

BEVOAGRO INC.

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NEWS RELEASE

BEVO AGRO INC. REPORTS ON FISCAL 2016 RESULTS

Bevo Agro Inc. (TSXV: BVO) is pleased to announce operating and financial results for the fiscal year ending June 30, 2016.

Major 2016 Highlights

- Four consecutive quarters reporting record sales.
- CubicFarm Systems Corp. formed to provide the very best in cubic farming systems.
- Construction of an additional 8 acre greenhouse, to be operational in fall of 2016.

Fiscal 2016 Highlights (versus 2015)

- Celebrated our 30th Anniversary with sales exceeding \$31 million, a 19% increase over 2015 sales.
- Net earnings totaled \$2,825,603 compared \$1,197,556, a 136% increase.
- Earnings per share of \$0.11 compared to \$0.05.
- EBITDA of \$5,806,890 compared to \$4,078,579, an increase of 42%.

Fourth Quarter Highlights (2016 versus 2015)

- Sales of \$13.1M compared to \$11.0M, a 19% increase in Q4.
- Net earnings of \$1.7M compared to \$881K, a 93% increase.
- EBITDA of \$2.35M compared to \$1.76M, an increase of 33%.

Bevo Agro Inc. (TSXV: BVO) is pleased to report net earnings increased by 136% to \$2,825,603 for the year ending June 30, 2016 compared to the previous year earnings of \$1,197,556. Net earnings for the fourth quarter were \$1,700,264, an increase of 93% over net earnings of \$881,968 in Q4 last year.

Bevo experienced record sales for the year ending June 30, 2016 of \$31,167,250, an increase of 19 % over sales of \$26,221,677 for the year ended June 30, 2015. Sales for the fourth quarter rose by 19% to \$13,110,528 from \$11,000,578 in Q4 last year and increased for the fourth consecutive quarter. The increase in sales was due to improved utilization of existing greenhouse areas and increased customer plant requirements. The additional eight acres of greenhouse space will be used to meet increased orders from our present customers.

The gross profit was \$8,610,294 (28% of sales) for the year ending June 30, 2016 compared to 6,801,354 (26% of sales) for fiscal 2015. Gross profit for Q4 of fiscal 2016 was \$3,289,134 (25%) compared to \$2,653,536 (24%) for the same quarter last year.

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased by 42% to \$5,806,890 for the year ending June 30, 2016 compared to EBITDA of \$4,078,579 for the previous year. EBITDA for Q4 of fiscal 2016 was \$2,351,272, a 33% improvement over \$1,763,564 of EBITDA for the same quarter last year.

Operating expenses totaled \$1,590,505 for the fourth quarter compared to \$1,570,248 for the same quarter last year. The total operating expenses totaled \$5,390,936 for the twelve months ending June 30, 2016, virtually unchanged from total operating expenses of \$5,359,549 in the previous year.

Bevo Agro maintains a balance of fixed and floating rates on borrowings as a hedge against interest rate fluctuations. From a balance sheet perspective, the Company maintains sufficient working capital to manage its business and to maintain conservative financial ratios.

**Our Balance Sheet Highlights
at June 30**

	2016	2015	Change Y/Y	%
Working Capital	\$ 1,383,000	\$ 420,000	\$ 963,000	229%
Land, Greenhouse & Equip	\$ 38,390,000	\$ 35,562,000	\$ 2,828,000	8%
Total Debt	\$ 23,899,000	\$ 22,209,000	\$ 1,690,000	8%
Shareholder Equity	\$ 19,957,000	\$ 17,143,000	\$ 2,814,000	16%

Readers are encouraged to view the Company's audited financial statements at June 30, 2016, and accompanying MD&A at www.sedar.com.

Summary- Consolidated Condensed Statements of Operations and Comprehensive Income

For the year ending	June 30. '16		June 30. '15		Change
Sales	\$31,167,250	100%	\$26,221,677	100%	19%
Cost of Sales	\$22,556,956	72%	\$19,420,323	74%	16%
Gross Margin	\$8,610,294	28%	\$6,801,354	26%	27%
Expenses					
General Operating	\$1,298,808	4%	\$1,365,615	5%	-5%
Employee Benefits	\$1,504,596	5%	\$1,425,111	5%	6%
Amortization	\$1,811,220	6%	\$1,713,009	7%	6%
Interest expenses	\$776,312	2%	\$855,814	3%	-9%
Total expenses	\$5,390,936	17%	\$5,359,549	20%	1%
Earnings from operations	\$3,219,358	10%	\$1,441,805	5%	123%
Other			\$67,951		-100%
Earnings before taxes	\$3,219,358		\$1,509,756		113%
Income taxes-future	\$393,755	1%	\$312,200		26%
Net earnings for the period	\$2,825,603	9%	\$1,197,556	5%	136%
EBITDA	\$5,806,890	19%	\$4,078,579	16%	42%
Earnings per share	\$ 0.11		\$ 0.05		
For the 3 months ending	June 30. '16		June 30. '15		Change
Sales	\$13,110,528	100%	\$11,000,578	100%	19%
Cost of Sales	\$9,821,394	75%	\$8,347,042	76%	18%
Gross Margin	\$3,289,134	25%	\$2,653,536	24%	24%

Expenses					
General Operating	\$329,000	3%	\$386,348	4%	-15%
Employee Benefits	\$608,862	5%	\$503,624	5%	21%
Amortization	\$466,996	4%	\$459,381	4%	2%
Interest expenses	\$185,647	1%	\$220,895	2%	-16%
Total expenses	\$1,590,505	12%	\$1,570,248	14%	1%
Earnings from operations	\$1,698,629	13%	\$1,083,288	10%	57%
Income taxes-future	(\$1,635)		\$201,320		-101%
Net earnings for the period	\$1,700,264	13%	\$881,968	8%	93%
EBITDA	\$2,351,272	18%	\$1,763,564	16%	33%

Bevo's year over year comparative results are summarized below

Year ended	Jun 30. '13	Jun 30. '14	Jun 30. '15	Jun 30. '16
Sales	\$20,587,204	\$23,309,085	\$26,221,677	\$31,167,250
Gross Margin	\$5,083,066	\$5,918,741	\$6,801,354	\$8,610,294
Earnings (loss) from operations	\$139,619	\$903,856	\$1,441,805	\$3,219,358
Net earnings (loss) for period	\$184,533	\$738,745	\$1,197,556	\$2,825,603

Bevo Agro is North America's leading supplier of propagated agricultural plants, operating greenhouse facilities in Langley, BC and Pitt Meadows, BC. The Company's main products are the propagation of vegetable plants such as tomatoes, peppers, cucumbers, and other plants such as bedding plants, flowers and grasses. The Company markets its products to established greenhouse growers, nurseries and retail outlets throughout North America. The majority of Bevo's sales result from repeat customer orders through recurring multiyear contracts.

Bevo achieved a ranking in the 2015 TSX Venture 50® which recognized the strongest companies on TSXV by share price, trading volume, market capitalization and analyst coverage. The winning companies have seen impressive growth over the past year, offered strong returns to their shareholders and are actively traded in the market.

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