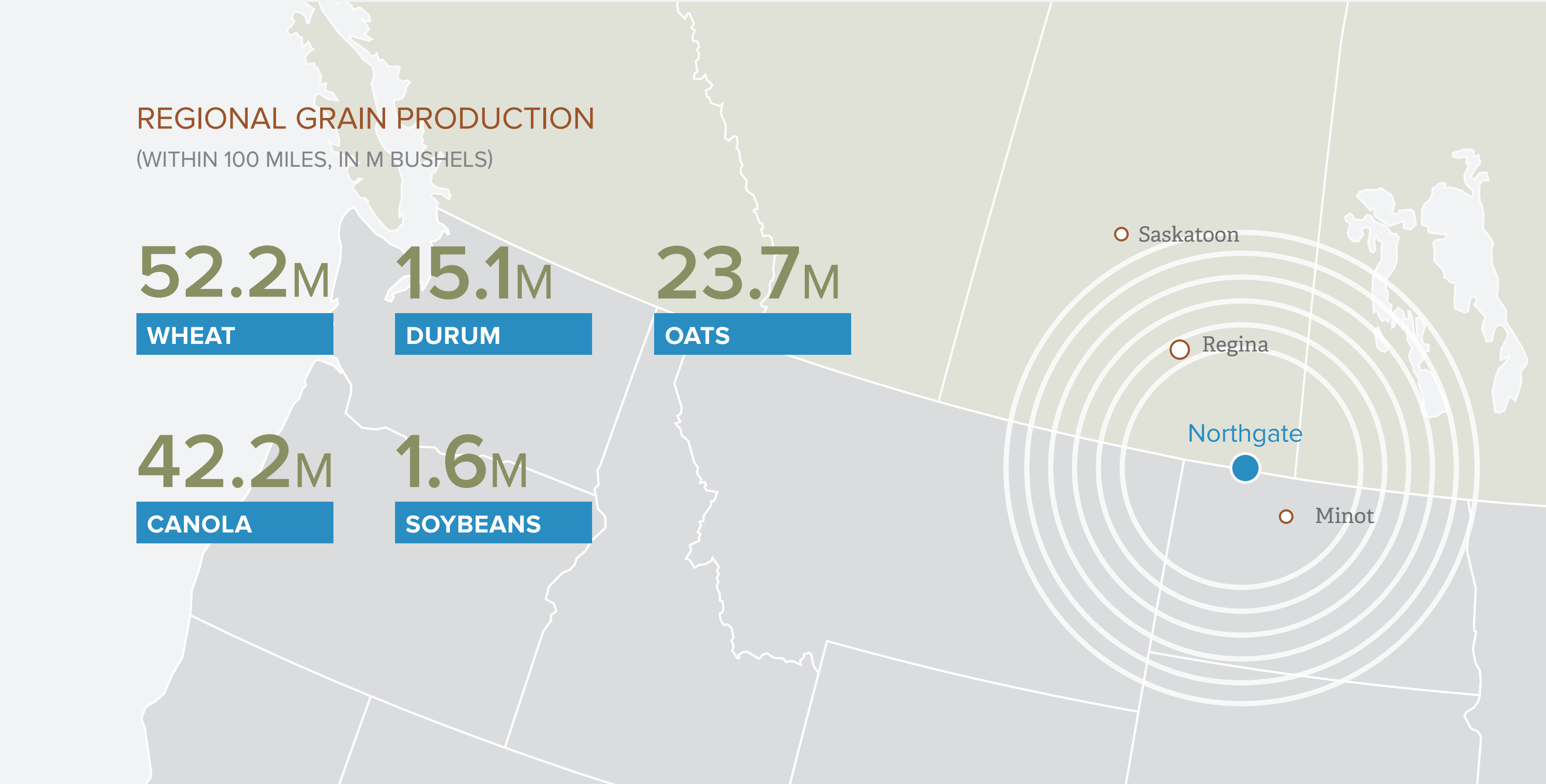
COMMENCEMENT OF OPERATIONS AT NORTHGATE:

BUSHELS OF GRAIN	OF GRAIN LOADED	OF PROPANE
1.7 MILLION	**544 RAILCARS**	**109 RAILCARS**

REGIONAL GRAIN PRODUCTION

(WITHIN 100 MILES, IN M BUSHELS)

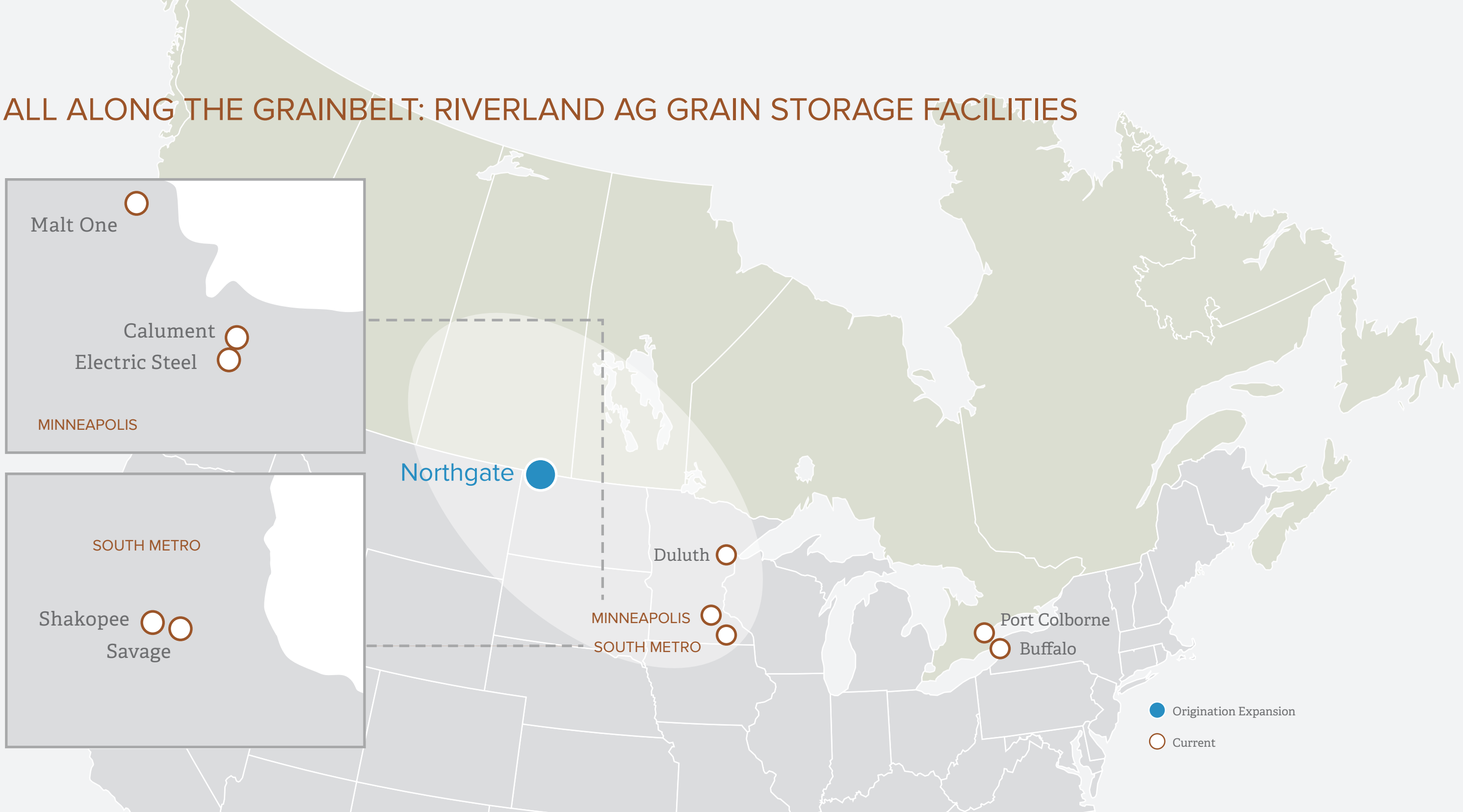
52.2M	WHEAT
15.1M	DURUM
23.7M	OATS
42.2M	CANOLA
1.6M	SOYBEANS



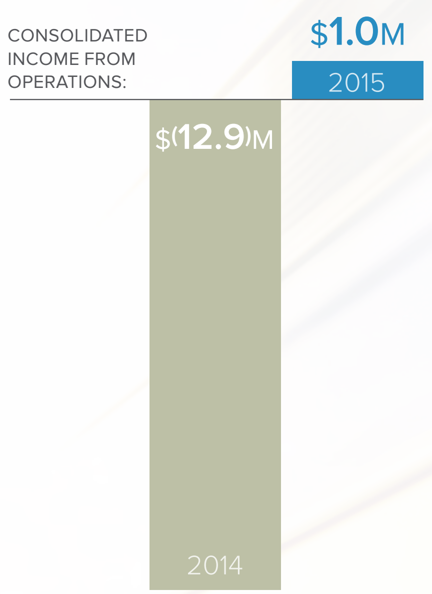
Our expertise lies in moving grain across the U.S. Midwest and Canada.

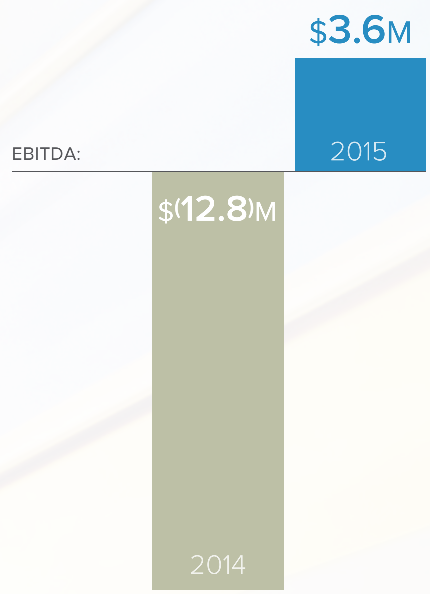
Ceres' Grain Division is anchored by Riverland Ag's storage and handling facilities, strategically located with connections to key trucking routes, and rail and shipping channels. As part of the operations of the Northgate facility, Riverland Ag capitalizes on additional grain origination opportunities direct from Western Canadian farmers. We see significant synergies from Northgate, as a feeder source to the downstream improvement of Riverland Ag's existing storage assets by lowering grain purchase costs, increasing throughput and inventory turns, and improving capacity utilization. A high-speed grain elevator under construction, in addition to Northgate's current grain operations, will benefit from Northgate's strategic location, and further maximize the value of Ceres' Grain Division assets.

ALL ALONG THE GRAINBELT: RIVERLAND AG GRAIN STORAGE FACILITIES



Financial Highlights





Northgate is now operational and starting to diversify the products it handles. Looking ahead, we anticipate that this strategic asset will become a cornerstone of our company and a significant catalyst for greater value creation for shareholders.

Letter to Shareholders from the Chairman

Last year in my letter to shareholders, I outlined the many activities that were underway at Ceres. This past year, with the guidance of the new Board of Directors, and under CEO Pat Bracken's leadership, we continued to build a strong foundation for the future success of Ceres.

To this end, we made important progress by completing a fully backstopped rights offering on December 4, 2014. This equity financing provided Ceres with the financial strength and flexibility to build out one of our key new assets – the Northgate transshipping hub.

The proceeds of the offering also allows the Company to pursue other profit-enhancing opportunities.

By providing the market with `direct-from-farmer' purchasing, Northgate's logistic efficiencies, and strategically located grain storage and handling facilities, Ceres is uniquely positioned to supply important grain products and services to our customers.

I am pleased to report that the temporary grain loading facility that we built at Northgate is meeting all of our expectations, and the construction of the high-speed loading facility is progressing on time and on budget.

Additionally, we started to load propane at this facility earlier this year and we continue to examine other build-out opportunities.

We took a second important step by developing a detailed grain strategy. Members of the Board of Directors and management spent considerable time updating and refining our plans for our Grain Division.

One crucial aspect of the revised plan is the increased emphasis that we will place on meeting specific customer needs for the segments that we serve. By providing the market with `direct-from-farmer' purchasing, Northgate's logistic efficiencies, and strategically located grain storage and handling facilities, Ceres is uniquely positioned to supply important grain products and services to our customers.

As part of this analysis, each one of Ceres' assets was evaluated for efficiency, for its ability to meet customer needs, and for its long-term profit potential. As a result of this work, subsequent to year end, the Company announced the sale of the Electric Steel grain facility.

Effective Corporate Governance

Effective corporate governance is another important part of the foundation for the future success of the Company. As you will note in the Management Information Circular, the Board has strengthened corporate governance by establishing three sub committees of the Board:

- Audit and Finance
- Human Resources, Safety, and Environment
- Nomination, Governance, Risk, and Ethics

Additionally, the Board has worked closely with Pat and the management team to instill a new culture throughout Ceres – a culture of openness, transparency, and trust, with employees assuming leadership roles and accountability at all levels.

I am also pleased that Joseph Monroe joined our Board of Directors on March 3, 2015. Joseph's extensive experience and leadership in the energy sector will be invaluable to Ceres as we refine and expand our energy transloading business.

Finally, the profit levels at Ceres are much improved versus fiscal year 2014. However, there is still room for significant improvement.

The Board has worked closely with Pat and the management team to instill a new culture throughout Ceres – a culture of openness, transparency, and trust, with employees assuming leadership roles and accountability at all levels

All of the work and effort this year has been clearly focused on one goal: the achievement of acceptable long term returns for our shareholders. To this end we are firmly committed.

In closing, I would like to thank all of our employees for their commitment and hard work; our Board of Directors for their very active leadership and oversight; and to each of you – our investors - who believe in the Company, our strategy, and our ability to execute.

We look forward to continuing our progress in fiscal 2016.

Sincerely,

Douglas E Speers
Chairman of the Board
Ceres Global Ag Corp.

Letter to Shareholders from the Chief Executive Officer

We are pleased to report on the Company's accomplishments during fiscal year 2015, which was a period of transition, execution, diversification and improved results.

Early in the fiscal year, we started the transition from an investment company into an operating company with the appointment of a new board, and a realignment of our shareholders.

This was followed by the appointment of a new management team in September, and a very successful rights issue and debt restructuring later in the fall.

Northgate, our Commodity Logistics Centre is Saskatchewan, started its first commercial operations in January 2015 with the loading of durum wheat through our grain transloading facility.

From January through the end of March, Northgate loaded 544 rail cars, averaging close to 30 rail cars a week. Our partners at the BNSF Railway provided exceptional service, allowing us to stage rail cars on site while we matched truck and rail logistics.

We continue to be optimistic about the potential for this volume to improve significantly at Northgate as we complete the construction of our new shuttle loading elevator.

We also moved ahead with our expansion plans for the grain elevator at Northgate. A few months ago, we announced that the board has approved an expansion from the originally planned 2.2 million bushel storage capacity to 2.7 million. The additional 500,000 bushel storage enhances our ability to originate, blend and store grain. Adding the extra storage capacity now rather than later represents a significant savings over any future expansion.

The elevator construction progressed on schedule and on budget in the fourth quarter of fiscal 2015. We anticipate receiving our first truckloads of grain into the new facility in mid-October and loading our first train from the new elevator by mid-November.

Our Grain Division made a significant improvement over the previous fiscal year, posting an increase in gross profit of $7.3 million over fiscal year 2014.

Diversification

In terms of diversification, subsequent to year end, in May 2015, we announced the start-up of natural gas liquids – or NGL – transloading operations at Northgate in the form of an agreement with Elbow River Marketing, a wholly owned subsidiary of Parkland Fuel Corporation.

Ceres has started the process of loading propane rail cars at Northgate for Elbow River, with a total of 44 rail cars loaded in April and we expect to have loaded a total of 165 railcars by the end of June, 2015.

The strategic agreement between Ceres and Elbow River connects Northgate and Saskatchewan propane to the U.S. market via the BNSF railway. The direct north-south link to the U.S. provides new access points for natural gas liquid products. We hope to leverage this experience into a more permanent logistics flow with the potential addition of storage facilities and rack loading.

From a strategic perspective, the region continues to be underserved and overly dependent on east-west movement of agriculture and energy commodities. Northgate effectively removes the east-west step. Consequently, our location, logistics expertise and ability to transport goods north-south is a significant advantage for Ceres and its customers.

Also subsequent to year end, we entered into a non-binding term sheet with a global fertilizer company to develop fertilizer capacity at Northgate. This development will potentially allow us to bring 100 car trains of phosphate-based fertilizer to Northgate, warehouse them, and load trucks in a high-speed, efficient manner through a terminal we are considering building.

This arrangement would provide our grain suppliers with the ability to backhaul grain, meaning that after they unload their grain, they could reload their trucks with fertilizer and return to their destination – or near their destination – which would greatly improve transportation economics, and highlight Northgate as an advantageous pricing gateway.

We have also followed through on our mandate to focus on what we believe are the right assets for the long-term benefit of the Company, while divesting of assets that don't fit into our long-term plans.

Financial Highlights

While the year was successful from an operations perspective, we also gained ground financially.

Gross profit for the year ended March 31, 2015, was $11.7 million compared to $4.4 million in 2014. For the year ended March 31, 2015, the gross profit percentage was 6.1 percent versus 1.9 percent in 2014.

The increase in gross profit for the year ended March 31, 2015, compared to 2014 was primarily driven by increased trading margins, an increase in storage and rental income, and slightly offset by marginal increases in operating expenses.

Consolidated net loss was $1.4 million versus $19.3 million in the prior year.

As of March 31, 2015, Ceres has capitalized costs totalling $46.1 million for our Northgate project, including land acquisition costs, environment costs, mass grading, site preparation, the grain transloader, and related equipment and rail track costs.

As we move into fiscal year 2016, our focus is on creating a profitable Ceres with positive cash flow in order to deliver on our promise to our shareholders, and to be in a stronger position to deliver value to our customers.

While our first priority is to get Northgate fully up to speed, we have many opportunities to grow our core grain business, and build our capacity to handle other products.

Looking Forward

In addition to providing Canadian farmers with more efficient and direct access to open markets south of the border, our plans for Northgate include the prospect of shipping energy commodities.

We view this as a significant differentiator from our regional logistics competitors.

Our competitors are primarily energy focused, lacking the expertise and origination know-how, and the resources required for handling agricultural commodities. We believe our ability to handle both grain and energy significantly diversifies our business.

