

REPORTER

Spring 2013

THE LATEST NEWS FROM RICHARDSON INTERNATIONAL LIMITED



TO OUR VALUED CUSTOMERS:

Last March, Richardson announced an agreement with Glencore to acquire a significant number of Viterra assets. I am pleased to tell you that we have closed that transaction and have grown our business to better serve our farm customers.

Richardson has acquired 19 country elevators and 13 crop input centres that are co-located with those facilities as well as a Viterra terminal in Thunder Bay. This allows us to grow our Richardson Pioneer network and improve our ability to serve our farm customers across the Prairies. It enhances our network of facilities in Western Canada and strengthens our ability to efficiently move your grains and oilseeds from country elevators through to port terminals destined for shipment to markets around the world.

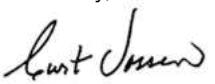
This is an important milestone in our company history. It is particularly significant as we celebrate the 100th anniversary of Richardson Pioneer in 2013. Through this acquisition, we are growing our business substantially, both in terms of assets and people. By increasing our presence in many communities across

Western Canada, we look forward to enhancing our ability to serve customers in new and existing markets.

We are also continuing to diversify into value-added processing through the acquisition of Viterra's milling business. We have acquired three Canadian oat processing sites in Portage La Prairie, Manitoba, Martensville, Saskatchewan and Barrhead, Alberta. We have also acquired an oat processing plant in South Sioux City, Nebraska and a wheat mill in Dawn, Texas. These businesses will now operate as Richardson Milling. We are excited to build on our success in canola processing and establish a presence in the U.S., which will increase our profile in the global marketplace.

This is an exciting time for Richardson as we strengthen our position as a proudly Canadian leader in global agriculture and food processing. We are confident that this transaction will not only benefit Richardson, but our valued customers and suppliers as well. As we integrate our operations, we will continue to operate our business as usual and ensure a smooth transition. We look forward to continuing to work with you.

Sincerely,


Curt Vossen
President

FULL STEAM AHEAD: VANCOUVER TERMINAL

Richardson International is moving forward with its plans to expand its port terminal facility in North Vancouver.

Due to increasing demand for grains and oilseeds, Richardson is adding an 80,000 metric tonne (MT) storage annex to its Vancouver terminal. The \$120 million dollar expansion will increase total storage capacity from 108,000 MT to 178,000 MT.

“We are very pleased to move forward with this project as we see it as key to meeting growing demand from global markets,” said Darwin Sobkow, Executive Vice-President, Agribusiness Operations at Richardson. “This expansion will allow us to serve both our farm customers and international buyers more effectively by increasing capacity to move Canadian grains and oilseeds to rapidly emerging markets in Asia-Pacific and around the world.”

Richardson’s Vancouver terminal has been operating at maximum capacity for several years, handling in excess of 3 million metric tonnes (MMT) of grains and oilseeds annually. With the additional storage capacity, Richardson will be able to handle in excess of 5 MMT each year through its Vancouver terminal.

“This is a significant investment in our business and the biggest investment in the Port of Vancouver in more than 20 years,” said Curt Vossen, President and CEO of Richardson. “Through this project, we are creating jobs, supporting Port Metro Vancouver’s vision to grow the port and ultimately helping to increase Canadian trade by remaining competitive and ensuring continued access to global markets for Prairie farmers.”

Vancouver is a major port for exports of Canadian grain and oilseeds to developing countries in the Pacific Rim and other end-use destinations. Richardson’s grain terminal is recognized as one of the most efficient grain handling facilities in the world.

Richardson’s expansion in Vancouver will create hundreds of jobs throughout the two-year construction process and will result in the creation of approximately 40 to 50 additional permanent positions at the completed port terminal facility. Construction of the new storage annex has begun and is expected to be complete in 2015.

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Curt Vossen,

President and CEO, Richardson International

EXPANDING PROCESSING CAPACITY IN SASKATCHEWAN AND ALBERTA

Richardson Oilseed is responding to strong consumer demand for healthy canola oil by increasing processing capacity at both Richardson's Yorkton and Lethbridge plants.

Richardson Pioneer isn't the only division that will be growing in 2013; Richardson Oilseed is also growing by leaps and bounds.

"Strong demand for domestic and international food markets, which is being driven by growing consumer interest in healthier food products and biodiesel mandates, are fuelling increased demand for canola oil," says Pat VanOsch, Senior Vice-President, Richardson Oilseed. "Canola is a Canadian success story and we are committed to continuing to increase our presence in the market to meet growing demand for Canadian canola products."

