This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the ''U.S. Securities Act''), or any state securities laws and may not be offered or sold in the United States or to U.S. persons except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or an exemption therefrom. See ''Plan of Distribution''. Certain terms are defined in the Glossary.

PROSPECTUS

Initial Public Offering May 5, 2004

AG GROWTH INCOME FUND

$69,040,000

6,904,000 Trust Units

This prospectus qualifies the distribution of trust units (each, a ''Trust Unit'') of Ag Growth Income Fund (the ''Fund''). The Fund is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario. The Fund has been created to hold, indirectly, approximately 72% of the partnership units of AGX Holdings Limited Partnership (''AGHLP''), which, in turn, has been formed to acquire and hold, indirectly, all of the securities and assets of Ag Growth Industries Inc. (''Ag Growth''), a leading manufacturer of portable grain handling equipment. The remaining 28% interest in AGHLP will be held by certain shareholders of Ag Growth, including certain trustees of the Fund and members of senior management of Ag Growth. The portion of the Ag Growth Shareholders' retained interest that will be subordinated to the interest in AGHLP held indirectly by the Fund in respect of the right to receive distributions represents a 20% interest in AGHLP. The Fund will use the net proceeds of this offering (the ''Offering'') to indirectly acquire all of the securities and assets of Ag Growth and to repay certain existing indebtedness of Ag Growth. See ''Funding, Acquisition and Related Transactions'' and ''Use of Proceeds''.

There is currently no market through which the Trust Units may be sold and purchasers may not be able to resell Trust Units purchased under this prospectus. The Toronto Stock Exchange has conditionally approved the listing of Trust Units under the symbol ''AFN.UN''. Listing is subject to the Fund fulfilling all the requirements of the Toronto Stock Exchange on or before July 21, 2004, including the distribution of the Trust Units to a minimum number of public Trust Unitholders. The pricing of the Trust Units has been determined, in part, based on the estimate of distributable cash for the 12-month period ended December 31, 2003 on page 40. **Although the Fund intends to make distributions of its available cash to holders of Trust Units (''Trust Unitholders'') to the maximum extent possible, these cash distributions are not assured.** The actual amount distributed will depend on numerous factors, including Ag Growth's financial and operating performance, debt covenants and obligations, working capital requirements and future capital expenditure requirements. The market value of the Trust Units may deteriorate if the Fund is unable to meet its cash distribution targets in the future and such a deterioration may be material. **An investment in the Trust Units is subject to a number of risks that should be considered by a prospective purchaser. See ''Risk Factors''. No stability rating for the Trust Units has been applied for or obtained from any rating agency.**

This prospectus includes financial statements audited by Arthur Andersen LLP (''Andersen Canada''). The consent of Andersen Canada to the use of its audit report was not obtained by the Fund. Because Andersen Canada has not provided this consent, purchasers of Trust Units will not have the statutory right of action for damages against Andersen Canada prescribed by applicable securities legislation. See ''Notice Regarding Arthur Andersen LLP'' on page F-1 of this prospectus.

PRICE: $10.00 per Trust Unit

	Price to the Public(1)	Underwriters' Fee	Net Proceeds to the Fund(2)
Per Trust Unit	$ 10.00	$ 0.60	$ 9.40
Total Offering(3)	$69,040,000	$4,142,400	$64,897,600

Notes:

(1) The price of the Trust Units offered hereby was established by negotiation among the Fund, the Ag Growth Shareholders and Scotia Capital Inc., CIBC World Markets Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc. and HSBC Securities (Canada) Inc. (collectively, the ''Underwriters'').

(2) After deducting the Underwriters' fee but before deducting expenses of the Offering, estimated at $3,500,000, which expenses, together with the Underwriters' Fee, will be paid by AGHLP from the proceeds of the Offering.

(3) The Fund has granted to the Underwriters an over-allotment option, exercisable in whole or in part for a period of 30 days from the closing of this Offering, to purchase up to an additional 500,000 Trust Units at the offering price to cover over-allotments, if any, and for market stabilization purposes (the ''Over-Allotment Option''). If the Over-Allotment Option is exercised in full, the total ''Price to the Public'', ''Underwriters' Fee'' and ''Net Proceeds to the Fund'' will be $74,040,000, $4,442,400 and $69,597,600, respectively. In the event that the Over-Allotment Option is exercised, the Fund will indirectly subscribe for additional Ordinary LP Units (as defined herein), and AGHLP will use the proceeds of such issuance to redeem a number of the Exchangeable LP Units issued to the Ag Growth Shareholders. This prospectus qualifies the distribution of the Over-Allotment Option and the distribution of Trust Units issuable on the exercise of the Over-Allotment Option. See ''Plan of Distribution''. This prospectus also qualifies the distribution of the Exchange Rights in respect of the Exchangeable LP Units and the Subordinated LP Units and the Special Voting Units (as defined herein). See ''Retained Interest of Ag Growth Shareholders and Exchange Rights'' and ''Description of the Fund – Units''.

The Underwriters, as principals, conditionally offer the Trust Units, subject to prior sale, if, as and when issued, sold and delivered by the Fund and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under ''Plan of Distribution'' and subject to approval of certain legal matters on behalf of the Fund and Ag Growth by their counsel, Stikeman Elliott LLP, and on behalf of the Underwriters by their counsel, Blake, Cassels & Graydon LLP.

Scotia Capital Inc. and TD Securities Inc. are affiliates of Canadian chartered banks that are lenders to Ag Growth under its term facility. Ag Growth's indebtedness to these lenders will be refinanced on Closing. See ''Principal Agreements – Credit Facility''. Consequently, the Fund may be considered a connected issuer of Scotia Capital Inc. and TD Securities Inc. under applicable Canadian securities legislation. See ''Use of Proceeds'' and ''Relationship Between the Fund and Certain of the Underwriters''.

Subscriptions for Trust Units will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. A book entry only certificate representing the Trust Units will be issued in registered form to The Canadian Depository for Securities Limited (''CDS'') or its nominee and will be deposited with CDS on the date of closing, which is expected to occur on or about May 18, 2004, or such later date as the Fund and the Underwriters may agree, but in any event not later than June 15, 2004. A purchaser of Trust Units will receive only a customer confirmation from the registered dealer which is a CDS participant and from or through which the Trust Units are purchased.

AG GROWTH
INCOME FUND

Ag Growth is a leading North American manufacturer of portable grain handling equipment

- Leading sales, marketing and distribution system providing broad geographic diversification
- Low-cost manufacturer with margins well in excess of industry averages
- Customer-focused product development and after-sales service and support
- Strong, identifiable brands and proven long-term customer loyalty
- Experienced, entrepreneurial management team

AG GROWTH
INCOME FUND

WESTFIELD® Wheatheart BATCO MANUFACTURING

The quality and reliability of Westfield's products have been instrumental in building brand loyalty among farmers.

Wheatheart produces a line of fencing equipment, including post hole augers.

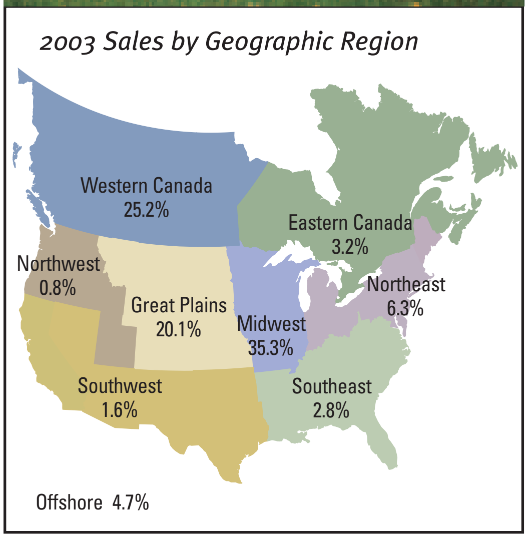
Crop handling cycle *Corn • Soybeans • Cereals • Pulse crops • Specialty crops • Seed • Fertilizer*

Seeding

- Grain handling equipment used to transfer seed from storage into equipment for transport to field.

Batco's line of belt conveyors can be used as an alternative to augers, particularly for gentle handling applications.

Westfield's products are shipped in component form, leaving product assembly to be completed by distributors and dealers.



Geographic diversification has been a critical component of Ag Growth's strong and stable growth.

Westfield's MK line of augers is an example of Ag Growth's market-driven research and development.

Harvesting

- Peak season for grain handling equipment.
- Grain handling equipment used to transfer crop to on-farm storage or directly to market.

Storage, Conditioning and Distribution

- Variety of grain handling equipment used, depending upon crop type and size of storage facility.
- Grain handling equipment used to move grain from on-farm storage for distribution to market.