We have taken a highly strategic and long-term position on the build out of our energy operations. If we see opportunities that meet our criteria, we will pursue them, much like we did with Elbow River.

We also see backhauling opportunities at Northgate for our clients who want to unload grains and then load and transport phosphate-based fertilizer back to their sites.

We remain very optimistic about Ceres' future due to the compelling market opportunity ahead of us, and because we have the right team in place for the Company to reach its potential.

I'd like to thank our shareholders who have continued to support us through our transition over the past year.

This year has been highly productive for Ceres. We are confident that we can carry that momentum throughout the rest of calendar 2015 and 2016.

Sincerely,

Patrick Bracken
President and Chief Executive Officer
Ceres Global Ag Corp.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") dated June 4, 2015 should be read in conjunction with the March 31, 2015 audited Consolidated Financial Statements of Ceres Global Ag Corp. ("Ceres", the "Corporation", "we", "our", and "us") and the accompanying notes. Additional information about Ceres filed with Canadian securities regulatory authorities, including the quarterly and annual report and the annual information form is available online at www.sedar.com.

Basis of Presentation

Unless otherwise noted, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All information is reported in Canadian dollars ("CAD") unless otherwise specified.

Non-IFRS Financial Measures

This MD&A contains references to certain financial measures, including some that do not have any standardized meaning prescribed by IFRS. For example, these measures include "EBITDA" (Earnings before income tax, depreciation and amortization) and "Return on shareholders' equity", which both do not have a standardized meaning under IFRS. See Non-IFRS Financial Measures and Reconciliations

Risks and Forward Looking Information

The Corporation's financial and operational performance is potentially affected by a number of factors, including, but not limited to, the factors described in the Key Assumptions & Advisories section of this MD&A.

This MD&A contains forward-looking information based on the Corporation's current expectations, estimates, projections and assumptions. This information is subject to a number of risks and uncertainties, including those discussed in this MD&A and the Corporation's other disclosure documents, many of which are beyond the Corporation's control. Users of this information are cautioned that actual results may differ materially. See "Key Assumptions and Advisories" for information on material risk factors and assumptions underlying the Corporation's forward-looking information.

1. FINANCIAL AND OPERATING RESULTS

Financial Summary

(in thousands, except per share amounts)

	Years ended March 31,		Three months ended March 31,	
(in millions except per share)	**2015**	2014	**2015**	2014
Revenues	**$ 192.8**	$ 232.4	**$ 54.5**	$ 33.5
Gross profit (loss)	**$ 11.7**	$ 4.4	**$ (0.2)**	$ 3.7
Income (loss) from operations	**$ 1.0**	$ (12.9)	**$ (2.4)**	$ 2.4
Net income (loss)	**$ (1.4)**	$ (19.3)	**$ (3.5)**	$ 0.4
Common shares outstanding for period	**18.4**	14.3	**27.1**	14.2
Earnings (loss) per share	**$ (0.08)**	$ (1.35)	**$ (0.13)**	$ 0.03
Total assets	**$ 308.9**	$ 232.2		
Total bank indebtedness, current (1)	**$ 37.3**	$ 87.6		
Long-term debt	**$ 30.4**	$ -		
Shareholders' equity,	**$ 218.8**	$ 134.1		
Return on shareholders' equity (2)	**-0.6%**	-14.4%		

(1) Includes Bank indebtedness and Repurchase obligations

(2) Non-IFRS measure. See Non-IFRS Financial Measures and Reconciliations section.

WHO WE ARE

Ceres operates in two areas: (1) Grain Storage, Handling and Merchandising – represented by its Grain Division that utilizes a collection of North American commercial grain storage and handling assets; and (2) Commodity Logistics – represented by the Northgate commodities logistics centre in Northgate, Saskatchewan, and a 25% interest in Stewart Southern Railway Inc. (the "SSR").

Grain Division

The Corporation's Grain Division, which is primarily anchored by its wholly-owned subsidiary Riverland Ag Corp. ("Riverland Ag"), is engaged in grain storage, procurement, merchandizing and "process-ready" cleaning of specialty grains such as oats, barley, rye, and durum wheat through nine grain storage and handling facilities in Minnesota, New York, and Ontario while also utilizing the grain operating facility at the Northgate Commodity Logistics Centre ("NCLC" or "Northgate"), with aggregate storage capacity of approximately 46.6 million bushels. The

Corporation's Grain business also manages two facilities in Wyoming on behalf of their owner, Briess Industries. Four of the grain storage facilities are located at deep-water ports in the Great Lakes and one on the Minnesota River which is tributary to the Mississippi River, allowing access for vessels and barges, and enabling the efficient import and export of grains globally. 39.5 million bushels of the Corporation's facilities are "regular" for delivery for both spring wheat against the Minneapolis Grain Exchange futures contract and oats against the Chicago Board of Trade futures contract; in addition, spring wheat and oats sourced by the Corporation out of Canada are eligible for delivery against the respective futures contract.

The majority of the Ceres Grain Division's current storage space is utilized to benefit from grain trading, arbitrage and merchandising opportunities. Management determines which of the Corporation's facilities is to be employed for the storage or throughput of a particular grain shipment based on the source of the grain shipment, the elevator location relative to the end customers, the cost of logistics to transport the grain, and the availability of space in the intended elevator. In addition, the Corporation stores and handles grain for third-party customers.

Northgate Commodities Logistics Centre

Ceres owns approximately 1,300 acres of land at Northgate, Saskatchewan, where it is constructing a new commodities logistics centre designed to utilize high-efficiency rail loops, capable of handling unit trains of up to 120 railcars. The NCLC will be a $94.7 million grain, oil, natural gas liquids ("NGL") transload terminal and is connected to the Burlington Northern Santa Fe Railway (the "BNSF"). The Corporation is currently operating a grain transloader where it unloads inbound grain by truck from Canadian producers and loads the grain onto outbound railcars to customer end-users, or to the Corporation's existing facilities to take advantage of the value and strategic location of its current asset base. In addition to the Corporation's current grain operations at Northgate, Ceres is also constructing a high-speed grain elevator that will benefit from the NCLC's strategic geographic location and position Ceres to further maximize the value of its existing Grain Division assets.

Concurrent with its grain operations at NCLC, in April 2015, the Corporation is operating an NGL transloader whereby the Corporation unloads NGLs from inbound trucks and loads the gas into outbound rail cars on behalf of third-party customers. The Corporation is evaluating the development of facilitating the logistics and handling of oil and fertilizer, and additional natural gas transloading business at NCLC. There is ample land and track capacity for a potential supply handling facility, which would offer unloading and logistics support for supplies used in the area's oil production. The Corporation is evaluating the feasibility and profit potential of such additional projects around the supply handling facility initiative.

Ceres completed construction on its grain transloading facility in October 2014. While the Corporation had grain contracted from Canadian producers at the time of completion, the BNSF placed the first set of sixty-plus cars for loading on January 11, 2015. The approximate three-month delay from completion of the transloading facility to its first outbound rail shipment was due to obtaining final approval from U.S. Customs in transporting Canadian-produced product south into the United States. Although this delay was costly and estimated at $2 million, the cause of the loss was due to contracting grain for October/November delivery that did not ship until January/February, as the Corporation sold into a selling weaker market during the fourth quarter ended March 31, 2015. However, this loss was an initial one-time start-up opportunity cost. Subsequent to obtaining U.S. Customs approval, the BNSF has continued to service the NCLC facility, placing 50 to 100 cars multiple times per month. Furthermore, the construction of the previously announced high speed elevator, with 2.7 million bushel storage capacity that will be capable of loading a 120-car shuttle train within 15 hours, continues to be on schedule. The high-speed grain elevator is expected to be operational October 2015, with final completion scheduled for March 2016.

As at March 31, 2015, Ceres has capitalized costs totaling $49.9 million (March 31, 2014: $14.8 million) for the NCLC project, including land acquisition costs, environmental costs, mass grading, site preparation, the grain transloader and related equipment, and rail track costs. In conjunction with the commencement of the grain transloading operations in January 2015, during the quarter-ended March 31, 2015, the Corporation placed into service $3.9 million in property, plant and equipment at Northgate, which included the grain transloader, a portion of the rail track being utilized for grain operations, and related machinery and equipment.

2015 HIGHLIGHTS

For the year ended March 31, 2015 compared to 2014:

- Revenues of $192.8 million (2014: $232.4 million);
- Gross profit of $11.7 million (2014: $4.4 million);
- Income from operations of $1.0 million (2014: loss from operations of $12.9 million);
- EBITDA[1] was $3.6 million (2014: loss of $12.8 million);
- Net loss of $1.4 million (2014: net loss of $19.3 million); and
- Basic and fully diluted consolidated loss per share was $0.08 (2014: loss $1.35 per share).

For the fiscal quarter ended March 31, 2015 compared to 2014:

- Revenues of $54.5 million (2014: $33.5 million);
- Gross loss of $0.2 million (2014: gross profit of $3.7 million);
- Loss from operations of $2.5 million (2014: income from operations of $2.4 million);
- EBITDA loss of $1.6 million for the quarter (2014: EBITDA of $3.1 million);
- Net loss of $3.5 million (2014: net income of $0.4 million); and
- Basic and fully diluted consolidated loss per share was $0.13 (2014: loss $0.08 per share).

Revenues and Gross Profit

The Corporation's Grain Division, primarily through Riverland Ag, is principally involved in an agricultural commodity-based business, in which changes in selling prices generally move in relation to changes in purchase prices. Therefore, increases or decreases in prices of the agricultural commodities that the business deals in will have a relatively equal impact on sales and cost of sales and a minimal impact on gross profit. Accordingly, management believes it is more important to focus on changes in gross profit than it is to focus on changes in revenue dollars.

For the year ended March 31, 2015, revenues totalled $192.8 million (2014: $232.3 million) and gross profit was $11.7 million (2014: $4.4 million). For the year ended March 31, 2015, gross profit percentage was 6.1% (2014: 1.9%).

For the quarter ended March 31, 2015, revenues totalled $54.5 million (2014: $33.5 million) while gross profit was a loss of $0.2 million (2014: $3.7 million). For the quarter ended March 31, 2015, gross profit percentage was negative 0.4% (2014: 11%).

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[1] Non-IFRS measure. See Non-IFRS Financial Measures and Reconciliations section.

The table below represents a summary of the components of gross profit for the year and quarters ended March 31, 2015 and 2014:

	12 months		3 months	
(in millions)	**2015**	2014	**2015**	2014
Net trading margin	**$ 21.8**	$ 15.3	**$ 2.6**	$ 5.8
Storage and rental income	**6.5**	5.4	**1.5**	1.7
Operating expenses included in Cost of sales	**(13.9)**	(13.5)	**(3.5)**	(3.1)
Depreciation expense included in Cost of sales	**(2.7)**	(2.8)	**(0.8)**	(0.7)
Gross profit (loss)	**$ 11.7**	$ 4.4	**$ (0.2)**	$ 3.7

Year-end March 31, 2015 vs. 2014

The increase in gross profit of $7.3 million for the year ended March 31, 2015 compared to 2014 was primarily driven by an increased trading margin, and a slight increase in storage and rental income, both of which were slightly offset by increases in operating expenses. More specifically relating to each:

Net trading margin

Net trading margins' year-over-year increase of $6.5 million was driven by (1) the Corporation's growth and additions in its cereal grain trading portfolio; (2) an increase in its customer portfolio that included North American and European millers; (3) the effective assessment of marketplace needs and positioning the desired inventory quality at the right time for end-users, and; (4) enhanced utilization through the Corporation's strategic facilities located on the Great Lakes to fulfill export and domestic demand in large volumes.

Storage and rental income

An increase in storage and rental income of $1.1 million for storing and handling third-party customers' grain was driven by an increase in third-party storage agreements, and an increase in bushels handled on behalf of third-party customers.

Operating expenses and depreciation

Compared to 2014, operating expenses and depreciation increased by $0.3 million, or 2%. Nearly all of the Corporation's operating expenses and depreciation is incurred in USD then translated into CAD at the average exchange rate during the period. The weakening in the CAD relative to the USD of 8% was the primary cause for the increase in expense for the year.

Quarter ended March 31, 2015 vs. 2014

For the quarter ended March 31, 2015 compared to 2014, gross profit decreased $3.9 million. The reduction in gross profit in the fourth quarter of 2015 compared to 2014, was due to:

Net trading margin

The reduction in net trading margin of $3.2 million due to (1) relatively static values on grains throughout the quarter on grain the Corporation owns compared to the same quarter in prior year; (2) the decline in nearby values in certain cereal grain markets from the third quarter of 2015 to the fourth quarter of 2015; and (3) initial one-time delays of approximately $2 million in outbound grain shipments by rail at Northgate that did not allow October/November contracted grain to move until January/February, as the Corporation sold into a weaker selling market.

Storage and rental income

Storage and rental increase decline of $0.2 million compared to the fourth quarter ended March 31, 2014, which was driven by a reduction in third-party bushels handled.

Operating expenses and depreciation

The increase in operating and depreciation expense of $0.5 million, or 13%, was entirely driven by decline in the CAD of 12.4% relative to the USD from 2014 to 2015.

The table below presents the total number of bushels handled at the Corporation's elevator facilities for the company-owned grains and for grain handled for third-party storage tenants for the year and quarters ended March 31, 2015 and 2014:

	12 months		3 months	
(Bushels in millions)	**2015**	2014	**2015**	2014
Company-owned bushels handled	**19.64**	26.49	**5.10**	2.53
Third-party bushels handled	**18.27**	9.70	**2.27**	2.87
Total bushels handled	**37.91**	36.19	**7.37**	5.40

The following table represents the net trading margins per bushel relative to company-owned bushels handled; storage and rental income per bushel of third-party owned inventory handled; along with the operating and depreciation expenses per bushel for all bushels handled for the year and quarters ended March 31, 2015 and 2014.

	12 months		3 months	
(Dollars per bushel handled)	**2015**	2014	**2015**	2014
Net trading margin	**$ 1.11**	$ 0.58	**$ 0.52**	$ 2.30
Storage and rental income	**0.36**	0.56	**0.66**	0.60
Average gross profit before undernoted expenses	**0.75**	0.57	**0.56**	1.39
Operating and depreciation expense	**(0.44)**	(0.45)	**(0.59)**	(0.71)
Gross profit per bushel handled	**$ 0.31**	$ 0.12	**$ (0.03)**	$ 0.68

The change in the dollars per bushel handled figures for the year and quarters ended March 31, 2015 and 2014 is due to the following:

Net trading margin per bushel handled

An increase in net trading margin for the year ended March 31, 2015 compared to 2014 was driven by: effectively assessing the needs of the marketplace, positioning inventory quality in such a manner to supply the desired quality grain to end-users, and; enhanced utilization through the Corporation's strategic facilities located on the Great Lakes to fulfill export and domestic demand in large volumes.

The reduction in net trading margin for the quarter March 31, 2015 compared to 2014, is a function of static basis values on premium grain and the decline in nearby values in certain cereal grain markets for inventory the Corporation owned throughout the fourth quarter of 2015.

Storage and rental income per bushel handled

The reduction in $0.20 per bushel handled of third-party storage and rental income was a function of handling more volume on behalf of third-party customers. Typically there is an inverse relationship between the dollars per third-party bushel handled and the number of bushels handled on behalf of the third-party customers.

For the Corporation's third-party storage agreements, the Corporation earns a flat storage fee per month (i.e. $0.07 per month for each bushel in-store), along with a fee for each bushel unloaded and loaded out (i.e. $0.05 in and $0.05 out, for a total of $0.10 for each bushel handled). It is entirely possible for the Corporation to handle zero bushels for a third-party tenant while earning $0.07 for each bushel in store. As less bushels are handled, the dollars per bushel increases due to the storage rate and total bushels in-store being in excess of the fee for handling bushels and total bushels as a whole. Thus, the reduction compared to prior year is due to increased bushels being handled. On the other hand, the increase in dollars per bushel for the quarter ended March 31, 2015 compared to 2014, is due to less bushels being handled for third-party customers.

General and Administrative Expenses

General and administrative expense is composed of two components: Corporate level administrative expenses and administrative expenses associated with running its Grain Division (exclusive of those expenses incurred at grain facilities, which are captured in Cost of sales and are a reduction to Gross profit as described above). In addition, the corporate administrative expenses are inclusive of non-grain business growth initiatives. The following table below lays out the two components of the Corporation's consolidated general and administrative expenses for the years and quarters ended March 31, 2015 and 2014:

	12 months		3 months	
(in millions)	**2015**	2014	**2015**	2014
Corporate administration	**$ 5.5**	$ 12.3	**$ 1.0**	$ (0.4)
Grain Division administration	**5.2**	4.9	**1.2**	1.7
Total general and administrative expense	**$ 10.7**	$ 17.2	**$ 2.2**	$ 1.3

For the year ended March 31, 2015, general and administrative expenses totalled $10.7 million, which represented a decrease compared to prior year of $6.5 million, or 62% (2014: $17.2 million).

The reduction in fiscal year 2015 compared to fiscal 2014 was due to the recognition in the prior year of expenses relating to the termination of the Corporation's management agreement with Front Street Capital (Front Street). In fiscal 2014, the Corporation recorded provisions for $5.0 million for the management transition payment that was made on October 1, 2013 to Front Street, and $1.4 million for contingent additional payments to Front Street, totalling $6.4 million.

For the quarter ended March 31, 2015, general and administrative expense totaled $2.3 million versus $1.3 million in the fourth quarter of 2014. General and administrative expense for fiscal quarter four of 2014 was less due to the reduction in fair value of the Corporation's liability of future payments to Front Street relating to the termination of the management agreement. Excluding items relating to the termination of the management agreement, general and administrative expenses incurred as part of normal business operations were comparable from fiscal quarter four of 2014 to 2015.

For the year ended March 31, 2015 corporate general and administrative expense totalled $5.5 million compared to $12.3 million in the prior year, representing a reduction of $6.8 million, which is due to the termination of the Front Street management agreement described above. The Grain Division's administrative expenses increased $0.3 million, or 6%. This increase is entirely driven by the 8% decline of the CAD compared to prior year. In absolute USD terms, the Grain Division administrative expense declined compared to prior year by approximately USD $0.1 million.