Richardson's state-of-the-art Yorkton, Saskatchewan, canola processing plant opened in 2010 and has a current processing capacity of 2,400 tonnes per day, or 840,000 tonnes per year. It's already big, and it's going to get even bigger.

"We're currently expanding the Yorkton plant," says VanOsch. "Canola growers are responding well to the increase in consumer demand by seeding record acres of canola for the last several years. With a strong origination capability through our Richardson Pioneer network, we are in an excellent position to increase processing capacity to keep up with increasing global demand for canola oil."

With this new expansion, the Yorkton plant will increase crushing capacity by 25 per cent, allowing Yorkton to operate at a crushing capacity of 3,000 tonnes per day. That's over one million tonnes of canola crushed each year at the Yorkton plant alone.

Construction at the Yorkton plant began in the fall of 2012 and is expected to be completed later this year.



Richardson Oilseed's processing plant in Lethbridge, Alberta

Richardson's canola processing plant in Lethbridge, Alberta, is also getting ready for an expansion that will more than double its processing capacity from its rated capacity of 1,200 tonnes of canola per day to match Yorkton's projected processing capacity of 3,000 tonnes per day.

The Lethbridge expansion is slated to begin construction in early 2014, after the Yorkton plant is completed, with projected completion by the end of 2015.

To complement the growing oilseed processing division, Richardson has undergone significant growth in the oilseed manufacturing business as well. A recently completed \$15 million expansion to the Lethbridge, Alberta, canola packaging facility will help the company to meet the increasing customer demand for healthier food products. The 2011 acquisition of a manufacturing plant in Mississauga, Ontario has made Richardson the only Canadian company with manufacturing plants in Eastern and Western Canada that produce both canola based margarine and shortening.



NEW LOCATIONS FOR RICHARDSON PIONEER

Richardson has expanded its network across Western Canada through by adding 19 former Vitera elevators and 13 crop input centres co-located with those elevators. With a larger network across the Prairies, Richardson Pioneer will be able to offer enhanced services and improved efficiencies our customers.

Dawson Creek, BC



Davidson, SK



Vulcan, AB



Lavoy, AB



NEW ELEVATORS



Carrot River, SK

Lacombe East, AB
 Lavoy, AB*
 High Level, AB*
 Provost, AB*
 Vulcan, AB*
 Assiniboia, SK*
 Carrot River, SK*
 Davidson, SK*
 Kindersley, SK
 Alameda, SK*

Melville, SK*
 Langenburg, SK*
 Maple Creek, SK*
 Regina East / White City, SK
 Unity, SK*
 Red River South, MB
 South Lakes, MB
 Dawson Creek, BC*
 Fort St. John, BC

*Crop Inputs Centre



Melville, SK



Langenburg, SK



Red River South, MB



Assiniboia, SK



Regina East / White City, SK



Alameda, SK



Torrington, Alberta, circa 1938

GROWING FOR GENERATIONS

2013 is going to be a milestone year for Richardson Pioneer. We're celebrating our 100th anniversary during an era of major change for our company and for western Canadian agriculture. Celebrate generations of employees, partners and customers that have found a home with Richardson Pioneer over the last 100 years. This is the first in a series of articles and special events that you'll see this year as we celebrate this amazing milestone.

CELEBRATING A CENTURY

James Richardson & Sons, Limited (JRSL) was started in 1857, in Kingston, Ontario. By the 1880s, the young company was doing well in Ontario, but they knew that the real future of the Canadian grain industry lay in the West. JRSL's first Prairie elevator was built in Neepawa, Manitoba in 1890, and over the next 20 years an additional 25 elevators followed.

By 1913, JRSL's western grain division had grown dramatically, and the Pioneer Grain Company, Limited was set up to operate the company's rapidly expanding western country elevator line.

We were the first company to handle western-grown grain and the first to build elevators in many Prairie communities, long before railroads even stretched that far. Richardson Pioneer has stood the test of time, supporting its customers through a century of ups and downs, including the Great Depression and two World Wars. Today, Richardson Pioneer has one of Western Canada's largest networks of grain-handling and crop production facilities.

Richardson Pioneer continues to play a pivotal role in shaping the development of agriculture in Western Canada, and we are committed to continuing to grow Canadian agriculture for the future.