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ELIGIBILITY FOR INVESTMENT

Subject to compliance with the prudent investor standards and the general provisions and restrictions of the following statutes (and the regulations thereunder) and, in certain cases, subject to the satisfaction of additional requirements relating to investment or lending policies, standards, procedures or goals and, in certain cases, subject to the filing of such policies, standards, procedures or goals, the Trust Units offered hereunder would not, if the date hereof was the Closing Date, be precluded as investments under the following statutes:

Insurance Companies Act (Canada)
Trust and Loan Companies Act (Canada)
Cooperative Credit Associations Act (Canada)
Pension Benefits Standards Act, 1985 (Canada)
Loan and Trust Corporations Act (Alberta)
Insurance Act (Alberta)
Employment Pension Plans Act (Alberta)
Alberta Heritage Savings Trust Fund Act (Alberta)
Pension Benefits Standards Act (British Columbia)
Financial Institutions Act (British Columbia)
The Insurance Act (Manitoba)
The Trustee Act (Manitoba)
The Pension Benefits Act (Manitoba)
Pension Benefits Act (Nova Scotia)
Trustee Act (Nova Scotia)
Pension Benefits Act (Ontario)
The Trustee Act (Ontario)
Loan and Trust Corporations Act (Ontario)
An Act respecting insurance (Québec) (for an insurer, as defined therein, incorporated under the laws of Québec, other than a guarantee fund corporation, an insurance fund or a mutual association)
An Act respecting trust companies and savings companies (Québec) (for a trust company, as defined therein, investing its own funds and deposits it receives and a savings company, as defined therein, investing its funds)
Supplemental Pension Plans Act (Québec)
The Pension Benefits Act, 1992 (Saskatchewan)

In the opinion of Stikeman Elliott LLP, counsel for the Fund and Ag Growth and Blake, Cassels & Graydon LLP, counsel to the Underwriters, the Trust Units will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans and deferred profit sharing plans (collectively, ''Plans'') under the *Income Tax Act* (Canada) (the ''Tax Act'') provided the Fund is a ''mutual fund trust'' or a ''registered investment'' under the Tax Act. In the opinion of such counsel, and subject to the assumptions, qualifications and limitations described under ''Certain Canadian Federal Income Tax Considerations'', the Trust Units, if issued on the date hereof, would not, on the date hereof, constitute ''foreign property'' for the purposes of the tax imposed under Part XI of the Tax Act on Plans (other than registered education savings plans), registered investments and other tax exempt entities, including most registered pension funds or plans, and would not constitute foreign property immediately following the completion of the transactions described under ''Funding, Acquisition and Related Transactions'' if they were completed on the date hereof. Registered education savings plans are not subject to the foreign property rules.

On March 23, 2004, the Minister of Finance (Canada) proposed amendments to the Tax Act to restrict direct and indirect holdings by registered pension plans and tax-exempt registered pension plan corporations in certain ''business income trusts'' (as defined in the proposals). See ''Certain Canadian Federal Income Tax Considerations – Tax-Exempt Trust Unitholders'' for a description of these proposals.

FORWARD LOOKING STATEMENTS

Certain statements in this prospectus may constitute ''forward looking'' statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Fund to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this prospectus, such statements may use such words as ''may'', ''will'', ''expect'', ''believe'', ''plan'' and other similar terminology. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this prospectus. These forward looking statements involve a number of risks and uncertainties. See ''Risk Factors''.

NON-GAAP MEASURES

References in this prospectus to ''EBITDA'' are to earnings before interest, income taxes, depreciation, amortization, historical management fees paid to shareholders and certain other one-time expenses, related to a contemplated initial public offering that was not completed, that are not expected to recur post-Closing and references to ''EBITDA Margin (%)'' are to the percentage that EBITDA for any period is of sales for that period.

Because the Fund will distribute substantially all its cash on an on-going basis (after providing for certain amounts described elsewhere in this prospectus), management believes that, in addition to net income or loss, EBITDA is a useful supplemental measure in evaluating its performance. Specifically, management believes that EBITDA is the appropriate measure from which to make adjustments to determine the Fund's distributable cash as it enhances the comparability of historical results. EBITDA is not a financial measure recognized by Canadian generally accepted accounting principles (''GAAP'') and does not have a standardized meaning prescribed by GAAP. Management cautions investors that EBITDA should not replace net income or loss (as determined in accordance with GAAP) as an indicator of the Fund's (or Ag Growth's) performance, or cash flows from operating, investing and financing activities as a measure of the Fund's (or Ag Growth's) liquidity and cash flows. The Fund's method of calculating EBITDA may differ from the methods used by other issuers. Therefore, the Fund's (and Ag Growth's) EBITDA may not be comparable to similar measures presented by other issuers. See ''EBITDA to Net Income Reconciliation'' for a reconciliation of EBITDA to net income.

Distributable cash is a non-GAAP measure generally used by Canadian income funds as an indicator of financial performance. The method of calculating the Fund's distributable cash may differ from similar computations as reported by other similar entities and, accordingly, may not be comparable to distributable cash as reported by such entities. See ''Summary of Distributable Cash Flow of the Fund'' for a description of the method of calculating the Fund's distributable cash.

CURRENCY AND EXCHANGE RATES

In this prospectus, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars. References to ''$'' and ''Cdn$'' are to Canadian dollars and references to ''US$'' and ''US dollars'' are to United States dollars.

The following table reflects the high and low rates of exchange for one US dollar, expressed in Canadian dollars, during the periods noted, the rates of exchange at the end of such periods and the average rates of exchange during such periods, based on the Bank of Canada noon spot rate of exchange:

	Years Ended December 31				
	2003	**2002**	**2001**	**2000**	**1999**
	Cdn$	Cdn$	Cdn$	Cdn$	Cdn$
High for the period	1.5747	1.6132	1.6021	1.5593	1.5298
Low for the period	1.2924	1.5110	1.4936	1.4341	1.4433
Rate at the end of the period	1.2924	1.5796	1.5926	1.5002	1.4433
Average rate for the period	1.4015	1.5704	1.5484	1.4852	1.4858

On May 4, 2004, the Bank of Canada noon spot rate of exchange was Cdn$1.3697 = US$1.00

PROSPECTUS SUMMARY

The following is a summary of the principal features of the offering under this prospectus (the ''Offering'') of trust units (the ''Trust Units'') of Ag Growth Income Fund (the ''Fund'') and should be read together with the more detailed information and financial data and financial statements contained elsewhere in this prospectus. Certain of the disclosure contained in this prospectus assumes that the steps outlined under ''Funding, Acquisition and Related Transactions'' have been completed. Unless otherwise indicated, information in this prospectus does not give effect to the exercise of the Over-Allotment Option. Certain terms used in this prospectus are defined in the Glossary.

Ag Growth Income Fund

The Fund is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario to hold, indirectly, approximately 72% of the partnership units of AGX Holdings Limited Partnership (''AGHLP''), which, in turn, has been formed to acquire and hold, indirectly, all of the securities and assets of Ag Growth Industries Inc. (''Ag Growth''). The remaining approximately 28% interest (23% if the Over-Allotment Option is exercised in full) in AGHLP will be held by certain shareholders of Ag Growth, including certain trustees of the Fund and members of senior management of Ag Growth. See ''The Fund'' and ''Funding, Acquisition and Related Transactions''. The Fund will make monthly distributions of its distributable cash in accordance with the terms of the Declaration of Trust. See ''Description of the Fund – Distributions''.

Ag Growth

Business Overview

Ag Growth is a leading manufacturer of portable grain handling equipment including grain augers, belt conveyors and numerous other grain handling accessories. Through a combination of organic growth and acquisitions, management has developed Ag Growth into a market leader with 2003 revenues of approximately $57 million and 2003 EBITDA of approximately $17 million.

The following summarizes the principal features of the three operating divisions of Ag Growth:

AG GROWTH INDUSTRIES

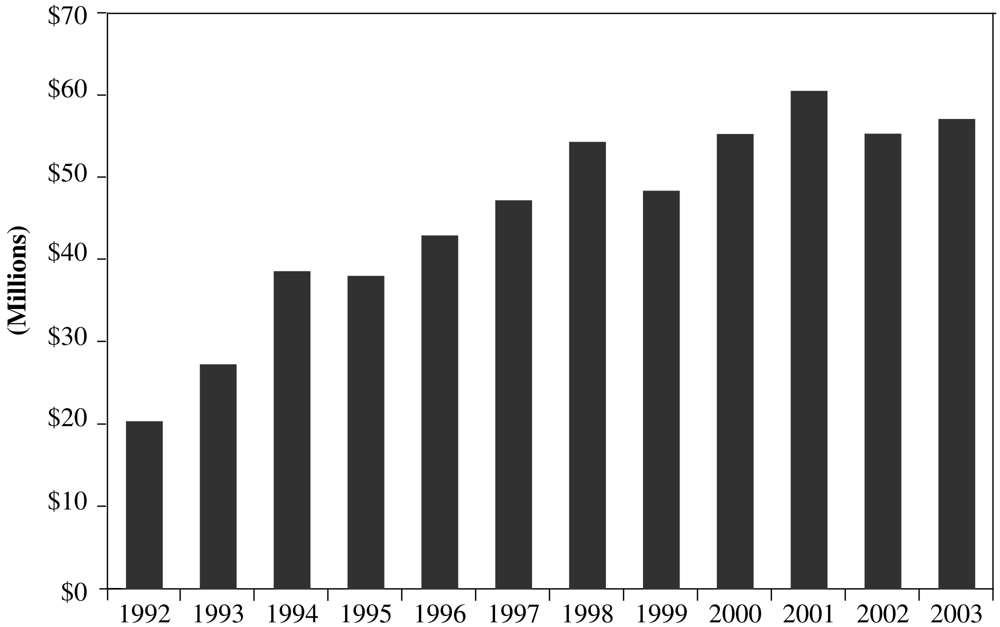
	WESTFIELD	Wheatheart	BATCO MANUFACTURING
Year Founded:	1950	1973	1992
Location:	Rosenort, Manitoba	Saskatoon, Saskatchewan	Swift Current, Saskatchewan
Principal Products:	Grain augers, used to move grain at seeding and harvesting time, during conditioning and at the time grain is shipped to market	Grain handling accessories, grain augers and fencing equipment	Durable belt conveyor products used as an alternative to augers, particularly for gentle handling applications
2003 Sales:	$40.7 million	$10.1 million	$6.2 million
2003 EBITDA(1):	$14.1 million	$2.1 million	$1.0 million
Key Strength:	Leading North American manufacturer of grain augers, with a leading market share in most areas of North America	Specialty manufacturer of a variety of niche products that perform farm functions historically conducted manually	A leading manufacturer of belt conveyor products
Production Processes:	Low cost, high-volume, vertically-integrated manufacturing processes	Production processes designed for quick setup and changeover; ideal for specialized product runs	Production processes designed for quick setup and changeover; ideal for small product runs and during the early stages of product development