Furthermore, since termination of the management agreement with Front Street, general and administrative expenses have significantly decreased, as the Corporation's management has been internalized. During the year ended March 31, 2015, the Corporation hired a new President & CEO and Chief Financial Officer while also hiring a General Manager of Energy to lead the Corporation's business development efforts at Northgate. Concurrent with the internalization of management, the Corporation terminated all of its consulting agreements with third-parties, as it work that was previously performed by third-party consultants is now being performed internally, which has led to realized general and administrative expense savings compared to prior years. In addition, during the fourth quarter of fiscal 2015, the Corporation added a Vice President of Trading & Risk Management to further strengthen its commercial trade team and develop commercial opportunities while building out its grain trading team.

Finance (Loss) Income

Finance (loss) income for the year ended March 31, 2015 was $0.2 million compared to a loss of $2.9 million in 2014. The slight loss in 2015 was driven by realized and unrealized losses on foreign currency exchange that was partially offset by a gain on foreign currency hedging. The decline in the loss compared to 2014 was driven by realized losses recognized in 2014 for the sale of investments, which totalled $3 million. For the quarter ended March 31, 2015, the Corporation recognized finance income of $0.1 million (2014: loss of less than $0.1 million), which was driven by realized and unrealized gains on foreign currency exchange for the quarter.

Finance Expenses

	12 months		3 months	
(in thousands)	**2015**	2014	**2015**	2014
Interest on revolving credit facility	**$ (1,761.2)**	$ (4,028.7)	**$ (288.3)**	$ (865.0)
Interest on repurchase obligations	**(137.5)**	(158.0)	**(35.2)**	(71.1)
Long-term debt	**(402.4)**	-	**(402.4)**	-
Amortization of financing costs paid	**(742.4)**	(530.9)	**(295.0)**	(195.0)
Interest income and other interest expense	**137.0**	-	**85.6**	0.1
	$ (2,906.5)	$ (4,717.6)	**$ (935.3)**	$ (1,131.0)

For the year ended March 31, 2015, finance expenses included interest on the Corporation's short-term credit facility, interest expense on repurchase obligations (a second form of short-term borrowing), long term debt expense, and amortization on financing costs paid. These forms of interest expense were slightly offset by interest income recognized during the year of over $0.1 million. Finance expenses declined over $1.8 million, or 38%, for the year ended March 31, 2015 compared to 2014. The decline is attributable to a reduction in overall grain prices compared to prior year, and lower inventory quantities owned and in-store.

For the quarter ended March 31, 2015, finance expense was nearly $0.2 million less than the same quarter in the prior year. The slight reduction was primarily driven by using the proceeds from the Rights Offering (described further in the Capital Resources section below and in Note 15(e) of the

Consolidated Financial Statements) to temporarily pay down the Corporation's revolving credit facility in January 2015 to save on interest and finance expense. Total savings realized in the fourth quarter of 2015 totaled over $0.5 million. The realized savings was partially offset by the origination of term debt on December 30, 2014, which had an associated finance expense incurred in fiscal quarter 4 of $0.4 million. (See the Capital Resources section below and Note 12 of the Consolidated Financial Statements for further information on the long-term debt.)

Income Taxes

For the year ended March 31, 2015, the Corporation incurred income tax expense totaling $0.4 million (2014: recovery of $1.3 million). The income tax expense compared to the recovery in the prior year's periods is due to the realization of loss carrybacks for prior year tax losses, which amounted to approximately $1.0 million.

Furthermore, the Corporation has not recognized its deferred tax assets, which are predominantly composed of net operating loss carryforwards, as it is not probable that the benefit will be realized. Income tax expense incurred for the year and quarter ended March 31, 2015 is composed of (1) deferred tax expense, and (2) alternative minimum tax and state income tax incurred from operations in the United States.

Share of Net Income (Loss) in Investments in Associates

The Corporation's share of net income (loss) in investments in associates relates to two minority investments that the Corporation holds that are accounted for the using the equity method. The Corporation holds a 25% minority interest in the SSR, which is a short-line railway extending from Richardson, Saskatchewan, to Stoughton, Saskatchewan. The Corporation's second equity investment is a 25% interest in Canterra Seeds, a Winnipeg-based pedigreed agriculture seed company that produces and markets seed varieties in Western Canada and the Great Northern Plains of the United States. The Corporation holds a 25% voting position on both investees' board of directors.

For the year ended March 31, 2015, the Corporation's share of net income in its investment in associates was a net gain of $1.2 million (2014: income of $0.5 million). For the quarter ended March 31, 2015, the Corporation recognized a share of its loss in investments in associates totaling less than $0.1 million compared to a loss of less than $0.2 million for the same quarter ended March 31, 2014.

Gain on translation of foreign currency accounts of foreign operations

For the year ended March 31, 2015, the Corporation recognized a gain on translation of foreign accounts of foreign operations totaling $14.1 million (2014: $9.4 million). Gains and losses pertaining to translation of foreign operations relate to net assets of USD functional currency operations, which are translated into CAD using the rate at the reporting date while related net income (or loss) is translated using the average rate for the period. The gain for the year was driven by a 14% decline in the Canadian dollar compared 9% in 2014.

For the quarter ended March 31, 2015, the Corporation recognized a gain of $8.3 million compared to a gain of $4.3 million for the fourth quarter ended March 31, 2014. The increase in the gain in 2015 was driven by a 9% decline in the Canadian dollar during the quarter compared 4% decline in the fourth quarter of 2014.

2. QUARTERLY FINANCIAL DATA

(in thousands, except per share amounts)

	3 months	3 months	3 months	3 months	3 months	3 months	3 months	3 months
Reporting dates	3/31/2015	12/31/2014	9/30/2014	6/30/2014	3/31/2014	12/31/2013	9/30/2013	6/30/2013
(in millions except per share)	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Revenues	$ 54.5	$ 69.7	$ 17.1	$ 51.5	$ 33.5	$ 54.8	$ 74.4	$ 69.7
Gross profit (loss)	$ (0.2)	$ 5.4	$ 5.3	$ 1.2	$ 3.7	$ 0.1	$ 2.6	$ (2.1)
Income (loss) from operations	$ (2.5)	$ 3.3	$ 2.4	$ (2.2)	$ 2.4	$ (1.3)	$ (8.9)	$ (5.0)
Net income (loss)	$ (3.5)	$ 2.3	$ 1.9	$ (2.1)	$ 0.4	$ (2.1)	$ (11.7)	$ (5.8)
Return on shareholders' equity	-1.6%	1.1%	1.4%	-1.6%	0.3%	-1.6%	-9.1%	-4.1%
Weighted-average number of common shares for the quarter	27.1	17.9	14.2	14.2	14.2	14.2	14.3	14.3
Basic and fully diluted earnings (loss) per share	$ (0.13)	$ 0.13	$ 0.13	$ (0.15)	$ 0.03	$ (0.15)	$ (0.82)	$ (0.41)
EBITDA	$ (1.6)	$ 3.8	$ 3.2	$ (1.8)	$ 3.1	$ (1.6)	$ (10.2)	$ (4.1)
EBITDA per share	$ (0.06)	$ 0.21	$ 0.23	$ (0.13)	$ 0.22	$ (0.12)	$ (0.71)	$ (0.28)
Cash and portfolio investments, at reporting date	$ 6.0	$ 86.3	$ 13.7	$ 26.4	$ 12.9	$ 7.3	$ 15.9	$ 24.1
Shareholders' equity, as at reporting date	$ 218.8	$ 214.1	$ 135.0	$ 128.1	$ 134.1	$ 129.3	$ 128.0	$ 142.8
Shareholders' equity per common share, as at reporting date	$ 8.09	$ 7.91	$ 9.50	$ 9.01	$ 9.44	$ 9.10	$ 9.00	$ 9.96

Revenues: The Corporation's revenue is currently generated by its Grain Division, and revenues are predominantly composed of the sale of grain, storage and rental income, and other operating income that is earned. Since a predominant portion of revenue is composed of the sale of grain, as a commercial commodities merchandizing business, revenues can vary from quarter-to-quarter due to fluctuations of agricultural commodity prices. The Corporation has the flexibility to be opportunistic in its decisions to buy, sell or hold inventory based on market conditions such as grain supply, demand and grain values.

Gross profit (loss) & Income (loss) from operations: The Corporation's Grain Division is principally involved in an agricultural commodity-based business, in which changes in selling prices generally move in relation to changes in purchase prices. Therefore, increases or decreases in prices of the agricultural commodities are expected to have a relatively equal impact on sales and cost of sales, and accordingly a minimal impact on gross profit. Therefore, management believes it is more important to focus on changes in gross profit rather than changes in revenue dollars. Gross profit may vary from quarter to quarter depending on gains from trading, carrying income and basis income against changing inventory levels.

3. LIQUIDITY & CASH FLOW

(in thousands)	Years ended March 31, 2015	2014
Net Cash Provided by (used in)		
Operating activities	**$ (22,653)**	$ 65,099
Investing activities	**(22,550)**	(7,389)
Net Cash Provided (Used) Before Financing Activities	**(45,203)**	57,710
Financing Activities	**44,022**	(66,679)
Foreign Exchange Gain (Loss) on Cash and Cash Equivalents Held in Foreign Currency	**(5,693)**	534
Decrease in Cash and Cash Equivalents	**$ (6,874)**	$ (8,435)
Cash and Cash Equivalents	**$ 5,136**	$ 12,009

Operating Activities

Cash from operating activities was $87.8 million lower in 2015 predominantly due to an increase in cash used non-cash working capital accounts. Excluding assets held for sale as at March 31, 2014, working capital increased $77.5 million from March 31, 2014 to March 31, 2015.

Investing Activities

In 2015, cash used in investing activities was $22.6 million, a $15.2 million increase in cash used from 2014, which was primarily due to the acquisition of property, plant and equipment at NCLC and a slight offset by cash proceeds received from the disposition of assets held for sale in 2015.

Financing Activities

In 2015, our cash provided from financing activities increased $110.7 million. As we note herein and in our Consolidated Financial Statements, we received proceeds from our rights offering, net of share issuance costs, of $73.4 million and proceeds from term loans of $29.1 million.

As at March 31, 2015, we were in compliance with all of the terms of our debt agreements.

Available Sources of Liquidity

The Corporation's sources of liquidity as at March 31, 2015 are cash and cash equivalents and available funds under its revolving credit facility ("credit facility"). Management believes that cash flow from operations will be adequate to fund operating expenditures, maintenance capital, interest, and any income tax obligations. Growth capital expenditures in the next twelve months will be funded by cash on hand and borrowing against the credit facility. Any additional debt incurred will be serviced by the anticipated increases in cash flow and will only be borrowed within the Corporation's debt covenant limits. During the quarter ended March 31, 2015, the Corporation temporarily paid down its revolving credit facility using proceeds from the rights offerings.

In addition, the revolving Corporation's credit facilities at March 31, 2015 have certain covenants, including minimum working capital of not less than $30 million. As at March 31, 2015 the Corporation's working capital totaled $123.1 million.

2015		Carrying amount		Contractual cash flows		1 year		2 years		3 to 5 years		More than 5 years
Bank indebtedness	$	18,736,400	$	18,963,000	$	18,963,000	$	-	$	-	$	-
Accounts payable and accrued liabilities		17,388,202		17,388,202		17,388,202		-		-		-
Repurchase obligations		18,635,451		18,635,451		18,635,451		-		-		-
Derivatives		2,607,280		2,607,280		2,607,280		-		-		-
Provision for future payments to Front Street Capital		344,000		344,000		344,000		-		-		-
Warrants		1,719,000		1,719,000		1,719,000		-		-		-
Long-term debt (1)		30,381,310		31,605,000		-		3,792,600		27,812,400		-

(1) Refer to Note 12 of our Consolidated Financial Statements

As disclosed within Note 10 of the Consolidated Financial Statements, during the year ended March 31, 2015, Ceres entered into a contract with a Canadian contractor to design and build an inland grain terminal at the NCLC. The design and build process commenced in early September 2014 with substantial completion of the project expected to be in March 2016. The total contract price is $40 million, and as at March 31, 2015, $14.6 million has been incurred. The remaining commitment is expected to be met over the term of the contract through March 2016.

4. CAPITAL RESOURCES

The Corporation utilizes its revolving credit facility to finance its grain trading operations, which primarily consist of purchases of grain inventories, financing of accounts receivable, and hedging activities, less accounts payable. Levels of short-term debt fluctuate based on changes in underlying commodity prices and the timing of grain purchases.

Credit Facility

As disclosed in Note 11 of the Consolidated Financial Statements, on December 30, 2014, the Corporation amended and extended its syndicated uncommitted US$120 million 364-day revolving credit agreement with Macquarie Bank Ltd. ("Macquarie Bank"). Borrowings bear interest at 2.875% plus overnight LIBOR. Interest is calculated and paid on a monthly basis. Amounts under the credit agreement that remain undrawn are not subject to a commitment. The credit facility has certain covenants pertaining to the accounts of the Corporation, and as at March 31, 2015, the Corporation was in compliance with all debt covenants. Prior to this agreement, through Riverland Ag, the Corporation had a revolving credit agreement that was substantially identical as it was syndicated and for US$120 million with borrowing bearing interest at 2.875% plus overnight LIBOR.

Long-term Debt

As disclosed in Note 12 of the Consolidated Financial Statements, and as previously reported, on June 27, 2014, Ceres entered into a senior secured term loan facility agreement (the "Loan") for US$20 million with Macquarie Bank to finance further development and early stage construction of Northgate.

Subsequent to that, and in conjunction with amending and extending the syndicated uncommitted credit agreement described above, on December 30, 2014, the Corporation entered into a senior secured term loan facility agreement (the "New Loan") for US$25 million with Macquarie Bank. This New Loan is for a term of 5 years with an interest rate of one month LIBOR plus 5.25%. This New Loan extinguished and replaced the previous loan originated on June 27, 2014, which had an initial term maturing on December 29, 2014.

Equity Financing & Rights Offering
As disclosed in Note 15(e) of the Consolidated Financial Statements, on December 4, 2014, the Corporation successfully completed a fully backstopped rights offering. The rights offering was fully subscribed at a price of $5.84. The Corporation issued 12,842,465 common shares for aggregate gross proceeds of approximately $75 million. Costs incurred relating to the issuance of shares totaled $1,571,062

5. ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Changes in Accounting Policies and Recently Announced Pronouncements
Refer to Note 3 to the Consolidated Financial Statements for information pertaining to accounting changes effective in the year ended March 31, 2015 and future changes in accounting standards that will be effective in future years.

Critical Accounting Estimates
The discussion and analysis of Ceres' financial condition and results of operations are based upon the Corporation's Consolidated Financial Statements, which have been prepared in accordance with IFRS. Ceres' significant accounting policies and accounting estimates are contained in the Consolidated Financial Statements (see Notes 3 and 4, respectively, for the description of policies or references to notes where such policies are contained). The critical accounting estimates are valuation of investments; valuation of inventories and commodity derivatives; fair value of financial instruments; income taxes and the valuation of warrant obligations; and deferred share units, because they require Ceres to make assumptions about matters that are potentially uncertain at the time the accounting estimate is made and due to the likelihood that materially different amounts could be reported under different conditions or using different assumptions.

6. OUTLOOK

MARKET OUTLOOK

Grain Division
The Corporation is committed to improving the effectiveness of its grain merchandising, handling, through-put, and overall utilization of its existing asset infrastructure with Northgate serving as the anchor and catalyst of the enhancement. During the fiscal year ended March 31, 2015, the Corporation received all material regulatory approvals and permits, including approvals from the Canadian and U.S. Customs authorities on the border crossing to be used in connection with the NCLC. The Corporation commenced grain operations at NCLC in the fourth quarter of 2015, handling over 1.7 million bushels at Northgate shipping grain to existing facilities to fulfill anticipatory local demand and directly to end-user customers.

The NCLC is located in an important spring wheat, durum and canola production region in Canada with a significant amount of oats produced to the north and deliverable to the facility by truck. The Northgate location will allow producers in the surrounding regions the ability to have freight transport on the BNSF rail network, to which no other grain elevator in Western Canada has direct access. Management expects that NCLC's BNSF-served elevator will give Canadian grain producers and handlers increased access to the United States and other international markets.

With a full fiscal year of Northgate, along with management's commitment to enhancing its grain merchandising and trade flow capabilities with the addition of key trading personnel and increased utilization of its facilities, the Corporation expects to trade and handle more company-owned bushel volume in fiscal year 2016 with the expectation that increased handling will lead to greater net trading margins and gross profits. As we previously reported, during the 2014 shipping season the Corporation loaded nine vessels out of its main Duluth, Minnesota, facility (compared to four in 2013). As management expects growth in company-owned bushels handled, we anticipate incremental growth in outbound vessels out of our main Duluth facility driven by grain originated out of Northgate.

In addition, during the year ended March 31, 2015, the Corporation added an international and domestic durum wheat trading platform. Serving as diversification to its already-existing wheat portfolio, durum wheat trading has enhanced gross profit and increased utilization of the Corporation's main elevator in Duluth, Minnesota, without any significant increases in operating expenses. As part of its durum program, the Corporation has acquired durum from the Southwestern and Great Northern Plans of the United States and Canada, including NCLC.

Subsequent to March 31, 2015, the Corporation expanded its operations by opening a grain merchandising office in southeastern Ontario, which will play a key role in extending the Corporation's trading and merchandising reach into Ontario and the eastern Canadian markets, and enhancing the utilization of its Port Colborne, Ontario, facility. Furthermore, the Corporation has expanded its existing hard wheat trading portfolio with the addition of key personnel, which will allow the Corporation to expand its geographic procurement and merchandising reach throughout North America. Management expects that these two expansions, coupled with a full year of Northgate grain origination, and other strategic initiatives will contribute positively to the Corporation's net earnings in fiscal 2016.

Logistics Division

The Corporation's logistics-related initiatives anchor on the strategic geographic location of Northgate, which is located in a prime area to facilitate the movement of oil and natural gas from Canada to the United States. Concurrent with its grain operations at NCLC, in the first quarter of fiscal year 2016, the Corporation entered into an agreement with Elbow River Marketing Ltd., a wholly owned subsidiary of Parkland Fuel Corporation, to transload propane at Northgate. Under this strategic agreement, the Corporation unloads propane from inbound trucks loading it into railcars for shipment into the US market via the BNSF from Northgate, Saskatchewan. This provides a direct link and an added access point for propane to enter the US market. Through May 31, 2015, the Corporation has loaded 109 railcars. Management expects this business to grow throughout fiscal year 2016.

