

***BEVO* AGRO INC.**

**7170 Glover Road,
Langley, BC V0X 1T0
(www.bevoagro.com)**

May 16, 2017

NEWS RELEASE

(Langley, BC.)

BEVO AGRO INC. ANNOUNCES 2017 THIRD QUARTER RESULTS.

Bevo Agro Inc. (BVO:TSXV) reports sales totaled \$5,852,430 for the third quarter ending March 31, 2017, 14% lower than sales of \$6,768,344 for the three months ending March 31, 2016. Gross margins, net income and EBITDA remained consistent or increased in spite of lower sales caused by weather related factors.

Record snow and below seasonable temperatures from December to March (almost two degrees below seasonal on average) slowed plant growth and maturity dates as well as delayed the Pacific North West gardening season. Our state of the art climate controlled greenhouses allowed us some control over plant maturities and we were able to compensate. Normal March shipments to customers are being delivered in May which is anticipated to positively impact our fourth quarter results.

Sales for the nine months ending March 31, 2017 totaled \$17,199,698, compared to sales of \$18,056,722 for the same nine months last year, reflective of the weakened sales performance in the third quarter referred to in the foregoing. While delayed deliveries impacted our greenhouse space, we were fortunate that the 8 acre expansion substantially completed in September can be used for greenhouse vegetable orders.

The gross profit for the nine months ending March 31, 2017 totaled \$5,514,027 (32%) compared to the gross profit of \$5,321,160 (27%) for the nine months the previous year. The gross margin was \$192,867 higher than last year even with lower sales.

Operating expenses for the three months were \$1,402,770 compared \$1,306,405 in the same period last year. The slight increase is a result of increased amortization (a non cash expense) and interest.

EBITDA (Earnings before interest, taxes, depreciation and amortization) was \$1,875,360 and \$3,674,108 for the three and nine month periods ending March 2017 respectively, both increases over the previous periods. EBITDA for the same periods last year was \$1,851,044 for three months and \$3,455,618 for the nine months.

The Company has not provided for any bad debt write offs in the third quarter, since all accounts receivable are current and collectable.

Net comprehensive income after allowance for income taxes was \$808,274 (\$0.03 per share) for the three months and \$1,174,609 (\$0.04) for the nine month period. During the same period last year, net income was \$883,860 (\$0.03) and \$1,125,339 (\$0.04) for the three and nine months.

Our balance sheet remains strong and we have nearly \$4,000,000 in unused and available lines of credit.

Third Quarter highlights (versus Q3 last year)

- Increased margins, stable expenses and earnings (\$0.03 per share)
- EBITDA levels maintained even with lower sales.

Year to date highlights (versus the nine months of last year)

- Net earnings totaled \$1,174,609 (\$0.04/share) for the nine month period, compared to \$1,125,339 (\$0.04) last year.
- EBITDA totals \$3.674 million compared \$3.46 million last year.

Readers are encouraged to view the Company's unaudited financial statements as at March 31, 2017, and accompanying MD&A at www.sedar.com.

Financial Summary**Consolidated Interim Condensed Statements of Operations and Comprehensive Income****Three Month Summary**

3 months ending	Mar 31, 2017		Mar 31, 2016		Change
Sales	\$5,852,430	100%	\$6,768,344	100%	-14%
Cost of Sales	\$3,358,286	57%	\$4,267,529	63%	-21%
Gross Margin	\$2,494,144	43%	\$2,500,815	37%	0%
Expenses					
Operating & administrative	\$341,983	6%	\$357,929	5%	
Admin fees, wages & benefits	\$276,801	5%	\$291,842	4%	
Amortization	\$570,547	10%	\$457,859	7%	
Interest expenses	\$213,439	4%	\$198,775	3%	
Total expenses	\$1,402,770	24%	\$1,306,405	19%	7%
Earnings from operations	\$1,091,374	19%	\$1,194,410	18%	
Income taxes-future	\$283,100		\$310,550		
Net earnings for period	\$808,274	14%	\$883,860	13%	-9%
EBITDA	\$1,875,360	32%	\$1,851,044	27%	1%
Earnings Share	\$0.03		\$0.03		
EBITDA/Share	\$0.08		\$0.08		

9 months ending	Mar 31, 2017		Mar 31, 2016		Change
Sales	\$17,199,698	100%	\$18,056,722	100%	-5%
Cost of Sales	\$11,685,671	68%	\$12,735,562	71%	
Gross Margin	\$5,514,027	32%	\$5,321,160	29%	4%
Expenses					
Operating & administrative	\$983,340	6%	\$969,808	5%	
Admin fees, wages & benefits	\$856,579	5%	\$895,734	5%	
Amortization	\$1,475,432	9%	\$1,344,224	7%	
Interest expenses	\$611,467	4%	\$590,665	3%	
Total expenses	\$3,926,818	23%	\$3,800,431	21%	3%
Earnings from operations	\$1,587,209	9%	\$1,520,729	8%	4%

Income taxes-future	\$412,600	2%	\$395,390	2%	
Net earnings for period	\$1,174,609	7%	\$1,125,339	6%	4%
EBITDA	\$3,674,108	21%	\$3,455,618	19%	
Earnings per share	\$0.04		\$0.04		
EBITDA/Share	\$0.14		\$0.14		

Bevo's sales fluctuate by quarter depending on type of crop and client demands. Typically the third and fourth quarters account for a majority of sales. Bevo accounts for sales as "when goods are shipped", and believes the following 12 month trailing summary of financial performance is more indicative of financial performance.

Bevo's trailing twelve months results are summarized below

12 months ended	Mar. 31, '15	June 30. '15	Mar 31, '16	June 30. '16	Mar 31, '17
Sales	\$26,047,687	\$26,221,677	\$29,057,300	\$31,167,250	\$30,310,226
Gross Margin	\$6,376,278	\$6,801,354	\$7,974,696	\$8,610,294	\$8,803,161
Earnings from operations	\$1,130,886	\$1,441,805	\$2,604,017	\$3,219,358	\$3,285,838
Net earnings for period	\$948,757	\$1,197,556	\$2,007,307	\$2,825,603	\$2,874,873
Earnings per share	\$0.04	\$0.05	\$0.08	\$0.11	\$0.11
EBITDA per share	\$0.15	\$0.16	\$0.20	\$0.23	\$0.23
Shares o/s	25,535,933	25,535,933	25,535,933	25,559,433	25,574,933

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 achieved impressive growth over the subject year, offered strong returns to their shareholders and were actively traded in the market.

For further information contact:

Jack Benne, President

Bevo Agro Inc.

Phone: (604) 888-0420

Fax: (604) 888-8048

Email: jackbenne@bevofarms.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.