Note:

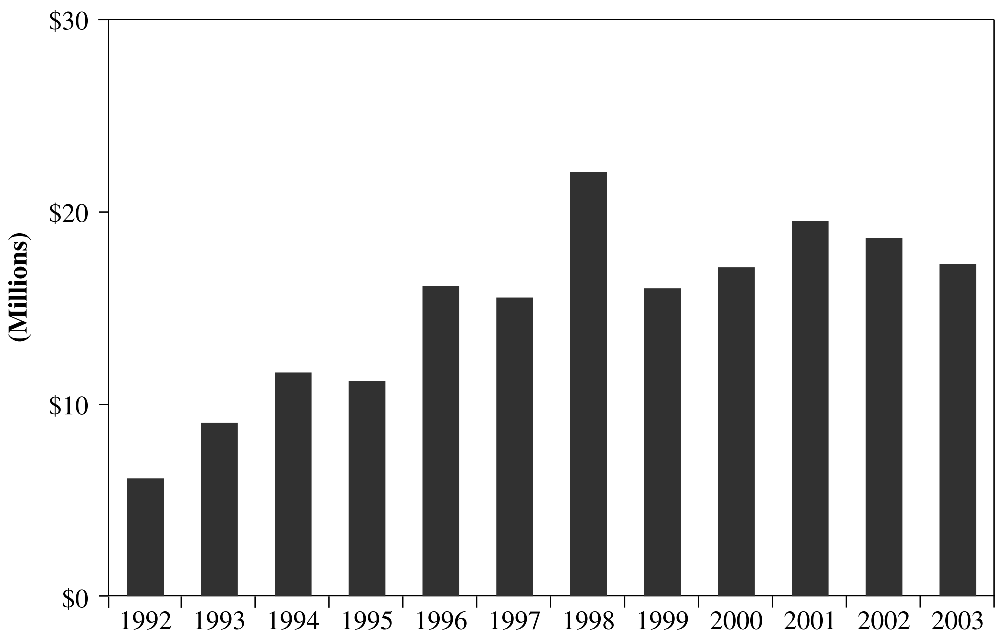
(1) EBITDA is not a recognized measure under GAAP. See ''Non-GAAP Measures''.

Ag Growth has displayed strong long-term growth in both sales and EBITDA. Since 1992, pro forma sales and EBITDA have grown at CAGRs of 9.9% and 10.0%, respectively, as a result of both organic growth and acquisitions.

Pro Forma Historical Sales[(1)(2)]
1992 – 2003



Pro Forma Historical EBITDA[(1)(2)(3)]
1992 – 2003



Notes:

(1) The *pro forma* historical sales and EBITDA data presented above has been compiled in the manner set out under ''Business of Ag Growth – Sales and EBITDA''.

(2) Management believes that Ag Growth's results for 1998 were abnormally high due to a number of external events, including the 1997 Manitoba flood which delayed the shipment of products until fiscal 1998, as well as a one-time federal government payment that enhanced farm incomes in 1998.

(3) EBITDA is not a recognized measure under GAAP. See ''Non-GAAP Measures''.

Despite the most difficult operating environment in recent history for manufacturers of grain handling equipment in the United States, and what some industry participants characterize as the ''perfect storm'' for Western Canadian agriculture, Ag Growth's results have shown remarkable resilience. Notwithstanding severe and widespread drought conditions in 2002, Ag Growth's sales were only 8.6% lower than in 2001. Management believes that this is because Ag Growth's products are low cost, consumable and essential to farming operations. In 2003, Ag Growth's sales rebounded, increasing 3.2% from 2002, despite the additional challenges of BSE (Mad Cow Disease) in Western Canada and a strengthening Canadian dollar. Throughout this period, Ag Growth maintained its superior operating performance, posting EBITDA margins in excess of 30%.

Competitive Strengths of Ag Growth

Ag Growth has developed and continues to enjoy a premier market position by leveraging its competitive strengths, which include:

- *North American Market Leader* – Ag Growth is a leading North American portable grain handling equipment manufacturer, with a strong market share in its primary markets.
- *Strong, Diversified Distribution System* – Ag Growth has a leading sales, marketing and distribution system for farm equipment in North America. Ag Growth's distribution system comprises approximately 1,400 dealers and distributors, in 48 states and nine provinces. The geographic diversification provided by Ag Growth's distribution system has been a critical factor in Ag Growth's strong performance, as it reduces the potential negative impact of regional crop variability.
- *Low Cost Manufacturing Capabilities* – Management believes that Ag Growth is a low cost producer of portable grain handling equipment in the North American market and that its annual EBITDA margin of approximately 30% is well in excess of industry averages.
- *Customer-Focused Product Development and After-Sales Service and Support* – Ag Growth has a demonstrated ability to conceive, design and introduce commercially attractive new products and enhancements to existing products with relatively short lead times. Ag Growth's commitment to after-sales service and support has entrenched it as a preferred supplier with its dealers and distributors, and has garnered strong brand loyalty among farmers.
- *Positive Brand Awareness and Customer Loyalty* – Each of Ag Growth's three operating divisions has its own strong, identifiable brand. Westfield, in particular, enjoys over 50 years of name recognition in the North American grain handling equipment market, with a reputation for providing top quality products at competitive prices. Ag Growth's brand recognition and reputation translate into strong customer loyalty, resulting in repeat business.
- *Ability to Acquire and Integrate* – Ag Growth has a strong track record of identifying, executing and integrating acquisitions, allowing it to benefit from the acquisition of complementary product lines that offer purchasing, manufacturing and distribution synergies.
- *Strong Management Team* – Ag Growth has an experienced, entrepreneurial management team that maintains a focus on profitable growth. The eight members of Ag Growth's senior management team have over 100 years aggregate experience in the manufacturing and agricultural industries. Upon the completion of the Offering and related transactions, members of senior management will own approximately 380,642 Trust Units (or 4%) of the Fund (on a fully-diluted basis, assuming the exchange of their Exchangeable LP Units and Subordinated LP Units). This, together with their participation in Ag Growth's long term incentive plan, will align the interests of senior management with the interests of Trust Unitholders.

Strategy

Management intends to maximize distributable cash to Trust Unitholders with continued focus on its core business strengths and activities to generate profitable growth.

- *Focus on competitive strengths* – Ag Growth intends to continue to leverage its competitive strengths in order to deliver long-term profitable growth and margin improvement, thereby enhancing Trust Unitholder value.
- *Pursue Organic Growth Opportunities* – Ag Growth expects to achieve on-going internal growth from geographic expansion, further penetration of existing markets and expansion of product offerings through new product development and enhancement of existing products.

- *Pursue Acquisition Opportunities* – Due to the fragmented nature of the grain handling equipment market, excellent opportunities may exist for Ag Growth to acquire businesses that will complement its current product offerings and enable it to achieve purchasing, manufacturing and distribution synergies.

Grain Handling Equipment Market Overview

The grain handling equipment market encompasses the sale of augers, belt conveyors, bin-sweeps and other grain handling accessories. It is a segment of the broader grain handling, storage and conditioning equipment market. Management estimates that the North American market for farm-related grain handling, storage and conditioning equipment generates approximately $1 billion per year in sales.

Grain handling equipment is an integral component of the farming process. Factors which are important in understanding the grain handling equipment market include the following:

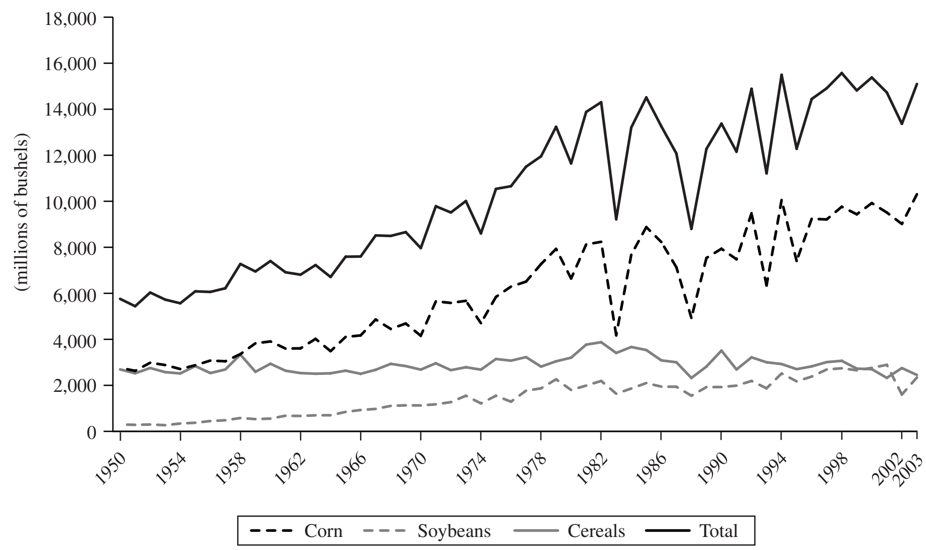
- *Virtually every farm requires grain handling equipment* – Grain handling equipment is used at various stages of the farming process. Every time a crop is moved, some form of grain handling equipment is required.