Geographically, the NCLC is located in a prime area to facilitate the movement of grain, oil and natural gas from Canada to the United States. The direct connection to BNSF's 32,000-mile network presents a unique opportunity to secure Canadian-origin grain bushels for southbound movement in large consist trains. BNSF's railcar management system includes car auctions where shippers are allowed to bid for Certificates of Transportation. These certificates represent the right to empty rail cars and have priority placement over tariff car orders. Certificates of Transportation are traded in the open market amongst shippers and grain elevators, allowing all shippers equal access to rail equipment. This system is unique to BNSF and Union Pacific and is not available on the CP or CN systems.

As the Northgate facility is designed to utilize high-efficiency rail loops, capable of handling unit trains of up to 120 railcars, there is ample land and track capacity for additional potential supply handling facilities at Northgate, which would offer unloading and logistic support for supplies used in the area's oil production. The Corporation is evaluating the feasibility and profit potential of such additional projects around the supply handling facility initiatives of oil, fertilizer and additional natural gas.

7. OTHER

CONTROLS ENVIRONMENT

Disclosure Controls and Procedures

Ceres maintains appropriate information systems, procedures and controls to ensure that new information disclosed externally is complete, reliable and timely. National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109") requires the Chief Executive Officer and the Chief Financial Officer to certify that they are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and that they have, as at March 31, 2015, designed and evaluated the effectiveness of the DC&P (or have caused such DC&P to be designed under their supervision) to provide reasonable assurance that material information relating to Ceres is made known to them by others, particularly during the period in which Ceres' annual filings are being prepared, and that information required to be disclosed by Ceres in its annual filings, interim filings or other reports filed or submitted by Ceres under applicable securities legislation is recorded, processed, summarized and reported within the time periods specified in applicable securities legislation.

Internal Controls over Financial Reporting

NI 52-109 also requires the Chief Executive Officer and the Chief Financial Officer to certify that they are responsible for establishing and maintaining internal control over financial reporting ("ICFR") and that they have, as at March 31, 2015, designed and have effective ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards (IFRS). The control framework used by the Chief Executive Officer and the Chief Financial Officer to design Ceres' ICFR is the *Risk Management and Governance: Guidance on Control* (COCO Framework) published by The Canadian Institute of Chartered Accountants. There have been no changes in Ceres' ICFR that has materially affected, or is reasonably likely to materially affect, Ceres' ICFR.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Corporation's financial instruments and other instruments, including a discussion of risks and relevant risk sensitivities, can be found in Note 14 of the Consolidate Financial Statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has not engaged in any off-balance sheet arrangements.

SHARES OUTSTANDING

As at June 4, 2015, the issued and outstanding equity securities of the Corporation consisted of 27,057,655 common shares.

CONTINGENT LIABILITIES

See Note 21 of the Consolidated Financial Statements for disclosure of the Corporation's contingent liabilities as at March 31, 2015.

SUBSEQUENT EVENT

See Note 22 of the Consolidated Financial Statements for disclosure of the Corporation's subsequent event occurring prior to the release of the Consolidated Financial Statements but subsequent to March 31, 2015.

8. NON-IFRS FINANCIAL MEASURES AND RECONCILIATIONS

Certain financial measures in this MD&A and discussed below are not prescribed by and have a standardized meaning under IFRS. As such, they are unlikely to be comparable to similar measures presented by other issuers. These non-IFRS financial measures are included because management uses the information to analyze leverage, liquidity, and operating performance.

Earnings Before Income Taxes, Depreciation and Amortization

The Corporation believes the presentation of EBITDA can provide useful information to investors and shareholders as it provides increased transparency. EBITDA is one metric that is used by management to determine the Corporation's ability to service its debt and finance capital. EBITDA excludes gains and losses on property, plant and equipment and assets held for sale, as these items are considered to be non-reoccurring in nature.

The following table is a reconciliation of EBITDA for Ceres on a consolidated basis for the years and quarters ended March 31, 2015 and 2014.

	12 months		3 months	
(in thousands)	**2015**	2014	**2015**	2014
Net income (loss) for the period	**$ (1,385)**	$ (19,270)	**$ (3,485)**	$ 391
Add/(Deduct):				
Finance expenses	**2,906**	4,718	**935**	1,131
Gain on sale or property, plant and equipment	**-**	(200)	**-**	(3)
Loss on impairment of assets held for sale	**-**	763	**-**	763
Income taxes (recovered)	**419**	(1,323)	**114**	(104)
Share of net (income) loss in investments in asscoiates	**(1,181)**	(464)	**39**	156
Depreciation on property, plant and equipment	**2,821**	3,000	**774**	789
	$ 3,580	$ (12,776)	**$ (1,623)**	$ 3,123

Return on Shareholders' Equity

Ceres believes that the return on shareholders' equity can be an effective measure used to evaluate the performance of the business over time. Management uses this metric to analyze performance and set targets. Return on shareholders' equity is the quotient of the net income (loss) for the period and the total shareholders' as at the reporting date.

The following table is a calculation of return on shareholders' equity for Ceres for the years and quarters ended March 31, 2015 and 2014.

	12 months		3 months	
(in thousands)	**2015**	2014	**2015**	2014
Net income (loss) for the period	**$ (1,385)**	$ (19,270)	**$ (3,485)**	$ 391
Total shareholders' equity as at reporting date	**218,838**	134,075	**218,838**	134,075
	-0.6%	-14.4%	**-1.6%**	0.3%

9. KEY ASSUMPTIONS & ADVISORIES

FORWARD LOOKING INFORMATION

This annual MD&A contains information that is "forward-looking information", "forward-looking statements" and "future oriented financial information" (collectively herein referred to as "forward-looking statements") within the meaning of applicable securities laws. Forward-looking statements in this document may include, among others, statements regarding future operations and results, anticipated business prospects and financial performance of Ceres and its subsidiaries, expectations or projections about the future, strategies and goals for growth, the action against Ceres initiated by the Scoular Company, expected and future cash flows, costs, planned capital expenditures, additional anticipated capital projects, construction and completion dates, including the plans, costs, timing and capital requirements for the development of the Northgate Commodities Logistics Centre ("NCLC"), operating and financial results, critical accounting estimates and the expected financial and operational consequences of future commitments.

Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "outlook", "likely", "probably", "going forward", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", "may have implications" or similar words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking statements in this document are intended to provide Ceres' shareholders and potential investors with information regarding Ceres and its subsidiaries, including Management's assessment of future financial and operational plans and outlook for Ceres and its subsidiaries.

Forward-looking statements are based on the opinions and estimates of management at the date the information is made, and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Actual results or events may differ from those predicted in these forward-looking statements. All of the Corporation's forward-looking statements are qualified by the assumptions that are stated or inherent therein, including the assumptions listed below. Although Ceres believes these assumptions are reasonable, this list is not exhaustive of factors that may affect any of the forward-looking statements.

KEY ASSUMPTIONS

Key assumptions have been made in connection with the forward-looking statements in this interim MD&A. These assumptions include, but are not limited to, the following (in no particular order of importance):

- No material change in the regulatory environment in Canada and the United States;
- Supply and demand factors as well as the pricing environment for grains and other agricultural commodities;
- Fluctuation of currency and interest rates;
- General financial conditions for Western Canadian and American agricultural producers;
- Market share that will be achieved by the Corporation;
- Adequate and timely service from the railroad companies, and in particular from the Burlington Northern Santa Fe railroad at the NCLC;
- The ability of Ceres to successfully build and operate the Northgate grain elevator;
- The Corporation’s ability to successfully defend itself against, or settle, the dispute with The Scoular Company;
- Realization of economic benefits resulting from the synergies with NCLC;
- The Corporation’s ability to maintain existing customer contracts and relationships coupled with its ability to increase its customer portfolio; and
- Continued compliance by the Corporation with its loan covenants.

The preceding list is not exhaustive of all possible factors. All factors should be considered carefully when making decisions with respect to Ceres. Many such factors and events are not within the control of Ceres. Factors that could cause actual results or events to differ materially from current expectations include, among others, risks related to weather, politics and governments, changes in environmental and other laws and regulations, competitive factors in the agricultural, food processing and feed sectors, construction and completion of capital projects, labour, equipment and material costs, access to capital markets, interest and currency exchange rates, technological developments, global and local economic conditions, the ability of Ceres to successfully implement strategic initiatives and whether such strategic initiatives will yield the expected benefits, the operating performance of the Corporation’s assets, the availability and price of commodities, and the regulatory environment, processes and decisions. Ceres has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements. However, there may be other factors that might cause actions, events or results that are not anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information.

By its nature, forward-looking information is subject to various risks and uncertainties, including those risks discussed in other sections of this interim MD&A and in other filings and communications, any of which could cause Ceres’ actual results and experience to differ materially from the anticipated results or published expectations. Additional information on these and other factors is available in the reports filed by Ceres with Canadian securities regulators. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date of this interim MD&A or otherwise, and not to use future-oriented information or financial outlooks for anything other than their intended purpose. Ceres undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, change in management's estimates or opinions, future events or otherwise, except as required by law.

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CERES
GLOBAL AG CORP.

For the years ended March 31, 2015 and 2014

Management's Responsibility for Financial Reporting

These consolidated financial statements of the Corporation are the responsibility of management. The consolidated financial statements were prepared by management in accordance with International Financial Reporting Standards ("IFRS") using information available to June 4, 2015 and management's best estimates and judgments, where appropriate.

Management has established a system of internal accounting and administrative controls to provide reasonable assurance that assets are safeguarded from loss or unauthorized use, transactions are properly authorized and recorded, and financial records are properly maintained for the preparation of reliable financial statements.

The Board of Directors discharges its responsibility for the consolidated financial statements primarily through its Audit Committee, which comprises members of the Board of Directors. The Audit Committee meets with management and with the external auditors to discuss the results of the audit examination and review the consolidated financial statements of the Corporation. The Audit Committee also considers, for review by the Board and approval by the shareholders, the engagement or re-appointment of the external auditors. The financial statements have been approved by the Board of Directors and have been audited by KPMG LLP, Chartered Accountants, in accordance with Canadian generally accepted auditing standards. Their Independent Auditors' Report outlines their responsibilities, the scope of their audit, and their opinion on the accompanying consolidated financial statements. KPMG LLP has full and unrestricted access to the Audit Committee.

Patrick Bracken
Chief Executive Officer

Mark Kucala
Chief Financial Officer

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of Ceres Global Ag Corp.

We have audited the accompanying consolidated financial statements of Ceres Global Ag Corp., which comprise the consolidated balance sheets as at March 31, 2015 and March 31, 2014, the consolidated statements of comprehensive income (loss), changes in shareholders' equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Ceres Global Ag Corp. as at March 31, 2015 and March 31, 2014, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

KPMG LLP

Chartered Accountants

June 4, 2015

Winnipeg, Canada

CERES GLOBAL AG CORP.
Consolidated Balance Sheets

	Note		March 31, 2015		March 31, 2014
ASSETS					
Current					
Cash		$	5,136,032	$	12,009,400
Portfolio investments	14(d)		848,163		848,163
Due from Brokers	6		8,641,335		4,620,007
Derivatives	14(a)		9,472,984		2,965,891
Accounts receivable, trade			7,910,824		6,757,757
Inventories, grains	5		147,940,077		113,320,466
Sales taxes recoverable			1,137,391		1,469,543
Income taxes recoverable			-		58,465
Assets held for sale	7		-		18,233,455
Prepaid expenses and sundry assets			1,410,699		1,477,376
Current assets			**182,497,505**		**161,760,523**
Investments in associates	8		5,619,412		4,625,667
Intangible assets			379,260		331,650
Investment property	9		-		14,803,988
Property, plant and equipment	10		120,450,079		50,687,083
Non-current assets			**126,448,751**		**70,448,388**
TOTAL ASSETS		**$**	**308,946,256**	**$**	**232,208,911**
LIABILITIES					
Current					
Bank indebtedness	11	$	18,736,400	$	71,746,950
Accounts payable and accrued liabilities			17,388,202		7,567,634
Repurchase obligations	13		18,635,451		15,941,080
Derivatives	14(a)		2,607,280		1,752,256
Provision for future payments to Front Street Capital	17		344,000		970,000
Warrants	15(c)		1,719,000		-
Current liabilities			**59,430,333**		**97,977,920**
Long-term debt	12		30,381,310		-
Deferred income taxes	18		296,971		156,534
Non-current liabilities			**30,678,281**		**156,534**
TOTAL LIABILITIES			**90,108,614**		**98,134,454**
SHAREHOLDERS' EQUITY					
Common shares	15(e)		208,884,960		137,100,022
Deferred share units	16		319,820		62,500
Contributed surplus			9,228,422		9,228,422
Currency translation account			22,179,246		8,072,943
Deficit			(21,774,806)		(20,389,430)
TOTAL SHAREHOLDERS' EQUITY			**218,837,642**		**134,074,457**
COMMITMENTS	10				
CONTINGENT LIABILITIES	21				
SUBSEQUENT EVENT	22				
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**308,946,256**	**$**	**232,208,911**

The accompanying notes are an integral part of these financial statements.

ON BEHALF OF THE BOARD

Signed *"Harold Wolkin"* *Director* Signed *"Doug Speers"* *Director*

CERES GLOBAL AG CORP.

Consolidated Statements of Comprehensive Income (Loss)

For years ended March 31, 2015 and 2014

	Note	2015	2014
REVENUES		$ 192,765,006	$ 232,353,830
Cost of sales		(181,073,981)	(227,982,570)
GROSS PROFIT		**11,691,025**	**4,371,260**
General and administrative expenses		(10,742,873)	(17,227,514)
INCOME (LOSS) FROM OPERATIONS		948,152	(12,856,254)
Finance loss	14(b)	(188,963)	(2,918,839)
Finance expenses	14(c)	(2,906,495)	(4,717,551)
Loss on impairment of assets held for sale	7	-	(763,201)
Gain on sale of property, plant and equipment		-	199,540
LOSS BEFORE INCOME TAXES AND UNDERNOTED ITEM		**(2,147,306)**	**(21,056,305)**
Income taxes (recovered)	18	419,315	(1,322,628)
LOSS BEFORE UNDERNOTED ITEM		**(2,566,621)**	**(19,733,677)**
Share of net income in investments in associates	8	1,181,245	463,700
LOSS FOR THE PERIOD		**(1,385,376)**	**(19,269,977)**
Other comprehensive gain for the period			
Gain on translation of foreign currency accounts of foreign operations		14,106,303	9,365,847
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		**$ 12,720,927**	**$ (9,904,130)**
WEIGHTED-AVERAGE NUMBER OF SHARES FOR THE PERIOD		**18,360,019**	**14,260,601**
LOSS PER SHARE			
Basic		**$ (0.08)**	**$ (1.35)**
Diluted		**$ (0.08)**	**$ (1.35)**
Supplemental disclosure of selected information:			
Depreciation included in Cost of sales	10	$ 2,742,253	$ 2,843,568
Depreciation included in General and administrative expenses	10	$ 79,470	$ 156,167
Amortization of financing costs included in Finance expenses		$ 742,445	$ 530,988
Personnel costs included in Cost of sales		$ 1,663,530	$ 1,527,417
Personnel costs included in General and administrative expenses		$ 520,687	$ 442,982

The accompanying notes are an integral part of these financial statements.

CERES GLOBAL AG CORP.
Consolidated Statements of Cash Flows
For the years ended March 31 2015 and 2014

	Note	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period		$ (1,385,376)	$ (19,269,977)
Adjustments for:			
Depreciation of property, plant and equipment	10	2,821,723	2,999,735
Revaluation of warrants conditionally issued	15(c)	75,000	-
Realized loss on sale of investments		-	2,974,760
Unrealized increase in fair value of investments		-	(513,896)
Loss on assets held for sale		-	763,201
Realized gain on sale of property, plant and equipment		-	(199,540)
Finance expenses		2,906,495	4,717,551
Income tax expense (recovery)	18	419,315	(1,322,628)
Deferred share units issued to Directors and fair value adjustment	16	276,032	62,500
Share of net income in investments in associates	8	(1,181,245)	(463,700)
Changes in non-cash working capital accounts	20	(24,014,566)	79,030,214
Interest paid		(2,471,290)	(4,634,761)
Income taxes recovered (paid)		(170,017)	955,867
Cash flow provided by (used in) operating activities		**(22,723,929)**	**65,099,326**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposition of assets held for sale	7	6,759,240	-
Proceeds from sale of investments		-	3,189,928
Dividend received from associate		187,500	125,000
Repayment of loan receivable from associate		-	62,500
Acquisition of, and costs capitalized on, investment property	9	(5,052,271)	(9,806,713)
Proceeds from sale of property, plant and equipment		-	1,549,940
Acquisition of property, plant and equipment	10	(24,444,302)	(2,509,343)
Cash flow used in investing activities		**(22,549,833)**	**(7,388,688)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from (repayment of) bank indebtedness	11	(56,885,000)	(52,670,000)
Proceeds from term loans	12	29,065,000	-
Net repayment of repurchase obligations	13	365,329	(12,939,394)
Financing costs paid	11, 12	(1,933,734)	(105,340)
Proceeds from common shares issued	15(e)	75,000,000	-
Share issuance costs	15(e)	(1,571,062)	-
Deferred share units redeemed	16	(18,712)	-
Repurchase of common shares under normal course issuer bid		-	(964,424)
Cash flow provided by (used in) financing activities		**44,021,821**	**(66,679,158)**
Foreign exchange cash flow adjustment on accounts denominated in a foreign currency		**(5,621,427)**	**534,084**
Increase (decrease) in cash for the period		**(6,873,368)**	**(8,434,436)**
Cash, beginning of period		12,009,400	20,443,836
Cash, end of period		**$ 5,136,032**	**$ 12,009,400**

The accompanying notes are an integral part of these financial statements

CERES GLOBAL AG CORP.