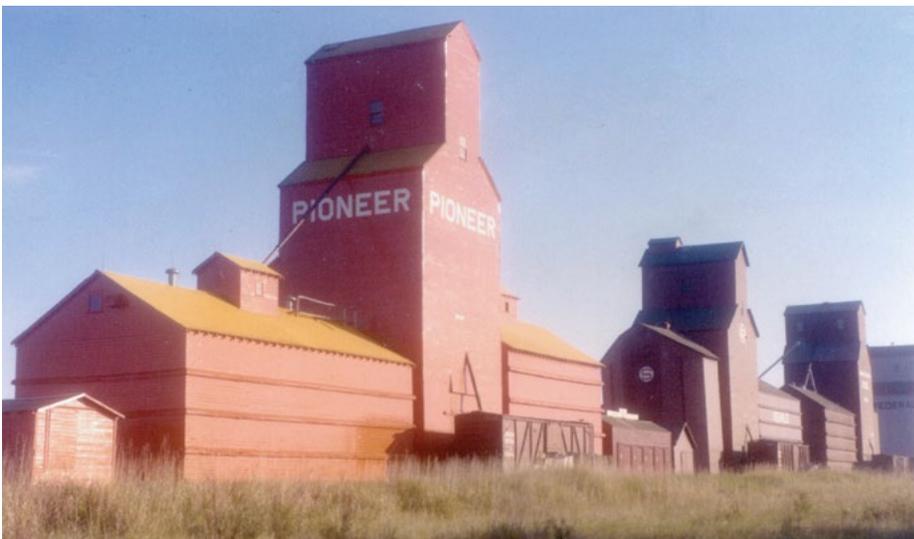
A BUSINESS BUILT ON RELATIONSHIPS

While many things have changed over the last 100 years, one thing remains the same: we continue to be focused on building strong, solid relationships with our customers. It is those relationships that differentiate and define us, allowing Richardson Pioneer to grow and prosper and become the company we are today. Our business is built on relationships and we value the partnerships that we have developed with western Canadian farmers.

While time and experience have helped shape our company, it is our enduring relationships with generations of farmers and our customers that have contributed to the success and longevity of our business.



Balgonie Saskatchewan, 2012



A SPLASH OF COLOUR

For the first 50 years, Richardson Pioneer's elevators were painted "CPR Red" like most other country elevators. The idea of doing something different came about in 1962, when Pat Cruikshank asked her husband Claude why Richardson Pioneer elevators couldn't be a little bit brighter than the competition. Pat's orange pants provided the inspiration for Claude, a company engineer, and he launched "Pioneer orange". The elevator at Brooksby, Saskatchewan was the first to be painted orange and yellow in 1962. The bright, bold colours were a hit with staff and customers and the rest is history. Pioneer orange and yellow became Richardson Pioneer's signature colours, which still stand out across the Prairies today.

RICHARDSON PIONEER CENTURY GIFTS PROGRAM

To commemorate our 100th anniversary, Richardson announced on April 10 that it has established the Richardson Pioneer Century Gifts Program to provide funding to one major community project in each Prairie province—Manitoba, Saskatchewan, and Alberta—in 2013. The selected projects will each receive a \$100,000 contribution from the newly-created program.

"We are very proud of our long history of investing in and supporting the communities in which our customers and employees live and work," said Hartley T. Richardson, Chairman of Richardson International and President & CEO of James Richardson & Sons, Limited. "Establishing this special gifts program to mark Richardson Pioneer's 100th anniversary will enable us to make a significant contribution to three initiatives that will create a lasting impact for so many."

Communities in Alberta, Saskatchewan, and Manitoba are invited to submit a proposal for a specific infrastructure project or initiative that promotes and supports recreational pursuits and will benefit the community at large. Preference will be given to projects with funding support from local residents and businesses. Proposals, along with a completed application form, must be received by June 30, 2013. Applications are available online at richardson.ca/community. Recipients will be announced in the fall.

"The Richardson Pioneer Century Gifts Program provides a special opportunity to help create a legacy in communities across the Prairies that will benefit future generations," said Curt Vossen, President and CEO of Richardson International. "A key part of our enduring success is the strength of the communities in which we do business, and we are dedicated to enhancing the quality of life and being a positive presence in those communities."

The company will continue to support other community initiatives throughout the year through the Richardson Foundation. Richardson's charitable giving is primarily through the Richardson Foundation. In 2012, the Richardson Foundation contributed \$1,027,847 to projects in more than 45 communities across Western Canada.



Richardson presents a community donation check in Kenville, MB

EXPANDING OUR BUSINESS

Richardson's agreement with Glencore also includes the purchase of a 25% ownership interest in Cascadia Terminal in Vancouver and the acquisition of a Viterra terminal in Thunder Bay. Richardson also acquired the new Richardson Milling division, with oat processing plants in Portage la Prairie, MB, Martensville, SK and Barrhead, AB, and South Sioux City, NE and a wheat mill in Dawn, TX.

This provides Richardson with a presence in the U.S. and allows us to be a direct link, bridging the gap between farmer to final product, through our new milling division.