- *Grain handling equipment is a consumable item* – Grain handling equipment has a relatively low price point (most units cost between $3,000 and $10,000) in comparison to many farm inputs and other capital equipment. It also has a short useful life (generally three to seven years). As a result, it is largely viewed by farmers as a consumable item.

- *Sales of grain handling equipment are dependent upon crop production volume* – The key determinant of demand for grain handling equipment is total grain production volume. Although production may vary from year to year, over the past 50 years, grain production in North America has increased substantially. As grain production volumes have grown, so too has the demand for grain handling equipment.

The following graph illustrates the increase in production of certain key crops in the United States over the period from 1950 to 2003.

United States Crop Production
1950 – 2003



Source: United States Department of Agriculture.

There are a number of macroeconomic and agricultural trends that management believes will have a positive impact on the grain handling equipment market, including the following:

- *Growth in Population and Grain Consumption* – The world's population is increasing and grain production is expected to play a significant role in addressing the nutritional requirements of the expanding population. Growth in grain production is related not only to population growth, but also to economic growth, rising personal incomes and improved diets in lower and middle-income countries. Continued increases in crop production volumes to satisfy this increased demand for grain will result in growth in demand for grain handling equipment.
- *Farming Productivity Gains* – Advances in farming practices and technology over the past 50 years have been significant. Productivity gains have been achieved as a result of a number of factors, including advances in seed technology, continuous cropping and crop diversification. The increase in crop production volumes that results from farming productivity gains will drive increased demand for grain handling equipment.
- *Farm Size and Storage Trends* – A trend exists towards increased farm size and greater on-farm storage. Larger farms require larger, higher capacity augers and conveyors and often acquire multiple pieces of the same type of equipment to avoid the costly downtime associated with moving such equipment around the farm. Since grain handling equipment is required to move crops into and out of storage, increased on-farm storage leads to an increase in demand for grain handling equipment.

Summary Financial Information of Ag Growth

The following table sets forth a summary of certain selected financial information of Ag Growth for the periods indicated that is derived from, and should be read in conjunction with, the historical financial statements of Ag Growth and the notes thereto and ''Management's Discussion and Analysis of Financial Condition and Results of Operations'' and ''Non-GAAP Measures'', all as included elsewhere in this prospectus.

	For The Years Ended December 31,		
	2003	**2002**	**2001**
	(dollars in thousands)		
Sales	$56,969	$55,185	$60,383
Gross margin	$28,089	$28,163	$30,262
Gross margin (%)	*49.31%*	*51.03%*	*50.12%*
EBITDA[(1)]	$17,233	$18,585	$19,469
EBITDA margin (%)[(1)]	*30.25%*	*33.68%*	*32.24%*
Net income	$ 4,065	$ 4,334	$ 3,805
Net income margin (%)	*7.14%*	*7.85%*	*6.30%*

Note:

(1) EBITDA and EBITDA Margin (%) are not recognized measures under GAAP. See ''Non-GAAP Measures'' and ''EBITDA to Net Income Reconciliation''.

Summary of Distributable Cash Flow of the Fund

Management believes that, following completion of the Offering and the transactions described under ''Funding, Acquisition and Related Transactions'', the Fund will incur certain expenses and make certain expenditures that are not reflected in the *pro forma* consolidated statement of income of the Fund that is included in this prospectus. Although the complete financial effect of all additional expenses and expenditures cannot be objectively determined, management believes that the following represents a reasonable estimate of what distributable cash on a *pro forma* basis would have been for the year ended December 31, 2003 if the Fund had been in existence during that period. These estimates do not constitute a forecast or a projection of future results. The actual results of operations of the Fund for any period following the Closing will vary from the amounts set out below, and such variations may be material.

	Year Ended December 31, 2003
	(dollars in thousands except per unit data)
EBITDA(1)(2)	$17,233
Add:	
Adjustment for non-recurring items(3)	237
Reduction in capital tax expense(4)	341
Less:	
Incremental administrative expenses(5)	500
Interest expense and related charges(6)	1,100
Maintenance capital expenditures(7)	700
Estimated distributions before foreign exchange adjustment(8)(9)	$15,511
Estimated distributions to Trust Unitholders and holders of Exchangeable LP Units before foreign exchange adjustment(9)	$12,409

While a substantial portion of Ag Growth's sales are denominated in US dollars (approximately 61% in 2003), a much smaller proportion of its expenses are denominated in this currency. As a result, Ag Growth has a substantial net exposure to fluctuations in the exchange rate between the US dollar and the Canadian dollar. Historically, Ag Growth has managed its foreign exchange risk by entering into forward foreign exchange contracts to mitigate potential adverse changes resulting from fluctuations in US dollar/Canadian dollar exchange rates. See ''Management's Discussion and Analysis of Financial Condition and Results of Operations — Hedging Policy''. The estimated distributions shown above reflect Ag Growth's 2003 forward foreign exchange contract rates, as well as the foreign exchange environment in which Ag Growth operated in 2003. As illustrated in the table below, translating Ag Growth's US dollar cash provided by operating activities at the weighted-average exchange rate of Cdn$1.3279 = US$1.00 obtained under the forward foreign exchange contracts entered into by Ag Growth for 2004, the Fund's estimated distributions, and estimated distributions to Trust Unitholders and holders of Exchangeable LP Units, on a *pro forma* basis for the year ended December 31, 2003 would have been $12,519,000 and $10,015,000 respectively. The amounts set forth below are provided to illustrate the effect of foreign exchange rates on the business of Ag Growth and may not be indicative of actual cash distributions of the Fund and AGHLP in the future.

	Year Ended December 31, 2003
	(dollars in thousands except per unit data)
Estimated distributions before foreign exchange adjustment(8)(9)	$15,511
Less:	
Foreign exchange adjustment(10)	2,992
Estimated distributions after foreign exchange adjustment(8)(9)	$12,519
Estimated distributions to Trust Unitholders and holders of Exchangeable LP Units after foreign exchange adjustment(9)	$10,015
Estimated distribution per Trust Unit and Exchangeable LP Unit after foreign exchange adjustment(9)	$ 1.30

Notes:

(1) EBITDA is derived based upon the consolidated statements of income for Ag Growth for the year ended December 31, 2003. See ''EBITDA to Net Income Reconciliation''.

(2) EBITDA is not a recognized measure under GAAP. See ''Non-GAAP Measures''.

(3) Adjustments for certain items that management believes will not recur (namely, 2002 management incentive compensation recorded in 2003 and non-recurring professional fees and other non-operational expenses, net of gain on sale of capital assets).

(4) Reflects an adjustment to the amount expensed for capital tax in 2003 of $747 thousand downward to the expected amount of $406 thousand in 2003 after giving effect to the Offering.

(5) Includes incremental administration and management expenses that management estimates would have been incurred by the Fund.

(6) Represents management's estimate of interest expense under the Credit Facility, assuming a $20 million secured term loan bearing interest at 4.15% per annum and an $18 million operating facility, with an average balance outstanding over a full fiscal year of $6 million, bearing interest at 4.50% per annum.

(7) Management expects that these maintenance capital expenditures will remain at a similar level in the foreseeable future.

(8) Includes distributions to all holders of Trust Units and Exchangeable LP Units (representing 80% of estimated distributions) and Subordinated LP Units (representing 20% of estimated distributions).

(9) The holders of the Subordinated LP Units have agreed to subordinate their entitlement to distributions to Trust Unitholders and holders of Exchangeable LP Units until the Subordination End Date. See ''Subordination of the Retained Interest'' in this Summary.

(10) In March 2004, Ag Growth entered into forward foreign exchange contracts in respect of substantially all of its anticipated net US dollar exposure through 2006. The foreign exchange adjustment has been made to reflect the net effect of restating the Canadian dollar value of United States dollar transactions that occurred during the relevant period by translating such transactions into Canadian dollars based on the weighted-average foreign exchange rate of Cdn $1.3279 = US $1.00 obtained under the forward foreign exchange contracts entered into by Ag Growth for 2004. The adjustment (as calculated by management) reflects a decrease in the Canadian dollar value of Ag Growth's US dollar cash provided by operating activities during the relevant period which results from translating such amounts into Canadian dollars based on such weighted-average exchange rate.