Consolidated Statements of Changes in Shareholders' Equity

For the years ended March 31, 2015 and 2014

	Note	Common shares	Warrants	Deferred share units	Contributed surplus	Currency translation account	Deficit	Total
Balances, April 1, 2014		**$ 137,100,022**	**$ -**	**$ 62,500**	**$ 9,228,422**	**$ 8,072,943**	**$ (20,389,430)**	**$ 134,074,457**
Transactions with Shareholders								
Issuance of Deferred Share Units	16	-	-	260,859	-	-	-	260,859
Redemption of Deferred Share Units for cash	16	-	-	(18,717)	-	-	-	(18,717)
Fair value adjustment of Deferred Share Units	16	-	-	15,178	-	-	-	15,178
Issuance of common shares, December 4, 2014	15(e)	73,428,938	-	-	-	-	-	73,428,938
Warrants, conditionally issued, December 4, 2014	15(c)	(1,644,000)	-	-	-	-	-	(1,644,000)
Total transactions with Shareholders		71,784,938	-	257,320	-	-	-	72,042,258
Comprehensive Income								
Other comprehensive income		-	-	-	-	14,106,303	-	14,106,303
Net loss for the period		-	-	-	-	-	(1,385,376)	(1,385,376)
Total Comprehensive Income		-	-	-	-	14,106,303	(1,385,376)	12,720,927
Balances, March 31, 2015		**$ 208,884,960**	**$ -**	**$ 319,820**	**$ 9,228,422**	**$ 22,179,246**	**$ (21,774,806)**	**$ 218,837,642**
Balances, April 1, 2013		**$ 138,298,904**	**$ 202,384**	**$ -**	**$ 9,026,038**	**$ (1,292,904)**	**$ (1,353,911)**	**$ 144,880,511**
Transactions with Shareholders								
Expiry of warrants, June 11, 2013	15(c)	-	(202,384)	-	202,384	-	-	-
Repurchases under normal course issuer bid	15(b)	(1,198,882)	-	-	-	-	234,458	(964,424)
Issuance of Deferred Share Units		-	-	62,500	-	-	-	62,500
Total transactions with Shareholders		(1,198,882)	(202,384)	62,500	202,384	-	234,458	(901,924)
Comprehensive Income								
Other comprehensive income		-	-	-	-	9,365,847	-	9,365,847
Net loss for the period		-	-	-	-	-	(19,269,977)	(19,269,977)
Total Comprehensive Income		-	-	-	-	9,365,847	(19,269,977)	(9,904,130)
Balances, March 31, 2014		**$ 137,100,022**	**$ -**	**$ 62,500**	**$ 9,228,422**	**$ 8,072,943**	**$ (20,389,430)**	**$ 134,074,457**

The accompanying notes are an integral part of these financial statements

1. CORPORATE STATUS, REPORTING ENTITY AND NATURE OF OPERATIONS

Ceres Global Ag Corp. (hereinafter referred to as "Ceres" or the "Corporation") was incorporated on November 1, 2007, as amended on December 6, 2007, under the provisions of the *Business Corporations Act* (Ontario). On April 1, 2013, Ceres Global Ag Corp. amalgamated with Corus Land Holding Corp. Thereafter, the amalgamated corporation continued operating as Ceres Global Ag Corp. Ceres is a corporation domiciled in Canada, with its head office located at 36 Toronto Street, Suite 850, Toronto, Ontario, Canada, M5C 2C5.

These consolidated financial statements of Ceres as at and for the year ended March 31, 2015 include the accounts of Ceres and its wholly owned subsidiaries Ceres Canada Holding Corp., Riverland Agriculture limited ("Riverland Canada"), Ceres U.S. Holding Corp., and Riverland Ag Corp. ("Riverland Ag"). All intercompany transactions and balances have been eliminated.

Unless otherwise stated, Riverland Ag and Riverland Canada will be collectively referred to as Riverland Ag. Riverland Ag is an agricultural cereal grain storage, customer-specific procurement and supply ingredient company that owns and operates nine (9) grain storage, handling and merchandising facilities in the states of Minnesota and New York, and the province of Ontario, with a combined licensed capacity of 47 million bushels. Riverland Ag also manages two (2) facilities in Wyoming on behalf of its customer-owner.

All of the Corporation's revenues for the years ended March 31, 2015 and 2014 are generated by Riverland Ag in the United States and Canada, which represents the Corporation's only reportable segment. Furthermore, as at March 31, 2015, of the Corporation's $309.0 million in total assets, $248.9 million are domiciled in the United States, while $60.1 million are domiciled in Canada. As at March 31, 2014, the Corporation had $199.6 million in total assets domiciled in the United States while $32.6 million were domiciled in Canada.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The accounting, estimation and valuation policies, as described below, have been consistently applied to all periods presented herein.

These consolidated financial statements were authorized for issue by the Audit Committee of the Board of Directors on June 4, 2015.

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("CAD"), which is the Corporation's functional currency.

Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for the following material items in the statement of financial position:

2. BASIS OF PREPARATION (continued)

Basis of measurement (continued)

- Derivative financial instruments are measured at fair value;
- Financial instruments at fair value through profit or loss are measured at fair value; and
- Inventories are measured at fair value less costs to sell.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies described below have been applied consistently to all periods presented in these consolidated financial statements.

Investments in associates

Associates are entities in which Ceres has significant influence, but has no control, over the financial and operating policies. Significant influence is presumed to exist when the Corporation holds between 20% and 50% of the voting power of another entity. Ceres has a 25% equity ownership interest in two Canadian companies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The Corporation's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Corporation's share of the after-tax net income (or net loss) and of the changes in equity during a reporting period, after adjustments (if any) to align the accounting policies with those of the Corporation, from the date that significant influence commences until the date that significant influence ceases. If the Corporation's accumulated share of net losses in an associate were to exceed the carrying amount of its interest in that associate, the carrying amount of that interest, including any long-term investments, would be reduced to nil and the recognition of further losses would be discontinued except to the extent the Corporation were to have an obligation or were to have made payments on behalf of the associate.

The Corporation reviews its investments in associates for impairment whenever events or changes in business circumstances indicate that the carrying amount of the investments may not be recoverable. Evidence of impairment in value might include the absence of an ability to recover the carrying amount of the investments, the inability of the associates to sustain earnings capacity that would justify the carrying amount of the investments, or, where applicable, estimated sales proceeds that are insufficient to recover the carrying amount of the investments. If the recoverable amount of the investments is determined to be less than the carrying amount, an impairment write-down is recorded based on the excess of the carrying amount over management's estimate of the recoverable amount.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Transaction costs

Portfolio transaction costs include brokerage commissions incurred in the purchase and sale of portfolio securities in which Ceres invests. Corporate transaction costs include costs directly attributable to the acquisition of subsidiaries and the investments in associates. All such costs are expensed in the period incurred and classified with General and administrative expenses in the Statement of Comprehensive Income (Loss).

Transaction costs related to the issuance of equity instruments of the Corporation or its subsidiaries are accounted for as a reduction of the stated capital of the equity securities issued. Transaction costs related to the issuance of debt instruments of the Corporation or its subsidiaries are considered in the determination of amortized cost using the effective interest method for the measurement of non-derivative financial liabilities, and relate to bank indebtedness. Transaction costs related to Bank indebtedness are amortized using the straight-line method over the term of the financing arrangement while transaction costs for Long-term debt is amortized using the effective interest method.

Classification of financial instruments

Financial assets
A financial asset is classified at fair value through profit or 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 or loss if the Corporation manages such investments and makes purchase and sale decisions in accordance with the Corporation's documented risk management and investment strategies. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognized in net income or loss. Portfolio investments represent non-derivative financial assets classified as held for trading. The Corporation's unrealized gains on open cash contracts are derivative financial assets classified as held for trading.

Financial assets having fixed or determinable payments, and which are not quoted in an active market are defined as loans and receivables. Such assets are initially recognized at fair value plus directly attributable transaction costs, if any. Thereafter, loans and receivables are measured at amortized cost using the effective interest method, less impairment losses, if any. Loans and receivables include due from Brokers, and accounts receivable, trade.

Financial liabilities
Unrealized losses on open cash contracts are classified as held for trading and valued at fair value through profit or loss. The provision for future payment to Front Street Capital is also valued at fair value through profit and loss. Non-derivative financial liabilities of the Corporation include bank indebtedness, accounts payable and accrued liabilities, repurchase obligations, management fees payable, and due to Manager. These financial liabilities are initially recognized at fair value plus any directly attributable transaction costs. Thereafter, these financial liabilities are measured at amortized cost using the effective interest method.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Classification of financial instruments (continued)

Equity
Common shares and unconditional warrants
Common shares and certain warrants are classified as equity. Incremental costs directly attributable to the issue of common shares and warrants are recognized as a deduction from equity, net of the effects of income taxes, if any.

Contributed surplus
The value of warrants issued that have expired is recognized as contributed surplus, net of the effects of income taxes, if any.

Repurchase of common shares
When common shares recognized as equity are repurchased, the amount of the consideration paid (which may include directly attributable transaction costs) is recognized as a deduction from equity, net of the effects of income taxes, if any. The portion of the consideration paid that represents the value of the stated capital of the shares repurchased is deducted from the carrying amount of common shares. Any difference between the total consideration paid and the stated capital amount of the shares repurchased is added to (or deducted from) retained earnings, as applicable.

Valuation of investments

Portfolio investments are held for trading, and are measured and reported at fair value. Securities and ownership interests over which the Corporation exercises significant influence or control are accounted for using the equity-accounting model or through consolidation, as appropriate.

As at a reporting date, the fair value of financial instruments traded in active markets (primarily equity securities of public companies and related derivative instruments, if any) is based on the bid price for investments held by the Corporation, and on the asking price for investments sold short, if any. The fair value of financial instruments not traded in an active market (including but not limited to: securities in private companies, warrants and restricted securities) is determined using valuation techniques. Depending on various circumstances, the Corporation may use several methods and makes assumptions based on market conditions existing at each reporting date. Valuation techniques may include, without limitation, the use of comparable recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Recognition of investments

Purchases and sales of investments are recognized on the trade date, being the date on which the Corporation commits to purchase or sell an investment. Investments cease to be recognized when the rights to receive cash flows from the investments have expired or the Corporation has transferred substantially all risks and rewards of ownership.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derivative contracts

Ceres may purchase forward foreign exchange contracts to act as an economic hedge against assets and liabilities denominated in foreign currencies. As at a reporting date, forward foreign exchange contracts are valued based on the difference between the forward contract rate and the forward bid rate (for currency held). Unrealized gains and losses, if any, on these forward contracts used to hedge foreign currency assets and liabilities are presented separately on the Balance Sheet and included in Derivative assets or Derivative liabilities, as applicable, and are recognized in the Statement of Comprehensive Income (Loss) as a component of Finance income (loss) and included with the change in fair value of investments. Upon the closing out of these contracts, any gains or losses on foreign exchange are reported in Finance income (loss) in the Statement of Comprehensive Income (Loss) as realized gain (loss) on currency hedging transactions.

To reduce price risk caused by market fluctuations, Riverland Ag generally follows a policy of using exchange-traded futures and options contracts to minimize its net position of merchandisable agricultural commodity inventories and forward cash purchase and sales contracts. Riverland Ag will also use exchange-traded futures and options contracts as components of merchandising strategies designed to enhance margins. The results of these strategies may be significantly influenced by factors such as the volatility of the relationship between the value of exchange-traded commodities futures contracts and the cash prices of the underlying commodities, and volatility of freight markets. Derivative contracts have not been designated, and are not accounted for, as fair value hedges. Management determines fair value based on exchange-quoted prices, and in the case of its forward purchase and sale contracts, estimated fair value is adjusted for differences in local markets. Realized and unrealized gains and losses in the value of inventories of merchandisable agricultural commodities, forward cash purchase and sales contracts, and exchange-traded futures contracts are recognized in the Statement of Comprehensive Income (Loss) as a component of Cost of sales. Unrealized gains and losses on these derivative contracts are recognized in earnings and classified on the Balance Sheet as Due from Broker, Derivative assets or Derivative liabilities, as applicable.

Fair value measurements

The Corporation uses a valuation hierarchy as a framework for disclosing fair values, based on the inputs to measure the fair value. This hierarchy prioritizes the inputs into three broad levels as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities including exchange-traded derivative contracts that can be assessed at measurement date;

Level 2 – inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable inputs for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs are unobservable inputs based on the Corporation's own assumptions used to measure assets and liabilities at fair value (i.e. inputs are unobservable).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency translation, transactions of Canadian dollar functional currency entities

Foreign currency transactions are translated into CAD using the exchange rates prevailing at the dates of the transactions. As at a reporting date, assets and liabilities denominated in a foreign currency are translated into CAD, as follows:

- Foreign currency monetary items are translated using the spot exchange rate in effect at the reporting date, and;
- Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate(s) in effect as at the date(s) on which fair value was determined.

Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation as at a reporting date of assets and liabilities denominated in foreign currencies are reflected in the Statement of Comprehensive Income (Loss). Translation gains or losses on securities included in the investment portfolio of the Corporation are recognized in Finance income (loss) in the Statement of Comprehensive Income (Loss) and classified with the change in fair value of investments.

Foreign currency translation, non-CAD functional currency entities

Foreign operating entities and its functional currency is the U.S. dollar ("USD"). For the preparation of these consolidated financial statements, all assets and liabilities are translated into the presentation currency of Canadian dollars using the foreign exchange rate in effect as at the reporting date with income statement accounts translated using the average exchange rate for the reporting or applicable period. Translation adjustments arising from changes in exchange rates are reported as a component of other comprehensive income and form part of the cumulative translation account in shareholders' equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation account related to that foreign operation is reclassified to profit or loss as part of the profit or loss on disposal.

Revenue recognition, net sales and cost of sales

The Corporation follows a policy of recognizing sales revenue at the time of delivery of the product and when all of the following have occurred: a sales agreement is in place, title and risk of loss have passed, pricing is fixed or determinable, and collection is reasonably assured. Grain storage, rental and other operating income are recorded as earned on an accrual basis. Freight costs and handling charges related to sales are presented gross in Revenues and Cost of sales.

Other direct and indirect costs associated with inventory and storage, including payroll and benefits of elevator employees, depreciation of buildings, silos and elevators, utilities and other similar costs are classified with Cost of sales. Income and expenses are recorded on an accrual basis. Investment transactions are recognized on the trade date. Dividend revenues are recognized on the ex-dividend date. Interest and other revenues are recognized as earned. Realized gains and losses from the sale of investments are calculated using the average cost method. The change over a reporting period of the difference between the fair value and the cost of portfolio investments is recognized in Finance income (loss) in the Statement of Comprehensive Income (Loss) as an unrealized increase (decrease) in fair value of investments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Finance income (loss)

Finance income (loss) pertains to revenues, gains and losses related to the investing activity of the Corporation, and includes:

- Interest revenues on interest-bearing securities and cash balances;
- Dividend revenues, if any, from portfolio investments;
- Realized gains (losses) on sale of portfolio investments;
- Realized gains (losses) on currency-hedging transactions;
- Realized and unrealized gains (losses) on foreign exchange; and
- Unrealized increase (decrease) in fair value of investments.

Depending on the movements of equity and other markets, finance income and losses will vary for each reporting period.

Finance expenses

Finance expenses represent the aggregate of interest expense on borrowings and the amortization of financing transaction costs.

Inventories

Inventories represent agricultural grain commodities and are stated at fair value less costs to sell. Fair value is primarily determined from market prices quoted on public commodity exchanges, adjusted for expected freight costs to normal delivery points and a price premium or discount to cover local supply and demand factors as estimated by management. Changes in the fair value less costs to sell inventories of agricultural grain commodities are recognized in profit or loss as and when they occur, and such changes are included as a component of cost of sales.

Assets held for sales

Assets are classified as held for sale when all the following criteria are met:

- management commits to a plan to sell the asset;
- the asset is available for immediate sale in its present condition;
- an active program to locate a buyer to complete the plan to sell the asset have been initiated;
- the sale of the asset is probable, and is expected to be completed within one year;
- the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and
- actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or discontinued.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost can be measured reliably. The carrying amount of a replaced asset is de-recognized when replaced. Repairs and maintenance costs are expensed as incurred.

Property, plant and equipment are reviewed for impairment at the end of each reporting period to assess whether there is any indication of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated as the higher of fair value less costs of disposal and value in use.

Land is not depreciated. Depreciation on the other assets is provided for on a straight-line basis over the estimated useful lives of assets as follows:

Buildings, silos/elevators, and improvements	15 – 31 years
Machinery and equipment	7 – 15 years
Furniture, fixtures, office equipment, and computer	7 years

For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Gains and losses on disposals of property, plant and equipment are determined by comparing the disposal proceeds with the carrying amount of the asset and are included as part of other gains and losses in the consolidated statements of income.

Repurchase obligations

The Corporation periodically enters into sale/repurchase agreements whereby the Corporation receives cash in exchange for selling inventory to a commodity trading financial institution and the Corporation agrees to repurchase the inventory from financial institution at a fixed rate on a future date. The Corporation accounts for these as product financing arrangements, and accordingly, these transactions are treated as borrowings and commodity inventory in the Company's consolidated financial statements and no sales and purchases are reported in the consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Income tax expense comprises current and deferred taxes. Current tax and deferred tax are recognized in profit or loss, except to the extent that it relates to a business combination, or to items recognized directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset to the extent that they relate to income taxes levied on the same taxable entity by the same taxation authority.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Loss per Share

Loss per Share (“EPS”) is reported for basic and diluted net income (loss). Basic EPS is calculated by dividing net income (loss) for the reporting period by the weighted-average number of common shares outstanding during the reporting period. Diluted EPS is calculated by adjusting net income (loss) and the weighted-average number of common shares outstanding for the effects, if any, of all potentially dilutive common shares, resulting from the exercise of Warrants or the redemption of Deferred Share Units outstanding as at the end of a reporting period. The effect of the potential issuance of common shares related to the redemption of Deferred Share Units on diluted EPS has not been determined, as it is anti-dilutive in a period of loss.

Share-based payments

Deferred Share Unit
The Corporation has established a Directors’ Deferred Share Unit Plan (the “DSU Plan”), which became effective on March 10, 2014 and is an equity-settled share-based payment plan. Under the DSU Plan, a director who is not an employee of the Corporation or any affiliate and who is a non-executive Chair of the Board is an Eligible Director. Any Eligible Director may elect to receive some or all the Annual Cash Remuneration amount (as defined in the DSU Plan) for that Director in the form of Deferred Share Units (“DSUs”). DSUs are settled by the issuance of common shares on the Entitlement Date (as defined under the DSU Plan), which is a date after the end of a director’s term of service with the Board.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Deferred Share Unit (continued)
As at the dates on which DSUs are issued under the Plan, the Corporation recognizes as an expense the portion of the Directors' fees issued in the form of DSUs issued to the Director, which are issued at fair value, and the Corporation increases shareholders' equity by an equal amount. The Corporation revalues DSUs as at each reporting period-end, based on the volume-weighted average trading price per common share of the Corporation on the Toronto Stock Exchange during the immediately preceding five (5) trading days. Revaluation adjustments are recognized as an increase or decrease in the expense for Directors' fees during the reporting period, with a corresponding increase or decrease in shareholders' equity.

