



Canadian Lamb Producers Cooperative Inc. Lamb producers the first to benefit from Exemption Agreement

Saskatoon, Saskatchewan May 22, 2013: In a move that could bring major benefits to Canada's agriculture industry, the *Canadian Securities Administration* has granted a ground-breaking Exemption Agreement to the Canadian Lamb Producers Cooperative Inc. Lamb producers from across Canada will benefit immediately from the agreement, which will make it easier to become members of the Saskatoon-based Cooperative.

The agreement, announced on May 22, 2013 will permit the selling of the Cooperative's Membership and Investment shares to lamb producers across Canada without the need to file a costly prospectus in each province. The agreement also eliminates the need for the Cooperative to incorporate independent cooperatives in each province in which the Cooperative wishes to sell shares to lamb producers.

"The Exemption Agreement will permit the rapid expansion of the Canadian Lamb Producers Cooperative across Canada," stated Canadian Lamb Producers Cooperative President Pat Smith. Mr. Smith, one of the largest lamb producers in Canada, also noted that, "The Cooperative has established a new way of developing agriculture cooperatives in Canada. Now cooperatives composed exclusively of members from a single producer group can incorporate federally, apply for an exemption agreement and, once granted, develop members across Canada."

Prior to the granting of this precedent setting exemption agreement, agriculture cooperatives were required to establish separate, independent cooperatives in each province in order to sell memberships and investment or production shares to producers in that province. This requirement was a major impediment to the development and expansion of national agriculture cooperatives in Canada. This agreement paves the way for the development of new federally incorporated agriculture cooperatives in Canada.

The formation of the Canadian Lamb Producers Cooperative was an initiative of the Saskatchewan Sheep Development Board. Funding for this innovative initiative was provided by Agriculture and Agri-Food Canada through the Canadian Agricultural Adaptation Program (CAAP), which is administered in Saskatchewan by the Agriculture Council of Saskatchewan. Funding to obtain the exemption agreement was obtained, in

part, from the Agriculture and Agri-Food Canada's Cooperative Development Initiative. Funding for the initiative was also provided by Saskatchewan lamb producers through the Saskatchewan Sheep Development Board.

Federally incorporated in July 2012, the Canadian Lamb Producers Cooperative is the first national cooperative with a mandate to increase the farm cash receipts of lamb producers. The Canadian Lamb Producers Cooperative will purchase lambs from producer members in all provinces at a premium above the benchmark Ontario auction barn price and process the lambs in federally-approved facilities in Western and Eastern Canada.

Membership requests to join the Canadian Lamb Producers Cooperative have been received from lamb producers in seven provinces. The Cooperative plans on recruiting approximately 650 lamb producers over the next 36 months.

The Cooperative is in the process of forming a subsidiary company, the *Canadian Lamb Company*, to conduct the day-to-day business affairs of the Cooperative. The new federally incorporated Company will be responsible for marketing a new national brand of value-added retail and food service lamb products for Canadian and export markets. The marketing office for the Canadian Lamb Company will be located in Guelph, Ontario.

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