The Offering

Issue:	6,904,000 Trust Units of the Fund.
Price:	$10 per Trust Unit.
Amount:	$69,040,000.
Trust Units:	Each Trust Unit represents an equal undivided beneficial interest in the Fund and any distributions from the Fund. Each Trust Unit is transferable, entitles the holder thereof to participate equally in distributions of the Fund, is not subject to future calls or assessments, entitles the holder to rights of redemption and entitles the holder to one vote at all meetings of Unitholders. See ''Description of the Fund''.
Use of Proceeds:	The estimated net proceeds of the Offering, after deducting the Underwriters' Fee and the estimated expenses of the Offering, estimated to be $3,500,000 (which expenses, together with the Underwriters' fee, will be paid by AGHLP from the proceeds of the Offering), will be $61,397,600 (assuming no exercise of the Over-Allotment Option). The Fund will use the net proceeds of the Offering to indirectly acquire all of the securities and assets of Ag Growth, directly or indirectly, from the current shareholders of Ag Growth (the ''Ag Growth Shareholders'') and to repay certain existing indebtedness of Ag Growth. See ''Funding, Acquisition and Related Transactions'' and ''Use of Proceeds''.
Over-Allotment Option:	The Fund has granted the Underwriters the Over-Allotment Option exercisable for a period of 30 days from the closing of the Offering, to purchase up to 500,000 additional Trust Units to cover over-allotments, if any, and for market stabilization purposes. See ''Plan of Distribution''. In the event that the Over-Allotment Option is exercised, the Fund will indirectly subscribe for additional Ordinary LP Units, and AGHLP will use the proceeds of such issuance to redeem a number of the Exchangeable LP Units issued to certain of the Ag Growth Shareholders. If the Over-Allotment Option is exercised in full, the Fund will hold approximately a 77% indirect interest in AGHLP.
Retained Interest:	On completion of the transactions described under ''Funding, Acquisition and Related Transactions'', certain of the Ag Growth Shareholders, including certain trustees of the Fund and members of senior management of Ag Growth, will own all of the Class B exchangeable limited partnership units of AGHLP (the ''Exchangeable LP Units'') and all of the Class C exchangeable subordinated limited partnership units of AGHLP (the ''Subordinated LP Units''), collectively representing approximately 28% of the total outstanding limited partnership units of AGHLP (23% if the Over-Allotment Option is exercised in full). Assuming the exchange of all of the Exchangeable LP Units and the Subordinated LP Units on the Closing Date, the Ag Growth Shareholders would own approximately 28% of the total outstanding Trust Units (23% if the Over-Allotment Option is exercised in full). Generally, the Exchangeable LP Units and the Subordinated LP Units will be indirectly exchangeable for Trust Units of the Fund on a one-for-one basis, subject to certain conditions in the case of the Subordinated LP Units and subject to adjustment in certain circumstances. The Ag Growth Shareholders who receive Subordinated LP Units will pledge their Subordinated LP Units in support of their indemnity obligations under the Acquisition Agreement for a period of two years following the Closing Date. See ''Retained Interest of Ag Growth Shareholders and Exchange Rights'', ''Principal Agreements – Acquisition Agreement'' and ''Description of AGHLP – Partnership Units''.

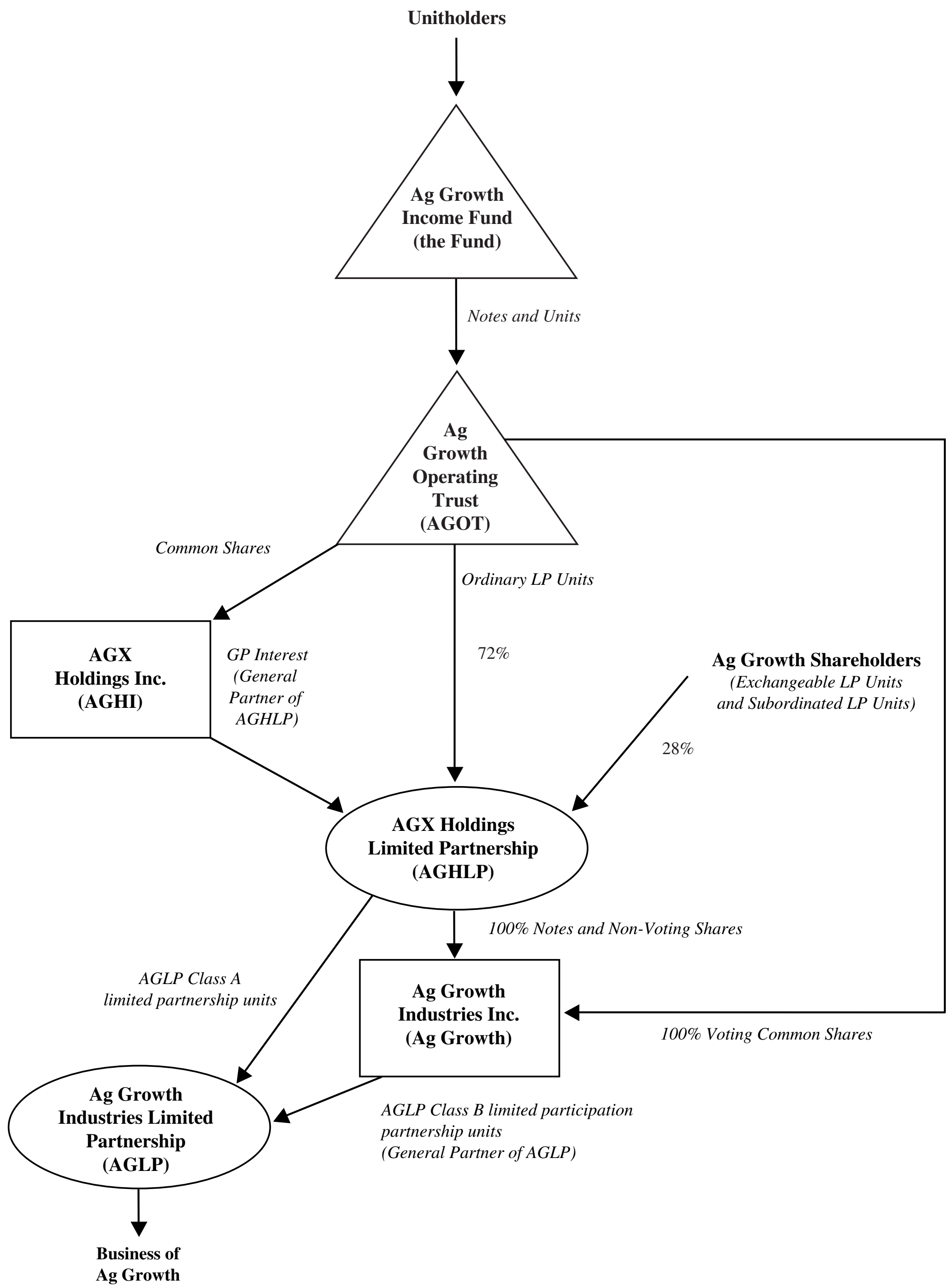
Subordination of the Retained Interest:	Distributions on the Subordinated LP Units will be subordinated in favour of distributions on the Class A limited partnership units of AGHLP (the ''Ordinary LP Units''), which will be held indirectly by the Fund, and distributions on the Exchangeable LP Units. During the subordination period, distributions will only be paid by AGHLP on the Subordinated LP Units at the end of a fiscal quarter to the extent that: (i) the Fund has paid average monthly distributions of at least $0.1083 per Trust Unit to holders of Trust Units during that quarter and AGHLP has paid average monthly distributions of at least $0.1083 per Exchangeable LP Unit to holders of Exchangeable LP Units during that quarter, and (ii) any deficiency in such distributions to holders of Trust Units and Exchangeable LP Units during the preceding three quarters has been satisfied, as described below. If these targets are not satisfied, any deficiency will be borne by the holders of the Subordinated LP Units, distributions on which will be reduced to the extent necessary to support the continued payment of distributions on the Trust Units and Exchangeable LP Units and any applicable deficiency in such distributions. For the purposes of these subordination provisions, distributions on the Trust Units and Exchangeable LP Units will be cumulative, such that the amount of any deficiency will accumulate for a period of 12 months. Payments of deficiencies in distributions on the Trust Units and Exchangeable LP Units will be made in priority to distributions on the Subordinated LP Units. Any accumulated deficiency on Trust Units and Exchangeable LP Units not satisfied by a distribution within 12 months of the date it arose will cease to be payable. The Subordinated LP Units will be transferred to AGHLP in exchange for Exchangeable LP Units on a one-for-one basis on (and the subordination provisions only apply until) the first date (the ''Subordination End Date'') on which both of the following conditions are satisfied: (i) the Fund has earned EBITDA for the immediately preceding fiscal year (based on audited consolidated financial statements of the Fund) of at least $14.3 million; and (ii) average monthly cash distributions of at least $0.1083 per Trust Unit have been paid by the Fund on the Trust Units, average monthly cash distributions of at least $0.1083 per Exchangeable LP Unit have been paid by AGHLP on the Exchangeable LP Units and average quarterly cash distributions of at least $0.3249 per Subordinated LP Unit have been paid by AGHLP on the Subordinated LP Units, in each case for the 24 month period ending on the last day of the month immediately preceding such date. The Subordinated LP Units will be transferred to AGHLP in exchange for Exchangeable LP Units prior to the Subordination End Date in other specified circumstances (see ''Description of the Fund – Take-over Bids''). If the Subordination End Date does not occur by December 31, 2009, then the holders of the Subordinated LP Units will have the option after such date and before the Subordination End Date to transfer their Subordinated LP Units to AGHLP in exchange for Exchangeable LP Units on a proportionately reduced basis. See ''Retained Interest of Ag Growth Shareholders and Exchange Rights''.
Distribution Policy of the Fund:	The Declaration of Trust provides that the Fund will, subject to applicable law, distribute to Trust Unitholders by way of monthly distributions all of its distributable cash, being all cash received from its indirect ownership interest in Ag Growth Industries Limited Partnership (''AGLP''), which will carry on the business of Ag Growth, less amounts set aside for: (i) administrative expenses and other obligations of the Fund; (ii) amounts that may be paid by the Fund in