Stock Options
Stock options are equity-settled share-based payment transactions. The Corporation follows the fair value method to measure stock option awards it grants to certain officers, key employees and consultants of the Corporation and its subsidiaries. The fair value of stock options on the date the options are granted is determined by the Black Scholes option pricing model with assumptions for risk-free interest rate, dividend yield, volatility of the expected market price of the Corporation's common shares and an expected life of the options. The number of stock option awards expected to vest are estimated using a forfeiture rate based on historical experience and future expectations, as applicable. Compensation is amortized to earnings over the vesting period of the related option. The Corporation uses graded or accelerated amortization, which specifies that each vesting tranche must be accounted for as a separate arrangement with a unique fair value measurement. Each vesting tranche is subsequently amortized separately and in parallel from the grant date.

Stock Appreciation Rights
Stock Appreciation Rights ("SARs") may be granted to officers, certain employees and consultants of the Corporation on such terms and conditions determined by the Board of Directors (the "Board"). Stand Alone SARs are cash-settled share-based payment transactions and are measured at the fair value of the liability as at the date the Stand-Alone SARs are granted. At the end of each reporting period, the Corporation re-measures the fair value of the liability for such Stand-Alone SARs, and any changes in fair value of that liability is recognized in profit or loss for the period. Tandem SARs are granted with stock options. Tandem SARs shall be settled by the payment or the delivery of cash or common shares, as may be determined by the Board. Any portion of Tandem SARs to be settled for cash shall be measured using the measurement standards described for Stand-Alone SARs. The portion, if any, of the Tandem SARs to be settled by the issuance of common shares shall be measured using the measurement standards that apply to stock options awards, as described in the preceding paragraph.

Option-pricing models require the use of highly subjective estimates and assumptions including the expected share price volatility. Changes in the underlying assumptions can materially affect fair value estimates. Therefore, existing models do not necessarily provide reliable measurement of the fair value of the Corporation's stock options.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Future changes in accounting standards

On May 28, 2014, the International Accounting Standards Board issued IFRS 15 *Revenue from Contracts with Customers*. The new standard is effective for annual periods beginning on or after January 1, 2017. The Corporation intends to adopt IFRS 15 in its financial statements for the annual period beginning on April 1, 2017. The Corporation is evaluating the effects related to the future adoption of IFRS 15. The Corporation does not currently expect to early adopt this new standard.

On December 18, 2014, the IASB issued amendments to IAS 1 *Presentation of Financial Statements* as part of its major initiative to improve presentation and disclosure in financial reports. The amendments are effective for annual periods beginning on or after January 1, 2016. The Corporation intends to adopt these amendments in its financial statements for the annual period beginning on April 1, 2016. The extent of the impact of adoption of the amendments has not yet been determined.

Effective for annual reporting periods beginning on or after January 1, 2018, the current standard for financial instruments (IAS 39 *Financial Instruments – Recognition and Measurement*) will be replaced by IFRS 9 *Financial Instruments*. The new standard will replace the current multiple classification and measurement models for financial assets and liabilities with a single model having only two classification categories: amortized cost and fair value. The Corporation is evaluating the effects related to the future adoption of IFRS 9. The Corporation does not currently expect to early adopt this new standard.

4. SUMMARY OF SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The timely preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from estimates. Estimate and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. The following summarizes the accounting judgments, estimates and assumptions management considers significant:

Valuation of investments

Portfolio investments are held for trading, are measured and reported at fair value, and may include securities not traded in an active market. The fair value of such securities is determined using valuation techniques. Depending on various circumstances, the Corporation may use several methods and makes assumptions based on market conditions existing at each reporting date. Valuation techniques may include, without limitation, the use of comparable recent arm's length transactions, discounted cash flow analysis, option-pricing models and other valuation techniques commonly used by market participants.

Inventories and Commodity Derivatives

To reduce price risk caused by market fluctuations, the Corporation generally follows a policy of using exchange traded futures and options contracts to minimize its net position of merchandisable agricultural commodity inventories and forward cash purchase and sales contracts. The Corporation will also use exchange traded futures and options contracts as components of merchandising strategies designed to enhance margins. The results of these strategies can be significantly impacted by factors such as the

4. SUMMARY OF SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS (CONTINUED)

Inventories and Commodity Derivatives (continued)

volatility of the relationship between the value of exchange traded commodities futures contracts and the cash prices of the underlying commodities, and volatility of freight markets.

Derivative instruments, including futures contracts, forward commitments, options and other similar types of contracts and commitments based on commodity derivatives, are carried at their fair value. The estimated fair value of the commodity derivative contracts that require the receipt or posting of cash collateral is recorded on a net basis (offset against cash collateral posted or received, also known as margin deposits) within commodity derivative assets or liabilities. Management determines fair value based on exchange quoted prices and in the case of its forward purchase and sale contracts, estimated fair value is adjusted for differences in local markets. While the Corporation considers its commodity contracts to be effective economic hedges, the Corporation does not designate or account for its commodity contracts as hedges. Realized and unrealized gains and losses in the value of commodity contracts and grain inventories are recognized in earnings immediately in cost of sales in the accompanying Statement of Comprehensive Loss. Unrealized gains and losses on these derivative contracts are included in due from broker, derivative asset and liabilities on the accompanying consolidated balance sheets.

Estimates and assumptions are required in determination of fair values of commodity inventories, particularly for those commodities where exchange-traded prices are not available. For these inventories, management assesses the available quote market prices and applied judgment in determining the effect local market conditions on those.

5. INVENTORIES

As at March 31, 2015 and 2014, the Corporation held $147,940,077 and $109,684,490 of inventories at fair value less costs to sell, respectively. $3,635,976 of inventories were held at lower of cost or market at March 31, 2014 compared nil at March 31, 2015.

For the years ended March 31, 2015 and 2014, inventories recognized as an expense through cost of sales totaled $191,026,575 and $217,679,277, respectively. Furthermore, as at March 31, 2015 and 2014, the carrying amount of inventories pledged as security against the Corporation’s repurchase obligations totaled $18,692,777 and $14,804,027, respectively.

6. DUE FROM (TO) BROKERS

Due from Brokers is composed of commodity futures and options contracts and margin deposits in the form of cash and open trade equity maintained by a broker in connection with such contracts. Amounts due from Brokers are offset by amounts due to the same Brokers, under the terms and conditions of enforceable master netting arrangements in effect with all brokers, through which the Company executes its transactions and for which it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

6. DUE FROM (TO) BROKERS (continued)

As at March 31, 2015 and 2014, the amounts due from Brokers represent the following:

		2015		2014
Due from Brokers				
Margin deposits	$	**6,525,747**	$	4,725,570
Unrealized gains on future contracts and options, at fair value		**2,673,417**		55,242
		9,199,164		4,780,812
Due to Brokers				
Unrealized losses on future contracts and options, at fair value		**(557,829)**		(160,805)
	$	**8,641,335**	$	4,620,007

7. ASSETS HELD FOR SALE

During the quarter ended September 30, 2014, the Company discontinued its plan to sell its Savage, Minnesota, facility after a decision was made in the quarter then ended to retain and use the facility to complement future strategic initiatives. Accordingly, in the quarter then ended, the Company reclassified the assets from assets held for sale to property, plant and equipment. During the quarter in which it was reclassified, the Corporation recognized $235,928 of depreciation expense, representing what would have been recognized for the year ended March 31, 2015 had the asset been classified as property, plant and equipment.

On May 23, 2014, the Corporation closed the sale of the Manitowoc grain storage facility, for gross proceeds of $6,759,240. At March 31, 2014, the net book value relating to Manitowoc had been written down to an amount equal to the gross proceeds from the sale. As a result, there was no effect on the Statement of Comprehensive Loss for the three-month period ended June 30, 2014. Pursuant to the purchase and sales agreement, Riverland Ag is leasing back from the purchaser one million bushels of storage capacity at the Manitowoc grain facility for a three-year term.

As at March 31, 2015, the Company has no assets held for sale; however, as at March 31, 2014 the major classes of assets held for sale were as follows:

March 31, 2014		Manitowoc		Savage		Totals
Land	$	118,782	$	1,093,308	$	1,212,090
Buildings and silos / elevators		6,830,873		9,973,350		16,804,223
Machinery and equipment		504,838		261,206		766,044
Furniture and fixtures, computers, office equipment and other assets		200,556		51,490		252,046
		7,655,049		11,379,354		19,034,403
Impairment loss on reclassification as assets held for sale		(763,201)		-		(763,201)
Foreign currency translation adjustment		(37,747)		-		(37,747)
	$	6,854,101	$	11,379,354	$	18,233,455

8. INVESTMENT IN ASSOCIATES

		2015		2014
Canterra Seeds Holdings, Ltd., common shares	**$**	**1,854,207**	$	1,165,473
Stewart Southern Railway Inc., common shares		**3,765,205**		3,460,194
	$	**5,619,412**	$	4,625,667

(a) Investment in Canterra Seeds Holdings, Ltd. ("Canterra")

Ceres holds a 25% equity interest in Canterra, a Canadian company. Canterra purchases, produces, and distributes seed varieties and related technologies to its customers throughout Western Canada and the Great Northern Plains and Pacific North West of the United States. Major operating decisions of Canterra are made by its Board of Directors and Ceres has a 25% voting right on Canterra's Board of Directors. Due to these factors, Ceres does not control Canterra, and accounts for its investment in Canterra using the equity method.

It is the Corporation's policy to record its portion of changes in Canterra's equity on a quarterly lag. Therefore, for year ended March 31, 2015, the Corporation has recorded its portion of Canterra's change in equity for the twelve months ended December 31, 2014.

The following table presents summarized financial information for Canterra (in thousands of CAD):

		2015		2014
Revenues	**$**	**36,446**	$	26,273
Income from continuing operations	**$**	**2,792**	$	2,117
Net income	**$**	**2,840**	$	2,120
Current assets	**$**	**19,119**	$	22,730
Non-current assets	**$**	**764**	$	847
Current liabilities	**$**	**15,577**	$	22,285

For the year-ended March 31, 2015, the Corporation's consolidated Statement of Comprehensive Income (Loss) includes the Corporation's share of net income of Canterra for $688,734 (2014: net loss of $356,706).

Included below is a reconciliation of the Corporation's 25% portion in Canterra's equity to the carrying value reported on the Consolidated Balance Sheets as at March 31, 2015 and 2014:

		2015		2014
Investee's equity as at March 31	**$**	**4,306,429**	$	1,292,291
Corporation's 25% portion of Canterra's equity	**$**	**1,076,607**	$	323,073
Identifiable intangible asset, net of accumulated amortization	**$**	**777,600**	$	842,400
Carrying value	**$**	**1,854,207**	$	1,165,473

8. INVESTMENT IN ASSOCIATES (continued)

(b) Investment in Stewart Southern Railway Inc. ("SSR")

Ceres holds a 25% equity interest in SSR, a Canadian company. Ceres also holds rights to a 25% voting position on SSR's Board of Directors. SSR operates a 132-kilometre (82-mile) short-line railway in southeastern Saskatchewan. Major operating decisions of SSR are made by its Board of Directors and Ceres does not have a majority of the board seats. Due to these factors, Ceres does not control SSR, and accounts for its investment in SSR using the equity method.

The following table presents summarized financial information for SSR (in thousands of CAD):

		2015		2014
Revenues	**$**	**7,919**	$	10,532
Income from continuing operations	**$**	**2,716**	$	3,311
Net income	**$**	**1,970**	$	3,311
Current assets	**$**	**4,789**	$	4,922
Non-current assets	**$**	**11,792**	$	10,603
Current liabilities	**$**	**2,079**	$	2,255
Non-current liabilities	**$**	**33**	$	20

For the year-ended March 31, 2015, the Corporation's consolidated Statement of Comprehensive Income included the Corporation's share in the change of SSR's net income of $492,511 (2014: $820,406). During the year-ended March 31, 2015, the Corporation received a dividend from SSR for $187,500 (2014: $125,000).

Included below is a reconciliation of the Corporation's 25% portion in SSR's equity to the carrying value reported on the Consolidated Balance Sheets as at March 31, 2015 and 2014:

		2015		2014
Investee's equity as at March 31	**$**	**14,469,482**	$	13,249,439
Corporation's 25% portion of SSR equity	**$**	**3,617,370**	$	3,312,359
Goodwill	**$**	**147,835**	$	147,835
Carrying value	**$**	**3,765,205**	$	3,460,194

9. INVESTMENT PROPERTY

During the quarter ended September 30, 2014, management determined that the assets at the Northgate Commodities Logistics Centre ("NCLC" or "Northgate") no longer met the criteria to be classified as Investment Property under *IAS 40 – Investment Property* based on management's decision to solely develop and operate NCLC as owner and operator of the facility. Based on this decision, management had determined that the appropriate classification for the assets at the NCLC would be Property, plant and equipment, as guided by *IAS 16 – Property, Plant and Equipment.* The reclassification to Property, plant and equipment had no retroactive implications, as the accounting policy elected to account for previously classified Investment Property was the cost model, which is consistent with *IAS 16.*

For the years ended March 31, 2015 and 2014, changes to the investment property are as follows:

		2015		2014
Cost, as at beginning of period	**$**	**14,803,988**	$	4,975,921
Investment property additions		**-**		12,397
Development and other construction costs capitalized		**5,061,659**		9,794,316
Foreign currency translation adjustments		**(9,388)**		21,354
		19,856,259		14,803,988
Amount reclassified to Property, plant and equipment		**(19,856,259)**		-
Cost, as at end of period	**$**	**-**	$	14,803,988

10. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and silos/elevators	Machinery & equipment	Office equipment & other assets	Totals
March 31, 2015					
Cost					
Balances, April 1, 2014	5,045,257	46,732,781	3,621,399	2,859,009	58,258,446
Asset additions	2,593,946	5,091,401	1,951,816	23,133,860	32,771,023
Reclassification of investment property	19,856,259	-	-	-	19,856,259
Reclassification of assets held for sale	1,103,297	11,732,753	342,626	90,480	13,269,156
Foreign currency translation adjustments	871,233	7,605,711	545,123	(184,527)	8,837,540
Balances, March 31, 2015	**29,469,992**	**71,162,646**	**6,460,964**	**25,898,822**	**132,992,424**
Accumulated depreciation					
Balances, April 1, 2014	-	(5,962,716)	(689,203)	(919,444)	(7,571,363)
Depreciation charged to operations	-	(2,234,761)	(351,219)	(235,743)	(2,821,723)
Reclassification of assets held for sale	-	(1,674,416)	(79,033)	(32,389)	(1,785,838)
Foreign currency translation adjustments	-	209,039	(100,072)	(472,388)	(363,421)
Balances, March 31, 2015	**-**	**(9,662,854)**	**(1,219,527)**	**(1,659,964)**	**(12,542,345)**
Carrying amount, March 31, 2015	**$ 29,469,992**	**$ 61,499,792**	**$ 5,241,437**	**$ 24,238,858**	**$ 120,450,079**
March 31, 2014					
Cost					
Balances, April 1, 2013	$ 5,810,194	$ 61,607,549	$ 3,835,820	$ 1,728,162	$ 72,981,725
Asset additions	-	562,031	524,419	1,422,893	2,509,343
Disposals	(61,622)	(1,478,177)	(119,005)	(56,909)	(1,715,713)
Reclassification of assets held for sale	(1,212,090)	(19,251,988)	(951,023)	(395,623)	(21,810,724)
Foreign currency translation adjustments	508,775	5,293,366	331,188	160,486	6,293,815
Balances, March 31, 2014	**5,045,257**	**46,732,781**	**3,621,399**	**2,859,009**	**58,258,446**
Accumulated depreciation					
Balances, April 1, 2013	-	(5,727,015)	(532,506)	(714,222)	(6,973,743)
Depreciation charged to operations	-	(2,364,350)	(336,452)	(298,937)	(2,999,739)
Disposals	-	276,183	50,940	19,091	346,214
Reclassification of assets held for sale	-	2,447,765	184,979	143,576	2,776,320
Foreign currency translation adjustments	-	(595,299)	(56,164)	(68,952)	(720,415)
Balances, March 31, 2014	**-**	**(5,962,716)**	**(689,203)**	**(919,444)**	**(7,571,363)**
Carrying amount, March 31, 2014	**$ 5,045,257**	**$ 40,770,065**	**$ 2,932,196**	**$ 1,939,565**	**$ 50,687,083**

Asset additions during the year ended March 31, 2015 accrued and not yet paid as at the reporting date totaled $8,326,721 (2014: nil).

In addition, the Corporation has assets under construction of $24,016,033 (2014: $1,156,804) consisting primarily of the development of Northgate. As at March 31, 2015, property, plant and equipment relating to NCLC totaled $49,958,486 with $24,026,521 being land and land improvements; $2,029,377 of buildings and elevators in-service; $1,548,887 of rail track, machinery and equipment in-service; and

10. PROPERTY, PLANT AND EQUIPMENT (continued)

$302,224 of other assets. Accumulated depreciation expenses on the in-service property, plant and equipment totals $30,573, all of which was incurred and recognized in the quarter-ending March 31, 2015.

For the year ended March 31, 2015, capitalized development and other construction costs include borrowing costs of $1,576,316 (year ended March 31, 2014: $nil). Under IAS 23 – *Borrowing Costs*, Ceres is required to capitalize all costs that are directly attributable to the construction of a qualifying asset. Borrowing costs are directly related to the term loan, which is used to finance the development and construction related to the assets in NCLC.

During the year ended March 31, 2015, the Corporation entered into contract with a Canadian railroad contractor to furnish and install the rail system at the NCLC, which was completed in the quarter ended March 31, 2015. The total contract price was $5,325,527 and as at March 31, 2015 $4,937,431 had been incurred.

During the year ended March 31, 2015, Ceres entered into a contract with a Canadian contractor to design and build an inland grain terminal at the NCLC. The design and build process commenced in early September 2014 with substantial completion of the project expected to be in March 2016. The total contract price is $39,955,000, and as at March 31, 2015, $14,571,230 has been incurred. The remaining commitment is expected to be met over the term of the contract through March 2016.

11. BANK INDEBTEDNESS

On December 30, 2014, the Corporation amended and extended its syndicated uncommitted US$120,000,000, 364-day revolving credit agreement. The short-term obligation is guaranteed by Ceres Canada Holding Corp., Ceres U.S. Holding Corp., Riverland Ag Corp., and Riverland Canada. The credit agreement is subject to borrowing base limitations, and the revolver is secured by predominantly all assets of the Corporation, including cash but excluding other property, plant and equipment.

Borrowings bear interest at 2.875% plus overnight LIBOR. Interest is calculated and paid on a monthly basis. Amounts under the credit agreement that remain undrawn are not subject to a commitment. The credit facility has certain covenants pertaining to the accounts of the Corporation, and as at March 31, 2015 and 2014, the Corporation was in compliance with all debt covenants.

Prior to this agreement, Riverland had a revolving credit agreement that was substantially identical as it was syndicated and for US$120,000,000 with borrowing bearing interest at 2.875% plus overnight LIBOR. As at March 31, 2015 and 2014, the Corporation had $132,741,000 and $60,802,500 in availability, respectively, on its revolving line of credit.

11. BANK INDEBTEDNESS (continued)

As at March 31, 2015 and 2014, the carrying amount of bank indebtedness is summarized as follows:

	2015	2014
Revolving line of credit	**$ 18,963,000**	$ 71,857,500
Unamortized financing costs	**(226,600)**	(110,550)
	$ 18,736,400	$ 71,746,950

12. TERM LOAN

On June 27, 2014, Ceres entered into a senior secured term loan facility agreement (the "Loan") for US$20,000,000 to finance further development and early stage construction of Northgate. This Loan was for an initial term of six months maturing on December 29, 2014, with an ability to extend the term of the facility for a further six months at the request of Ceres and subject to the approval of the lender. For the first six months this loan bore an interest at a rate of 7.25%.

The Corporation paid an arrangement fee of 2.0% for the Loan, plus legal fees and other related borrowing costs. As reported in Note 10 (Property, Plant and Equipment) under *IAS 23 – Borrowing Costs*, Ceres has capitalized all borrowing costs directly attributable to the construction and development of the assets at Northgate.

In conjunction with amending and extending the syndicated uncommitted credit agreement described above, on December 30, 2014, the Corporation entered into a senior secured term loan facility agreement (the "New Loan") for US$25,000,000. This New Loan is for a term of 5 years with an interest rate of one month LIBOR plus 5.25%. This New Loan extinguished and replaced the previous loan originated on June 27, 2014. The first principal payment on the New Loan is payable on December 29, 2016 for the amount of US$3,000,000 with the following principal payments of US$5,000,000 payable on each of December 29, 2017, and December 28, 2018, and US$12,000,000 payable on December 27, 2019.

Both the New Loan and the revolving credit agreement disclosed above, are secured by the following: (i) a security interest in substantially all of the personal property of Ceres and its guarantors; (ii) a charge and mortgage over substantially all of the real property and elevator assets held by Riverland Ag and Riverland Canada, and its guarantors; and (iii) a pledge of substantially all of the equity interests and investment property held by Ceres Canada Holding Corp. and each guarantor.

In connection with the New Loan, which has an effective interest rate of 6.21% + one month LIBOR, the Corporation paid transaction costs relating to the loan closure in the amount of $1,278,902, which includes legal fees and other related borrowing costs. Transaction costs directly attributable to the issuance of the New Loan are recognized as a reduction in the balance of the New Loan, and are amortized over the term of the loan using the effective interest rate method.

12. TERM LOAN (continued)

		2015				2014		
		USD		**CAD**		USD		CAD
Long-term debt	**$**	**25,000,000**	**$**	**31,605,000**	$	-	$	-
Unamortized financing costs		**(967,956)**	**$**	**(1,223,690)**		-		-
	$	**24,032,044**	**$**	**30,381,310**	$	-	$	-

13. REPURCHASE OBLIGATIONS

As at March 31, 2015, the Corporation had two open repurchase commitment under its product financing arrangement to repurchase 2,500,000 bushels of certain grains. Under the product financing arrangement, the Corporation sold grain under contract and simultaneously entered into contracts to repurchase the grain during the first quarter of the fiscal year ending March 31, 2016. Since the Corporation is obligated to repurchase these commodities, it has not recognized these transactions as sales. As at March 31, 2015, the Corporation continues to recognize the inventory owned by Corporation in this regard on its consolidated balance sheet and has recorded a liability of $18,635,451 (2014: $15,941,080), plus accrued interest payable. As at March 31, 2015, the fixed interest rate on the open repurchase commitment is at 3.06% (2014: 3.08%).

14. FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments

The carrying value of financial instruments measured at amortized cost, classified as current assets and current liabilities, such as cash equivalents, trade receivables, and accounts payable and accrued liabilities, approximate fair value due to the short-term maturity of the instruments. The carrying amount of the Corporation's long-term debt is an approximate fair value as it has an interest rate reflective of current market conditions at March 31, 2015.

Derivative assets and Derivative liabilities, which are held for trading and valued at fair value through profit and loss, are as follows as of March 31:

		2015		2014
Derivative assets				
Unrealized gains on open cash contracts	**$**	**9,472,984**	$	2,965,891
Derivative liabilities				
Unrealized losses on open cash contracts	**$**	**(2,607,280)**	$	1,752,256

14. FINANCIAL INSTRUMENTS (continued)

(b) Finance loss

For the years ended March 31, 2015 and 2014, finance (loss) income includes the following:

	2015	2014
Interest and other revenues	**$ -**	$ 4,059
Realized loss on sale of investments	**-**	(2,974,760)
Realized gain (loss) on currency-hedging transactions	**584,647**	(468,891)
Realized and unrealized gain (loss) on foreign exchange	**(773,610)**	6,857
Unrealized increase (decrease) in fair value of investments	**-**	513,896
	$ (188,963)	$ (2,918,839)

(c) Finance expenses

For the years ended March 31, 2015 and 2014, finance expenses include the following:

	2015	2014
Interest on revolving line of credit	**$ (1,761,120)**	$ (4,028,687)
Interest on repurchase obligation	**(137,549)**	(158,057)
Long-term debt	**(402,421)**	-
Amortization of financing costs paid	**(742,445)**	(530,988)
Interest income and other interest expense	**137,040**	181
	$ (2,906,495)	$ (4,717,551)

(d) Portfolio investments

Portfolio investments are classified as held for trading, and consist of equity securities of private companies.

	2015	2014
Total fair value	**$ 848,163**	$ 848,163

Fair value for securities in private companies has been determined using primarily the market approach for recent and comparable transactions, adjusted by management to consider factors such as liquidity risk.

14. FINANCIAL INSTRUMENTS (continued)

(e) Management of financial instruments risks

In the normal course of business, the Corporation is exposed to various financial instruments risks, including market risk (consisting of price risk, commodity risk, interest rate risk and currency risk), credit risk, custodian and prime brokerage risks, and liquidity risk. The Corporation's overall risk management program seeks to minimize potentially adverse effects of those risks on the Corporation's financial performance. The Corporation may use derivative financial instruments to mitigate certain risk exposures. The Corporation may invest in non-public and public issuers and assets.

Price risk

As at March 31, 2015 and 2014, the Corporation's market risk pertaining to portfolio investments was potentially affected by changes in actual market prices. As at March 31, 2015 and 2014, the Corporation's portfolio investments are solely in private companies. Therefore, market factors affecting the value of the portfolio investments are primarily changes in fair value of the investments and the Corporation's ability to liquidate the investments. As at March 31, 2015 and 2014, currency risk concerning the portfolio investments is no longer a significant risk issue, as the value of portfolio investments denominated in a currency other than Canadian dollars is not material.

Notwithstanding the foregoing, the following is a summary of the effect on the results of operations of the Corporation, if the fair value of each of the portfolio investments as at March 31, 2015 and 2014 had increased or decreased by 10%, with all other variables remaining constant:

	2015		2014	
Change in fair value of investments	**Increase (decrease) in net income**	**Increase (decrease) in earnings per share**	Increase (decrease) in net income	Increase (decrease) in earnings per share
10% increase in fair value	$ 84,816	$ 0.00	$ 84,816	$ 0.00
10% decrease in fair value	$ (84,816)	$ (0.00)	$ (84,816)	$ (0.00)

14. FINANCIAL INSTRUMENTS (continued)

(e) Management of financial instruments risks (continued)

Commodity risk

The following is a summary of the effect on the results of operations of the Corporation, if the fair value of each of the open cash contracts as at March 31, 2015 and 2014 had increased or decreased by 5%, with all other variables remaining constant:

	2015		2014	
Change in bid/ask prices of commodities	**Increase (decrease) in net income**	**Increase (decrease) in earnings per share**	Increase (decrease) in net income	Increase (decrease) in earnings per share
5% increase in bid-ask prices	$ 193,030	$ 0.01	$ 21,599	$ 0.00
5% decrease in bid-ask prices	$ (193,030)	$ (0.01)	$ (21,599)	$ (0.00)

Interest rate risk

As at March 31, 2015 and 2014, the Corporation has no long or short portfolio positions in any interest-bearing investment securities.

As at March 31, 2015 and 2014, except for cash on deposit, the amounts of which vary from time-to-time and on which the Corporation earns interest at nominal variable interest rates, the Corporation had no other variable rate interest-bearing securities. As at those dates, a notional increase or decrease in interest rates applicable to cash on deposit would not have materially affected interest revenue and the results of operations. Therefore, as at March 31, 2015 and 2014, the Corporation's assets are not directly exposed to any significant degree to cash flow interest rate risk due to changes in prevailing market interest rates.

14. FINANCIAL INSTRUMENTS (continued)

(e) Management of financial instruments risks (continued)

Interest rate risk

As disclosed in Note 11 (Bank Indebtedness) and Note 12 (Term Loan), as at March 31, 2015 and 2014, the Corporation's revolving credit facility bears interest at an annual rate of 2.875% plus overnight LIBOR along with its term loan bearing an interest 5.25% plus one-month LIBOR. As at March 31, 2015 and 2014, management has determined the effect on the future results of operations of the Corporation if the variable interest rate component applicable on those dates on the: (1) revolving credit facility; and (2) term loan were to both increase by 25 basis points ("25 bps") as at those dates, respectively. The potential effects on the future result of operations would be as follows:

	2015		2014	
Change in interest rate on revolving facility	**Increase in net loss**	**Increase in loss per share**	Increase in net loss	Increase in loss per share
25 bps increase in annual interest rate	$ (54,611)	$ (0.00)	$ (179,644)	$ (0.01)
Change in interest rate on term loan				
25 bps increase in annual interest rate	$ (149,384)	$ (0.01)	$ -	$ -

Ceres is not subject to cash flow interest rate risk concerning the repurchase obligations, as these liabilities bear interest at fixed rates.

Credit risk

Credit risk is the risk a counterparty would be unable to pay for amounts due to the Corporation in accordance with the terms and conditions of the debt instruments. As at March 31, 2015 and 2014, the Corporation is subject to credit risk concerning cash, amounts due from brokers, trade accounts receivable, and to the extent, open cash contracts for grain commodities that have given rise to unrealized gains. The maximum exposure to credit risk on those assets is limited to the carrying value of those assets. The Corporation uses various grain contracts as part of its overall grain merchandising strategies. Performance on these contracts is dependent on delivery of the grain or a customer buy-out. There is counter-party risk associated with non-performance, which may have the potential of creating losses. Management has assessed the counter-party risk and believes that insignificant losses, if any, would result from non-performance.

The Corporation regularly evaluates its credit risk concerning its trade accounts receivable to the extent that such receivables may be concentrated in certain industries or with significant customers. The Corporation minimizes this risk by having a diverse customer base and established credit policies. The aging of the Corporation's trade accounts receivable is substantially current. Based on its review and assessment of its trade accounts receivable, management has determined that as at March 31, 2015 and 2014, no allowance for doubtful accounts is warranted.

14. FINANCIAL INSTRUMENTS (continued)

(e) Management of financial instruments risks (continued)

Custody and prime brokerage risk

There are risks involved with dealing with a custodian or broker who settle trades. In certain circumstances, the securities or other assets deposited with the custodian or broker may be exposed to credit risk with respect to those parties. In addition, there may be practical or timing problems associated with enforcing the Corporation's rights to its assets in the case of the insolvency of any such party. Notwithstanding the foregoing, management has evaluated the risk of loss related to the custodian or brokers and has determined this risk to be insignificant.

Liquidity risk

As at March 31, 2015 and 2014, the following are the contractual maturities of financial liabilities, excluding interest payments:

2015	Carrying amount	Contractual cash flows	1 year	2 years	3 to 5 years	More than 5 years
Bank indebtedness	$ 18,736,400	$ 18,963,000	$ 18,963,000	$ -	$ -	$ -
Accounts payable and accrued liabilities	17,388,202	17,388,202	17,388,202	-	-	-
Repurchase obligations	18,635,451	18,635,451	18,635,451	-	-	-
Derivatives	2,607,280	2,607,280	2,607,280	-	-	-
Provision for future payments to Front Street Capital	344,000	344,000	344,000	-	-	-
Warrants	1,719,000	1,719,000	1,719,000	-	-	-
Long-term debt (Note 12)	30,381,310	31,605,000	-	3,792,600	27,812,400	-

2014	Carrying amount	Contractual cash flows	1 year	2 years	3 to 5 years	More than 5 years
Bank indebtedness	$ 71,746,950	$ 71,857,500	$ 71,857,500	$ -	$ -	$ -
Accounts payable and accrued liabilities	7,567,634	7,567,634	7,567,634	-	-	-
Repurchase obligations	15,941,080	15,941,080	15,941,080	-	-	-
Derivatives	1,752,256	1,752,256	1,752,256	-	-	-
Provision for future payments to Front Street Capital	970,000	970,000	970,000	-	-	-

Future expected operational cash flows and sufficient assets are available to fund the settlement of these obligations in the normal course of business. In addition, the following factors allow for the substantial mitigation of liquidity risk: the prompt settlement of amounts due from brokers, the active management of trade accounts receivable and the lack of concentration risk related thereto. The Corporation's cash flow management activities and the continued likelihood of its operations further minimize liquidity risk.

14. FINANCIAL INSTRUMENTS (continued)

(e) Management of financial instruments risks (continued)

Currency risk

In the normal course of business, Ceres may hold assets or have liabilities denominated in currencies other than Canadian dollars. Therefore, Ceres is exposed to currency risk, as the value of any assets or liabilities denominated in currencies other than CAD will vary due to changes in foreign exchange rates.

As at March 31, 2015 and 2014, the following is a summary, at fair value, of Ceres' exposure to significant currency risks:

	2015		2014	
Currency	**Net asset exposure***	**Net futures contracts (to buy foreign currency)**	Net asset exposure	Net futures contracts (to buy foreign currency)
U.S. dollars	**$ 840,344**	**$ -**	$ 5,175,147	$ -

*Exposure excludes the effect of future foreign exchange contracts

As at March 31, 2015 and 2014, the Corporation had no commitment to any futures foreign exchange contracts.

The following is a summary of the effect on Ceres' results of operations if the CAD had become 5% stronger or weaker against the USD as at March 31, 2015 and 2014, with all other variables remaining constant, related to assets and liabilities denominated in foreign currencies:

	2015		2014	
Change in foreign exchange rate	**Increase (decrease) in net income**	**Increase (decrease) in earnings per share**	Increase (decrease) in net income	Increase (decrease) in earnings per share
C$ 5% stronger	$ (50,589)	$ (0.00)	$ (272,537)	$ (0.02)
C$ 5% weaker	$ 55,914	$ 0.00	$ 301,225	$ 0.02

Currency risk related to the accounts of Ceres' foreign subsidiary relates primarily to the translation of its accounts into CAD for the purposes of the consolidated financial reporting of Ceres. Adjustments related to the translation of foreign currency accounts of a foreign operation are included as other comprehensive income and have no effect on the determination of net income for the reporting period.

14. FINANCIAL INSTRUMENTS (continued)

(f) *Fair value measurements*

The following is a summary of the classification of assets and liabilities carried at fair value, using the hierarchy of inputs prescribed by IFRS 13 *Fair Value Measurement:*

March 31, 2015	Level 1	Level 2	Level 3	Total
Portfolio investments	$ -	$ -	$ 848,163	$ 848,163
Due from Broker, unrealized gains on futures and options (Note 6)	2,673,417	-	-	2,673,417
Derivative assets (Note 14(a))	-	9,472,984	-	9,472,984
Due to Broker, unrealized losses on futures and options (Note 6)	(557,829)	-	-	(557,829)
Derivative liabilities (Note 14(a))	-	(2,607,280)	-	(2,607,280)
Warrants (Note 15(c))	-	(1,719,000)	-	(1,719,000)
Provision for future payments to Front Street Capital	-	(344,000)	-	(344,000)
	$ 2,115,588	$ 4,803,704	$ 848,163	$ 7,766,455

March 31, 2014	Level 1	Level 2	Level 3	Total
Portfolio investments	$ -	$ -	$ 848,163	$ 848,163
Due from Broker, unrealized gains on futures and options (Note 6)	55,242	-	-	55,242
Derivative assets (Note 14(a))	-	2,965,891	-	2,965,891
Due to Broker, unrealized losses on futures and options (Note 6)	(160,805)	-	-	(160,805)
Derivative liabilities (Note 14(a))	-	(1,752,256)	-	(1,752,256)
Provision for future payments to Front Street Capital	-	(970,000)	-	(970,000)
	$ (105,563)	$ 243,635	$ 848,163	$ 986,235

During the year ended March 31, 2014, portfolio investments having a fair value of $718,685 were transferred from Level 2 to Level 1. This transfer occurred when restricted shares acquired by the Corporation were converted into unrestricted common shares (in the normal course of business and following a hold period).

15. SHARE CAPITAL AND WARRANTS

(a) Authorized

Unlimited number of voting, participating Common shares, without par value.

(b) Normal Course Issuer Bids

During the year ended March 31, 2015, the Corporation did not purchase any Shares under any Normal Course Issuer Bid.

During the year ended March 31, 2014, on July 9, 2013, Ceres announced a normal course issuer bid (the "2013-2014 NCIB") commencing on July 11, 2013, the purpose of which was to provide Ceres with a mechanism to decrease the potential spread between the net asset value per Share and the market price of the common shares. The 2013-2014 NCIB was scheduled to conclude on the earlier of the date on which purchases under the bid were completed and July 10, 2014. For the period from July 11, 2013 to October 15, 2013, Ceres purchased 126,020 common shares under the 2013-2014 NCIB for aggregate cash consideration of $964,424. The stated capital value of these repurchased Shares was $1,198,882. The excess of the stated capital value of the repurchased common shares over the cost thereof, being $234,458, was allocated to Retained Earnings in the year ended March 31, 2014. The Corporation made no purchases under the 2013-2014 NCIB after October 15, 2013.