	connection with any cash redemptions or repurchases of Trust Units; (iii) satisfaction of its debt service obligations (principal and interest) on indebtedness, if any; and (iv) any amount that the Trustees may reasonably consider to be necessary to provide for the payment of any costs or expenses and for reasonable reserves. The Fund may make additional distributions in excess of monthly distributions. The distribution in respect of the month ended December 31 of each year will include such amounts as are necessary to ensure that the Fund will not be liable for income taxes under Part I of the Tax Act. Any income of the Fund that is unavailable for cash distribution will, to the extent necessary to ensure that the Fund does not have any such income tax liability, be distributed to Trust Unitholders in the form of additional Trust Units, subject to applicable securities laws. See ''Description of the Fund – Distributions'' and ''Risk Factors – Income Tax Matters''.
Distribution Policy of AGOT:	The Fund's investment in AGHLP will be held by Ag Growth Operating Trust (''AGOT''), all of the units of which will be owned by the Fund. The AGOT Declaration of Trust will require that AGOT distribute, subject to applicable law, all of AGOT's distributable cash to holders of AGOT Units by way of monthly distributions, after: (i) satisfaction of its administrative expenses and other obligations of AGOT; (ii) satisfaction of any cash redemptions or repurchases of AGOT Units or repayment of AGOT Notes; (iii) satisfaction of its debt service obligations (principal and interest) on the AGOT Notes and other indebtedness, if any; and (iv) satisfaction of other amounts in the discretion of the AGOT Trustees. See ''Description of AGOT – Distributions''.
Distribution Policy of AGHLP:	The partnership agreement of AGHLP will require that it distribute, subject to applicable law, all of AGHLP's distributable cash by way of monthly distributions on its Ordinary LP Units and Exchangeable LP Units and, subject to the subordination provisions described above, quarterly distributions on its Subordinated LP Units, after: (i) satisfaction of any debt service obligations (principal and interest) of AGHLP; (ii) satisfaction of its other liabilities and expense obligations; and (iii) satisfaction of other amounts in the discretion of AGX Holdings Inc., the general partner of AGHLP. See ''Description of AGHLP – Distributions''.
Distribution Policy of AGLP:	The partnership agreement of AGLP will require that it distribute, subject to applicable law, all of AGLP's distributable cash by way of monthly distributions, first to holders of AGLP Class B limited participation partnership units and thereafter to holders of AGLP Class A units, after: (i) satisfaction of any debt service obligations (principal and interest) of AGLP; (ii) satisfaction of its other liabilities and expense obligations, including expenses relating to paying awards under the LTIP or other incentive or compensation plans to management and other personnel when cash distributions exceed certain specified thresholds; and (iii) satisfaction of other amounts in the discretion of Ag Growth Industries Inc., the general partner of AGLP. See ''Description of AGLP – Distributions''.
Redemption of Trust Units; Distribution of Securities on Redemption or Termination of the Fund:	Trust Units are redeemable at any time on demand by holders thereof, subject to certain conditions including a monthly limit on cash redemptions of $50,000. Upon a redemption of Trust Units or termination of the Fund, the Trustees may distribute Series 2 Exchange Notes and Series 3 Exchange Notes or other securities directly to the Trust Unitholders, subject to obtaining all required regulatory approvals. See ''Description of the Fund – Redemption at the Option of Trust Unitholders'' and ''Risk Factors – Distribution of Securities on Redemption or Termination of the Fund''.

Risk Factors:	There are certain risk factors inherent in an investment in the Trust Units and in the activities of the Fund. The Fund's ability to make cash distributions to holders of Trust Units will be subject to certain risks associated with the structure of the Fund and the Offering, including: (i) the dependence of the Fund on the operations and assets currently owned by Ag Growth; (ii) the degree to which AGLP and AGHLP (and/or their affiliates) are leveraged and the restrictive covenants contained in the Credit Facility; (iii) the fact that cash distributions are not guaranteed and will fluctuate with Ag Growth's financial performance; (iv) the nature of the Trust Units and the absence of a prior public market for the Trust Units; (v) the possibility that Unitholders may receive a distribution of securities on redemption or termination of the Fund or that the Fund may issue additional Trust Units diluting existing Unitholder's interests; (vi) restrictions on the potential future growth of Ag Growth and related cash flow to the Fund; (vii) the risk of Unitholder liability; (viii) the fact that the Fund's holding of AGOT Units and AGOT Notes will be undiversified; (ix) the effect of market interest rates on the price of Trust Units; and (x) certain tax-related risks. In addition, the business and operations of Ag Growth are susceptible to a number of risks. These risks, and other risks associated with an investment in the Trust Units, include: (i) the cyclicality of the farm equipment industry; (ii) the seasonality of Ag Growth's business and cash receipts; (iii) the risk of decreased crop yields due to poor weather conditions and other factors; (iv) the potential volatility of Ag Growth's production costs; (v) the risk of changes in commodity prices and risks related to international trade and global political conditions; (vi) risks related to the competitive environment for grain handling equipment; (vii) the possibility of business interruptions; (viii) risks related to the impact of any litigation; (ix) Ag Growth's dependence on key personnel; (x) Ag Growth's lack of written contracts with suppliers, distributors and sales representatives; (xi) Ag Growth's potential exposure to foreign currency fluctuations; (xii) risks related to Ag Growth's ability to identify and successfully integrate potential future acquisitions; (xiii) potential undisclosed liabilities associated with historical acquisitions by Ag Growth; (xiv) Ag Growth's absence of operating history as a public company; and (xv) risks related to uninsured and underinsured losses. See ''Risk Factors''.
Tax Considerations:	Each Trust Unitholder is required to include in computing income for tax purposes for a particular taxation year the Trust Unitholder's pro rata share of the Fund's taxable income that was paid or payable in that year by the Fund to the Trust Unitholder. Generally, all other amounts received by Trust Unitholders will not be included in the Trust Unitholders' income for income tax purposes, but will reduce the adjusted cost base of the Trust Unitholders' Trust Units. It is anticipated that substantially all of the annual distributions of the Fund will be considered income to Trust Unitholders for Canadian tax purposes.
Promoter:	Tricor Pacific Capital Partners (Fund II), Limited Partnership may be considered to be a promoter of the Offering. See ''Promoter and Interest of Management and Others in Material Transactions''.

Funding, Acquisition and Related Transactions

At or prior to the closing of the Offering, the Fund will undertake a series of transactions pursuant to which it will indirectly acquire approximately 72% of the partnership units of AGHLP, which, in turn, will acquire and hold, directly and indirectly, all of the securities and assets of Ag Growth. Certain of the Ag Growth Shareholders will retain indirect beneficial ownership of approximately 28% of the securities and assets of Ag Growth (a 23% interest if the Over-Allotment Option is exercised in full) through Exchangeable LP Units and Subordinated LP Units. The Exchangeable LP Units and, subject to certain conditions, the Subordinated LP Units will be indirectly exchangeable for Trust Units on a one-for-one basis (subject to customary anti-dilution provisions). The structure of the Fund upon the completion of the Offering and related transactions will be as set out below. For a more detailed description of the transactions that will occur, see ''Funding, Acquisition and Related Transactions''.



GLOSSARY

In this prospectus, the following terms shall have the meanings set forth below, unless otherwise indicated or the context otherwise requires:

''Acquisition Agreement'' means the agreement providing for the purchase by AGHLP of the securities of Ag Growth held, directly or indirectly, by the Ag Growth Shareholders other than Steve Sommerfeld, George Adair and Ken Purdy. See ''Funding, Acquisition and Related Transactions'' and ''Principal Agreements – Acquisition Agreement''.

''Administration Agreement'' means the administration agreement to be made among the Fund, AGOT, AGHLP, Ag Growth and AGLP. See ''Principal Agreements – Administration Agreement''.

''affiliate'' means in respect of a person or company, another person or company that would be considered to be an ''affiliated entity'' in respect of such person or company for the purposes of Ontario Securities Commission Rule 45-501 as in effect on the date hereof.

''Ag Growth Entities'' means AGOT, AGHLP, AGHI, Ag Growth, AGLP and any of their respective affiliates.

''Ag Growth'' means Ag Growth Industries Inc., a corporation amalgamated under the laws of Saskatchewan that will, pursuant to the Amalgamation, amalgamate with AGII, Westfield, Wheatheart and Batco. References to Ag Growth in this prospectus refer to the business historically conducted by Ag Growth (and by its affiliates, both before and following their acquisition by Ag Growth) and to be conducted post-Closing by AGLP.

''Ag Growth Shareholders'' means Rob Stenson, Gary Anderson, M.R.S. Trust Company in trust for Gary Anderson, Steve Sommerfeld, George Adair, Arthur Stenson, Joseph Kluk, Ken Purdy, Tricor (Ag Growth EXU) Holdings Ltd. (an affiliate of Tricor Pacific Capital Partners (Fund II), Limited Partnership), MG Stratum II Limited, HCCA (I) Ag Growth Holdings Limited Partnership, HCCA (II) Ag Growth Holdings Limited Partnership, HCCA (IV) Ag Growth Holdings Limited Partnership, HCCA (V) Ag Growth Holdings Limited Partnership and Roydolco Inc.

''AGHI'' means AGX Holdings Inc., a corporation incorporated under the laws of Canada.

''AGHLP'' means AGX Holdings Limited Partnership, a limited partnership established under the laws of the Province of Manitoba.

''AGII'' means Ag Growth Investments Inc., a corporation incorporated under the laws of the Province of Saskatchewan.

''AGLP'' means Ag Growth Industries Limited Partnership, a limited partnership established under the laws of the Province of Manitoba.

''AGOT'' means Ag Growth Operating Trust, an unincorporated open-ended limited purpose trust established under the laws of the Province of Ontario, all of the beneficial interests of which will be held by the Fund.

''AGOT Declaration of Trust'' means the declaration of trust dated April 12, 2004 pursuant to which AGOT was established and is governed, as the same will be amended and restated prior to Closing, and as the same may be amended, supplemented or restated from time to time.

''AGOT Notes'' means the notes of AGOT issued from time to time in accordance with the AGOT Note Indenture as either Series 1, Series 2 or Series 3.

''AGOT Note Indenture'' means the indenture to be dated on or before the date of Closing pursuant to which the AGOT Notes will be issued, as the same may be amended, supplemented or restated from time to time.

''AGOT Trustees'' means the trustees of AGOT from time to time.

''AGOT Unitholder'' means, at any time, a holder at that time of one or more AGOT Units, as shown on the register of AGOT.

''AGOT Units'' means the units of AGOT, each of which represents an equal undivided beneficial interest in AGOT and any distributions from AGOT and includes a fraction of such a unit of AGOT.

''Amalgamation'' means the amalgamation under the provisions of *The Business Corporations Act* (Saskatchewan) of Ag Growth, AGII, Westfield, Wheatheart and Batco, as described in more detail under ''Funding, Acquisition and Related Transactions''.

''Asset Purchase Agreement'' means the agreement to be made between AGLP and Ag Growth providing for the transfer from Ag Growth to AGLP of the business operations of Ag Growth. See ''Funding, Acquisition and Related Transactions'' and ''Principal Agreements – Asset Purchase Agreement''.

''Batco'' or ''Batco Manufacturing'' means Batco Manufacturing Ltd., a corporation incorporated under the laws of the Province of Saskatchewan. References to the business of Batco in this prospectus refer to the business historically carried on by Batco Manufacturing Ltd. and to be conducted post-Closing by a division of AGLP.

''Business Day'' means any day other than a Saturday, Sunday or statutory holiday in the City of Toronto, Ontario.

''CAGR'' means compound annual growth rate.

''CCRA'' means the Canada Customs and Revenue Agency.

''CDS'' means The Canadian Depository for Securities Limited.

''cereals'' includes wheat, oats, barley and rye.

''Closing'' means the completion of the Offering and the transactions set out under ''Funding, Acquisition and Related Transactions''.

''Closing Date'' means the date of Closing.

''Credit Facility'' means the secured term loan and operating facility to be entered into on or prior to Closing by AGLP and AGHLP and/or their affiliates with one of Ag Growth's current lenders. See ''Principal Agreements – Credit Facility''.

''Declaration of Trust'' means the declaration of trust dated March 24, 2004, pursuant to which the Fund was established and is governed, as the same will be amended and restated prior to Closing, and as the same may be amended, supplemented or restated from time to time.

''EBITDA'' means net income before interest expense, income tax expense, depreciation, amortization, historical management fees paid to shareholders and certain other one-time expenses, related to a contemplated initial public offering that was not completed, that are not expected to recur post-Closing. EBITDA is not a recognized measure under GAAP. See ''Non-GAAP Measures''.

''EBITDA Margin (%)'' means the percentage that EBITDA for any period is of sales for that period. EBITDA Margin (%) is not a recognized measure under GAAP. See ''Non-GAAP Measures''.

''Exchange and Escrow Agreement'' means the agreement to be entered into among the Fund, AGOT, AGHLP, AGHI and the Ag Growth Shareholders who will hold Exchangeable LP Units and Subordinated LP Units pursuant to which the Fund and AGHLP will grant to such Ag Growth Shareholders (and such Ag Growth Shareholders will grant to the Fund and AGHLP) certain rights in connection with the Exchangeable LP Units and Subordinated LP Units held by such Ag Growth Shareholders.

''Exchange Rights'' means the right of a holder of Exchangeable LP Units to exchange Exchangeable LP Units for Trust Units and a holder of Subordinated LP Units to transfer such units to AGHLP in exchange for Exchangeable LP Units in accordance with the terms of the Exchange and Escrow Agreement. See ''Retained Interest of Ag Growth Shareholders and Exchange Rights''.

''Exchangeable LP Units'' means the Class B exchangeable limited partnership units of AGHLP.

''Exchangeable Security'' means a unit, share or other security convertible into or exchangeable for Trust Units (directly or indirectly) without the payment of additional consideration therefor, whether or not issued by the Fund.

''farm'' means an entity which produces, markets and sells grain.

‘‘Fund’’ means Ag Growth Income Fund, an unincorporated open-ended limited purpose trust established under the laws of Ontario in accordance with the Declaration of Trust.

‘‘GAAP’’ means, at any time, Canadian generally accepted accounting principles, including those set out in the Handbook of the Canadian Institute of Chartered Accountants, applied on a consistent basis.

‘‘grain’’ includes corn, soybeans, cereals, oilseeds, rice, sorghum, specialty crops and pulse crops.

‘‘LP Units’’ means, collectively, the Ordinary LP Units, the Exchangeable LP Units and the Subordinated LP Units.

‘‘Note Trustee’’ means Computershare Trust Company of Canada.

‘‘Offering’’ means the offering of Trust Units pursuant to this prospectus as described under ‘‘Plan of Distribution’’.

‘‘oilseeds’’ includes canola, flax and sunflowers.

‘‘Ordinary LP Units’’ means the Class A limited partnership units of AGHLP.

‘‘Ordinary Resolution’’ means a resolution proposed to be passed as an ordinary resolution at a meeting of Unitholders (including an adjourned meeting) duly convened for that purpose at which a quorum is present, which resolution is passed by the affirmative votes of a majority of the Units represented at the meeting and voted upon such resolution, or a resolution in writing executed by Unitholders holding more than 50% of the outstanding Units entitled to be voted on such resolution.

‘‘Over-Allotment Option’’ means the option of the Underwriters, exercisable for a period of 30 days from the closing of the Offering, to purchase up to 500,000 additional Trust Units at a price of $10.00 per Trust Unit, solely to cover over-allotments, if any, and for market stabilization purposes.

‘‘person’’ means a natural person, partnership, limited partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, limited liability company, joint venture or other entity or governmental or regulatory authority or entity, and pronouns have a similarly extended meaning.

‘‘Plans’’ means, collectively, registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans.

‘‘pulse crops’’ includes lentils, field peas, chick peas and edible beans.

‘‘Register’’ means the register of holders of Units.

‘‘Series 1 AGOT Notes’’ means the AGOT Notes designated as Series 1 and issued to the Fund on Closing in accordance with the AGOT Note Indenture.

‘‘Series 2 AGOT Notes’’ means the AGOT Notes designated as Series 2 that may be issued from time to time in connection with a redemption of AGOT Units as contemplated under ‘‘Description of the Fund – Redemption at the Option of Trust Unitholders’’.

‘‘Series 3 AGOT Notes’’ means the AGOT Notes designated as Series 3 that may be issued from time to time in connection with a redemption of Series 1 AGOT Notes as contemplated under ‘‘Description of the Fund – Redemption at the Option of Trust Unitholders’’.

‘‘specialty crops’’ includes mustard, organic grains, canary seed and spices.

‘‘Special Resolution’’ means a resolution proposed to be passed as a special resolution at a meeting of Unitholders (including an adjourned meeting) duly convened for that purpose at which a quorum is present, which resolution is passed by the affirmative votes of the holders of more than 66⅔% of the Units represented at the meeting and voted upon such resolution, or a resolution in writing executed by Unitholders holding more than 66⅔% of the outstanding Units entitled to be voted on such resolution.

‘‘Special Voting Units’’ means the units of the Fund to be issued to holders of Exchangeable LP Units and Subordinated LP Units that represent voting rights in the Fund.

‘‘Subordinated LP Units’’ means the Class C exchangeable subordinated limited partnership units of AGHLP.

‘‘Subordination End Date’’ has the meaning set out in ‘‘Retained Interest of Ag Growth Shareholders and Exchange Rights’’.

‘‘take-over bid’’ means an offer made to Trust Unitholders to acquire, directly or indirectly, outstanding Trust Units where, as of the date of the offer to acquire, the Trust Units that are the subject of the offer to acquire, together with the offeror’s (or associates or affiliates of the offeror) Trust Units (including all Trust Units issuable to the offeror or associates or affiliates of the offeror upon the exchange or conversion of all Exchangeable LP Units, Subordinated LP Units and/or other Exchangeable Securities held by or on behalf of the offeror or associates or affiliates of the offeror), constitute in the aggregate 20% or more of all outstanding Trust Units (on a fully-diluted basis, assuming the exchange of all Exchangeable LP Units, Subordinated LP Units and/or other Exchangeable Securities for Trust Units).

‘‘Tax Act’’ means the *Income Tax Act* (Canada) and the regulations thereunder, as amended.

‘‘Transfer Agent’’ means, in respect of the Units, Computershare Trust Company of Canada, at its principal offices in Toronto, Ontario.

‘‘Trust Unitholders’’ means, at any time, the holders at that time of one or more Trust Units, as shown on the Register.

‘‘Trust Units’’ means the units of the Fund, other than Special Voting Units, each of which represents an equal undivided interest in the Fund and any distributions from the Fund, and includes a fraction of such a unit of the Fund.

‘‘Trustees’’ means the trustees of the Fund from time to time.

‘‘TSX’’ means The Toronto Stock Exchange.

‘‘Underwriters’’ means Scotia Capital Inc., CIBC World Markets Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc. and HSBC Securities (Canada) Inc.

‘‘Underwriting Agreement’’ means the underwriting agreement to be entered into among the Fund, Ag Growth, certain of the Ag Growth Shareholders and the Underwriters.

‘‘Unitholders’’ means, at any time, the holders at that time of one or more Units, as shown on the Register, and includes, for greater certainty, Trust Unitholders and the holders of Special Voting Units.

‘‘Units’’ means the Special Voting Units and the Trust Units.