(c) Common Share Purchase Warrants

In connection with the completion of the rights offering, Ceres issued an aggregate of 2,083,334 warrants to the stand-by purchasers, with the issuance being conditional upon approval at the Corporation's annual general meeting to be held in August 2015. In the event that such warrant approvals are not obtained, the Corporation will make a cash payment to the standby purchasers equal to the number of common shares subject to the applicable number of standby warrants multiplied by the amount (if any) by which the then-current mark price (basis the five-day VWAP) of the common shares exceeds the subscription price, provided that the amount shall not be less than 2% nor greater than 4% of such standby purchasers' subscription commitment.

Furthermore, the stand-by warrants issued, subject to shareholder approval, were issued at a fixed price of $5.84 and are each convertible into one common share of the Corporation. The warrants have an expiry date 24 months after issuance. The fair value of the stand-by warrants has been estimated at the date of issuance using the Black Scholes pricing model, using the following assumptions: an average risk free interest rate of 1.01%; an average expected volatility factor of 22.75%; an expected dividend yield of nil; and expected life of 2 years from issuance. The fair value of the stand-by warrants at the time of issuance was estimated at $1,644,000. Due to the conditional nature and certain other net settlement terms of the warrants, they are not considered equity under IFRS as at March 31, 2015, and are classified as a current liability.

On June 11, 2013, the Common Share Purchase Warrants (collectively the "Warrants") that were issued on June 11, 2010 to the vendors of Riverland Ag, expired and were cancelled. The Corporation allocated the aggregate stated capital value of the Warrants of $202,384 to Contributed Surplus.

15. SHARE CAPITAL AND WARRANTS (continued)

(d) Stock Option and Appreciation Rights

On March 10, 2014, the Board approved the Ceres Global Ag Corp. Stock Option Plan (the "Options Plan"). The Options Plan is available to certain officers, key employees and consultants of the Corporation and its subsidiaries. The purpose of the Options Plan is to attract, retain and motivate these parties by providing them with the opportunity, through options, to acquire a proprietary interest in the Corporation and to benefit from its growth.

The Options Plan is administered by the Board, which shall determine (among other things) those officers, key employees and consultants who may be granted awards as Participants and the terms and conditions of any award to any such Participant. The Exercise Price of the options shall be fixed by the Board and shall be no less than 100% of the Market Price on the effective date of the award of the options, which may be granted for a term not exceeding ten (10) years. The maximum number of common shares reserved for issuance upon the exercise of options cannot exceed 10% of the total number of common shares issued and outstanding less the number of common shares reserved for issuance under the Corporation's Directors Deferred Share Unit Plan (Note 16). Restrictions exist as to the number of options that may be granted to Insiders within any one-year period, and as to the number of, and the aggregate fair market value of, the common shares underlying the options that may be granted to any one Participant.

The Options Plan also provides for the Board to grant Stock Appreciation Rights ("SARs") to certain officers, key employees and consultants of the Corporation. Stand-Alone SARs granted under the Plan shall become vested at such times, in such installments and subject to the terms and conditions of the Options Plan (including satisfaction of Performance Criteria and/or continued employment) as may be determined by the Board. The Base Price for each common share subject to a Stand-Alone SAR shall not be less that 100% of the Market Price of a common share on the Effective Date of the award of such Stand-Alone SAR. Tandem SARs may be granted at or after the Effective Date of the related award of options, and each Tandem SAR shall be subject to the same terms and conditions and denominated in the same currency as the option to which it relates and the additional terms and conditions under the Options Plan. Tandem SARs may be exercised only if and to the extent the options related thereto are then vested and exercisable. On exercise of a Tandem SAR, the related option shall be cancelled and the Participant shall be entitled to an amount in settlement of such Tandem SAR calculated and in such form as provided by the Options Plan.

As at March 31, 2015 and 2014, no stock options or SARs had been awarded.

15. SHARE CAPITAL AND WARRANTS (continued)

(e) Issued and outstanding as at March 31, 2015 and 2014

The following is a summary of the changes in the Common shares and Warrants for the year ended March 31, 2015 and 2014:

	Common shares			Warrants		
	Shares		Dollars	Shares		Dollars
Balances, April 1, 2013	**14,334,699**	**$**	**138,298,904**	**150,000**	**$**	**202,384**
Expiry of Warrants, June 11, 2013	-		-	(150,000)		(202,384)
Repurchases under normal course issuer bid	(126,020)		(1,198,882)	-		-
Balances, March 31, 2014	14,208,679	$	137,100,022	-	$	-
Adjustment to outstanding common shares	(471)		-	-		-
Issuance of common shares, December 4, 2014	12,842,465		75,000,000	-		-
Share issuance costs	-		(1,571,062)	-		-
Warrants, conditionally issued, December 4, 2014, classified as liabilities	-		(1,644,000)	2,083,334		1,644,000
Balances, March 31, 2015	**27,050,673**	**$**	**208,884,960**	**2,083,334**	**$**	**1,644,000**

On December 4, 2014, the Corporation completed a fully backstopped rights offering (the “Offering”). The Offering was fully subscribed at a price of $5.84. The Corporation issued 12,842,465 common shares for aggregate gross proceeds of $75,000,000. Costs incurred relating to the issuance of shares totaled $1,571,062.

16. DEFERRED SHARE UNIT PLAN

Effective January 1, 2014, Ceres has a Directors’ Deferred Share Unit Plan, whereby deferred share units (“DSU”) are issued to Eligible Directors, in lieu of cash, for a portion of Directors’ fees otherwise payable to Directors. The Fair Market Value of the DSUs on the date such units are calculated and issued represents the volume-weighted average trading price of Ceres’ common shares for the five trading days immediately preceding the date of issuance of the DSUs. Each DSU entitles the director to receive payment after the end of the director’s term in the form of common shares of the Corporation. Under the plan, the aggregate number of common shares issuable by Ceres under this Plan is limited to 450,000 common shares. Certain insider restrictions and annual dollar limits per Eligible Director exist. Dividends, if any, otherwise payable on the common shares represented by the DSUs are converted into additional DSUs based on the Fair Market Value as of the date on which any such dividends would be paid. The Plan also provides for the Board to award additional DSUs (referred to in the Plan agreement as “Matching DSUs”) to an Eligible Director who has elected to receive DSUs pertaining to his/her Annual Cash Remuneration amount (as defined by the Plan).

The Corporation intends to settle all DSUs with shares through the issuance of treasury shares. Compensation expense is included as part of Directors’ fees classified with general and administrative expenses, and is recognized in the accounts as and when services are rendered to the Corporation. DSUs

16. DEFERRED SHARE UNIT PLAN (continued)

outstanding as at a reporting period-end are revalued at the fair market value as at that period and changes in the fair market value are recognized to Directors' fees in the period in which the changes occur.

The following is a summary of the changes in the number of DSUs issued and outstanding for the years ended March 31, 2015 and 2014:

	2015			2014		
	number of units		**Fair Market Value**	number of units		Fair Market Value
Balance, beginning of period	**8,912.73**	**$**	**7.01**	-	$	-
Units redeemed	**(2,673.83)**	**$**	**7.00**	-	$	-
Units issued	**46,573.84**	**$**	**6.06**	8,912.73	$	7.01
Balance, end of period	**52,812.74**	**$**	**6.06**	8,912.73	$	7.01

17. MANAGEMENT FEES

The following table presents management fee expense charged to the accounts of the Corporation for the years ended March 31:

		2015		2014
Management fees and related HST	**$**	**-**	$	1,327,357
Management transition payment		**-**		5,000,000
Revaluation of provision for future payments to Front Street Capital		**(626,000)**		970,000
	$	**(626,000)**	$	7,297,357

On August 23, 2013, Ceres announced it entered into a Management Transition Agreement (the "Transition Agreement") with Front Street Capital 2004 ("Front Street Capital"), which provided, among other things, for the early termination of the Management Agreement. The Transition Agreement was approved by the shareholders at the annual and special meeting held on September 27, 2013. The Transition Agreement provided for the following:

- The Management Agreement was terminated effective November 30, 2013;
- Monthly management fee payments to the Front Street Capital ended December 31, 2013;
- On October 1, 2013, Ceres paid the Front Street Capital $5 million plus HST of $650,000;
- Front Street Capital will be paid an additional $1 million if the five-day volume-weighted average price of Ceres' common shares (the "5-day VWAP") reaches $10 within five years, and a further $1 million if the 5-day VWAP reaches $11 at any time during that 5-year period;
- The additional payments will become payable immediately if, prior to the fifth anniversary of the date of the Transition Agreement, there occurs either a change in control or a going private transaction for a price in excess of $7.85 per share;

17. MANAGEMENT FEES (continued)

Ceres shall deposit into an escrow fund 5% of any gross sale proceeds in excess of net book value and direct transaction costs from the sale of any of Ceres' assets, to a maximum amount of $1 million, and such escrow fund amount shall be paid to the Manager if the 5-day VWAP does not reach $10 within five years

As at March 31, 2015, management has determined the fair value of the potential additional payments provided for under the Transition Agreement is $344,000 (March 31, 2014: $970,000). As at March 31, 2015, the fair value of each additional payment was determined using the binomial options pricing model, with a remaining term to December 31, 2018, using volatility of 25% and a risk-free interest rate of 0.60% (March 31, 2014: remaining term to December 31, 2018, volatility of 35% and risk-free interest rate of 1.71%). Management recalculates the fair value of such potential additional payments as at each quarter-end and adjusts the provision recognized in the accounts in the quarter such adjustment would be necessary.

18. INCOME TAXES

(a) Reconciliation of statutory tax provision to the effective tax provision

As the Corporation operates in several tax jurisdictions, its income is subject to taxation at various rates.

The provision for income taxes differs from the amount that would have resulted from applying the Canadian statutory income tax rates to income before income taxes for the following reasons:

		2015	2014
Loss before income taxes and share of net income in investments in associates:			
Canada	$	**(6,539,794)**	(15,512,509)
United States of America		**4,392,488**	(5,543,796)
	$	**(2,147,306)**	(21,056,305)
Combined statutory Canadian federal and Ontario corporate income tax rate		**26.5%**	26.5%
Provision for income taxes recoverable using statutory rate	$	**(569,036)**	(5,579,917)
Adjusted for the income tax effect of:			
Difference in tax rates applicable to subsidiaries		**551,696**	(694,637)
U.S. state taxes, net of U.S. federal benefit		**(143,492)**	(527,158)
Intercompany dividend eliminated upon consolidations		**(1,885,738)**	(1,360,853)
Non-deductible portion of capital losses		**-**	455,375
Non-deductible portion of unrealized losses on investments (non-taxable portion of unrealized gains on investments)		**64,594**	(68,091)
Changes in unrecognized temporary difference on deferred income tax assets		**2,850,338**	6,540,780
Foreign exchange and other differences		**(449,047)**	(88,127)
		988,351	4,257,289
Income tax expense (recovered)	$	**419,315**	(1,322,628)

18. INCOME TAXES (continued)

The components of the provision for income taxes are as follows:

Canada	2015	2014
Current	$ 134,142	$ (135,488)
Deferred	140,437	50,736
	274,579	(84,752)
United States of America - Federal		
Current	93,164	(1,247,356)
Deferred	-	-
	93,164	(1,247,356)
United States of America - State		
Current	51,572	9,480
Deferred	-	-
	51,572	9,480
Income tax expense (recovered)	**$ 419,315**	$ (1,322,628)

(b) Deferred income tax liability

The tax effects of temporary differences that give rise to significant elements of the net deferred income tax liability are as follows:

	2015	2014
Deferred tax assets:		
Non-capital and net operating losses carried-forward	$ 29,682,633	27,172,420
Allowable capital losses carried forward	1,026,920	1,247,392
Deductible portion of unrealized depreciation of investments	845,834	981,910
Share issuance costs	389,640	-
Other temporary deductible differences, net of temporary taxable differences	6,044,365	2,458,877
Accrued interest not deductible until paid	861,641	705,739
	38,851,033	32,566,338
Deferred income tax liability, property, plant and equipment	(18,224,407)	(15,417,555)
	(18,224,407)	(15,417,555)
Unrecognized deferred tax assts	(20,923,597)	(17,305,317)
Noncurrent deferred tax liabilities, net	$ (296,971)	(156,534)

18. INCOME TAXES (continued)

(c) Tax losses carried forward

(i) Canadian operations

As at March 31, 2015, the Corporation has accumulated non-capital losses in the amount of $46,447,367 relating to operations in Canada. The non-capital losses are being carried forward and, unless utilized, will expire in the following taxation years:

Year of expiry		Amount
2028	$	591,209
2029		2,064
2030		6,387,927
2031		5,943,058
2032		7,313,866
2033		7,179,113
2034		11,788,060
2035		7,242,070
	$	**46,447,367**

As at March 31, 2015, Ceres has accumulated capital losses totaling $7,750,339, which are available indefinitely to be applied against capital gains in future taxation years. The potential income tax benefit of the capital losses has not been recognized in the financial statements.

(ii) Unites States of America operations

As at March 31, 2015, the Corporation has accumulated net operating losses in the amounts noted below in USD, for federal and state income tax purposes. These net operating losses are being carried forward and, unless utilized, will expire in the following taxation years:

Year of expiry		Federal	State
2027	$	-	6,177,900
2028		-	2,742,186
2029		-	10,857,882
2030		-	12,769,195
2031		9,717,275	1,457,305
2032		3,686,320	501,671
2033		8,570,443	869,453
2034		12,772,909	3,514,695
	$	**34,746,947**	**38,890,287**

19. RELATED PARTY TRANSACTIONS

Key management personnel

The Corporation has defined key management personnel as senior executive officers, as well as the members of the Board of Directors, as they collectively have the authority and responsibility for planning, directing and controlling the activities of the Corporation and its subsidiaries. The following table summarizes total compensation expense for key management personnel for the years ended March 31, 2015 and 2014.

	2015	2014
Salaries and bonuses accrued, senior executive officers	**$ 2,068,766**	$ 1,188,149
Benefits, senior executive officers	**43,070**	34,859
Directors' fees	**494,577**	445,551
	$ 2,606,413	$ 1,668,559

As at March 31, 2015 and 2014, directors and officers of the Corporation, through a controlled entity, beneficially own, directly or indirectly, or exercise control or direction over 40.3% and 17.7%, respectively, of the outstanding Common shares of the Corporation.

20. CHANGES IN NON-CASH WORKING CAPITAL ACCOUNTS

	2015	2014
Decrease (increase) in due from Broker, commodity futures contracts	**$ (3,022,080)**	$ 7,980,680
Increase in net derivative assets	**(4,929,716)**	(458,109)
Decrease (increase) in trade receivables	**(1,455,462)**	7,262,978
Decrease (increase) in inventories	**(16,515,546)**	62,834,829
Decrease (increase) in Sales taxes recoverable	**332,152**	(1,528,175)
Decrease in prepaid expenses and sundry assets	**219,660**	97,116
Increase in accounts payable and accrued liabilities	**1,982,426**	2,390,223
Decrease in management fees payable	**-**	(250,763)
Increase (decrease) in provision for future payment to Front Street Capital	**(626,000)**	970,000
(Decrease) increase in due to Manager	**-**	(268,565)
	$ (24,014,566)	$ 79,030,214

21. CONTINGENT LIABILITIES

The Corporation is involved in various legal claims and legal notices arising in the ordinary course of business. The Corporation believes it has adequately assessed each claim, and the necessity of a provision for such claims. As at March 31, 2015, the Corporation has no provision for any contingent liabilities.

Furthermore, during the quarter ended March 31, 2014, Ceres terminated its arrangements and ongoing discussions with a potential development partner with respect to the development and construction of a grain facility at NCLC. The termination of discussions with the potential partner may have implications for any amounts to be collected from the potential partner and amounts previously paid to Ceres by the potential partner in respect to a certain portion of NCLC site preparation costs under a Cost-Sharing Agreement. The recovery and/or reimbursement of such amounts, if any, will be subject to resolution of the claim described below.

During the year ended March 31, 2015, the potential partner initiated an action against the Corporation for injunctive relief and unspecified damages relating to the development and construction of a grain facility at the Corporation's NCLC.

As of the date hereof, the Corporation, based on the advice of its litigation counsel, does not believe that the claims alleged by the former partner have any legal merit, and therefore, the Corporation intends to vigorously defend the lawsuit. Prior to the termination of its relationship with the former partner, the counterparty paid $3,899,146 in costs related to the project. The Corporation does not believe that the counterparty is entitled to any of these costs based on the legal relationship that existed at the time, and based on the claims alleged in the counterparty's complaint. The outcome of this complaint is difficult to assess or quantify. The plaintiff may seek recovery of large or indeterminate amounts, and the magnitude of the potential loss may remain unknown for substantial periods of time. The cost to defend this complaint may be significant. In addition, this complaint, if decided adversely to the Corporation or settled by the Corporation, may result in liability material to the Corporation's financial statements as a whole or may materially and adversely affect the Corporation's business, financial position, cash flow, and/or results of operations.

22. SUBSEQUENT EVENT

Subsequent to March 31, 2015, the Corporation entered into an agreement to sell its Electric Steel grain facility in Minneapolis, Minnesota, to the University of Minnesota for gross proceeds of US$1,450,000 subject to final approval by the University's Board of Regents. The Corporation is expecting to close on the sale in the first quarter of fiscal 2016. As at March 31, 2015, the carrying value of the related facility's property, plant and equipment totaled approximately US$1,300,000 (CAD$1,643,460).

Management

Patrick Bracken
President and
Chief Executive Officer

Mark Kucala
Vice President and
Chief Financial Officer

Craig Reiners
Senior Vice President – Grain

Robert Day
Vice President – Trading
and Risk Management

Directors

Douglas E. Speers
Chairman

Patrick Bracken

Harvey T. Joel

Gary W. Mize

Joseph M. Monroe

James T. Vanasek

Harold M. Wolkin

AGM

Ceres Global Ag Corp.
Annual General Meeting
9am EDT, Aug.6, 2015
The Omni King Edward Hotel
Belgravia Room
37 King St. East
Toronto, Ontario

Ceres Global Ag Corp
36 Toronto Street, Suite 850
Toronto, ON Canada M5C 2C5

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