‘‘Westfield’’ or ‘‘Westfield Industries’’ means Westfield Industries Ltd., a corporation continued under the laws of the Province of Saskatchewan. References to the business of Westfield in this prospectus refer to the business historically carried on by Westfield Industries Ltd. and to be conducted post-Closing by a division of AGLP.

‘‘Wheatheart’’ or ‘‘Wheatheart Manufacturing’’ means Wheatheart Manufacturing Ltd., a corporation incorporated under the laws of the Province of Saskatchewan. References to the business of Wheatheart in this prospectus refer to the business historically carried on by Wheatheart Manufacturing Ltd. (or its predecessor) and to be conducted post-Closing by a division of AGLP.

Words only importing the singular number include the plural and vice versa and words importing any gender include both genders.

THE FUND

The Fund is an unincorporated, open-ended limited purpose trust established under the laws of the Province of Ontario by the Declaration of Trust. The Fund will be administered by the Trustees and by Ag Growth pursuant to the Administration Agreement. See ''Description of the Fund'' and ''Principal Agreements – Administration Agreement''. Among other things, the Fund has been established to hold, indirectly, securities and assets of Ag Growth and other investments in entities conducting business in the grain handling, storage and conditioning equipment market and such other investments as the Trustees may determine; provided, however, that the Fund may not undertake any activity, take any action, or make any investment that would result in the Fund not being considered a ''mutual fund trust'' or ''registered investment'' for purposes of the Tax Act or that would result in the Units constituting ''foreign property'' for the purposes of Part XI of the Tax Act or that would subject the Fund to special taxes in respect of excess holdings of foreign property. See ''Description of the Fund – Activities of the Fund''. To the maximum extent possible, the Fund will make monthly cash distributions to Trust Unitholders of its available cash. See ''Description of the Fund – Distributions''.

The head office of the Fund is located at P.O. Box 39, #74, Highway 205 East, Rosenort, Manitoba, R0G 1W0.

AGOT

AGOT is an unincorporated, open-ended limited purpose trust established pursuant to the AGOT Declaration of Trust and governed by the laws of the Province of Ontario. Among other things, AGOT has been established to hold, directly and indirectly, securities of AGHLP, AGHI, AGII, Ag Growth, AGLP and other investments in entities conducting business in the grain handling, storage and conditioning equipment market and such other investments as the AGOT Trustees may determine. See ''Description of AGOT''.

AGHLP

AGHLP is a limited partnership established under the laws of the Province of Manitoba for the purpose of acquiring, investing in, holding, transferring, disposing of or otherwise dealing with investments in debt and/or equity securities and/or assets of AGII, Ag Growth, AGLP and other entities conducting business in the grain handling, storage and conditioning equipment market, and such other investments as the board of directors of AGHI may, in its discretion, determine, and to own, operate and lease assets and property in connection therewith, including the business currently carried on by Ag Growth. See ''Description of AGHLP''.

AGLP

AGLP is a limited partnership established under the laws of the Province of Manitoba to, among other things, conduct business in the grain handling, storage and conditioning equipment market and to own, operate and lease assets and property in connection therewith. Post-Closing, AGLP will directly or indirectly own the net assets currently owned by Ag Growth and carry on the business currently carried on by Ag Growth. Ag Growth will be the general partner of AGLP and will hold Class B limited participation partnership units of AGLP. AGHLP will be a limited partner of AGLP and will hold Class A limited partnership units of AGLP. See ''Description of AGLP'' and ''Funding, Acquisition and Related Transactions''.

THE INDUSTRY

Manufacturers of Farm Equipment

Manufacturers of farm equipment can be classified into two primary segments:

- *Main-Line Manufacturers* – This segment is generally made up of large, multi-national corporations that manufacture full lines of agricultural equipment. Product lines are generally based around complex and expensive equipment such as combines and tractors.

- *Short-Line Manufacturers* – In comparison to main-line manufacturers, this segment is generally made up of smaller, often privately held, regional or local businesses. Companies in this segment typically manufacture a specific type of less expensive agricultural equipment. Ag Growth is categorized as a short-line manufacturer with a focus on the grain handling equipment segment of the market.

Farm equipment is sold to a large number of buyers across a broad geographical area. Typically, manufacturers of farm equipment sell their products through a network of dealers. The knowledge of local conditions possessed by such dealers, and their proximity to end-users, positions them well to market, sell to and service their customers.

The agricultural industry is generally cyclical in nature. Macroeconomic factors such as the strength of world economies and agricultural commodity prices can have a significant effect on the performance of industry participants. In addition to broad macroeconomic factors, industry participants in a particular region can be susceptible to weather conditions, crop diseases and pest infestations that can significantly affect local production.

Manufacturers of farm equipment are impacted by agricultural cyclicality in different ways and to different degrees. Macroeconomic factors can severely impact main-line manufacturers, since farmers tend to delay the purchase of higher-priced items in cyclical downturns. In contrast, short-line manufacturers tend not to be impacted to the same degree by macroeconomic factors, as they produce smaller, less expensive equipment. Equipment manufacturers that sell only in a particular region can be severely impacted by factors such as crop damage from weather, disease and pests. However, since these factors are often regional in nature, their impact on total industry production and thus, on manufacturers with geographically diverse operations, is generally mitigated.

In 2002, the North American agricultural industry experienced an almost unprecedented drought. While drought conditions are not uncommon on a regional basis, 2002 was very unusual in that the severe drought existed throughout a broad and geographically dispersed area. The impact of the 2002 drought on farm equipment manufacturers carried into 2003, as the 2002 harvest left little crop to handle and a depressed agricultural economy heading into a new growing season. Nonetheless, the industry experienced a strong rebound late in 2003 and, although growing conditions remained dry in many areas, conditions in 2003 improved significantly as compared to 2002. As a result, the volume of grain production in 2003 improved to levels more in line with historical averages. Management believes that 2004 will mark the return to normalized agricultural markets, particularly since drought conditions over the last several years have significantly reduced world food stocks, and crop prices have rebounded from their previously depressed levels. These factors and others have resulted in optimism on behalf of farmers which, in turn, is triggering a rebound in farm equipment sales.

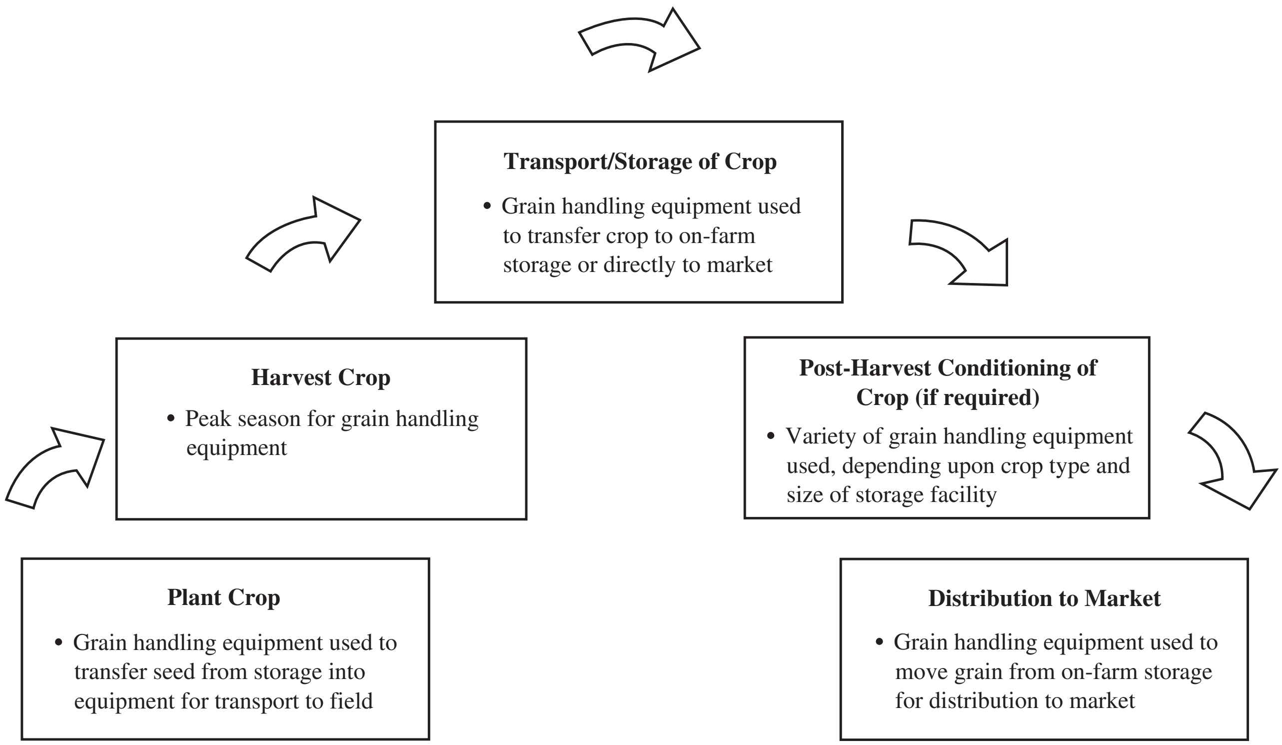
The Grain Handling Equipment Market

The grain handling equipment market encompasses the sale of augers, belt conveyors, bin-sweeps and other grain handling accessories. It is a segment of the broader grain handling, storage and conditioning equipment market. Management estimates that the North American market for farm-related grain handling, storage and conditioning equipment generates approximately $1 billion per year in sales.

Key Characteristics of Grain Handling Equipment

Grain handling equipment is an integral component of the farming process. Factors which are important in understanding the grain handling equipment market include the following:

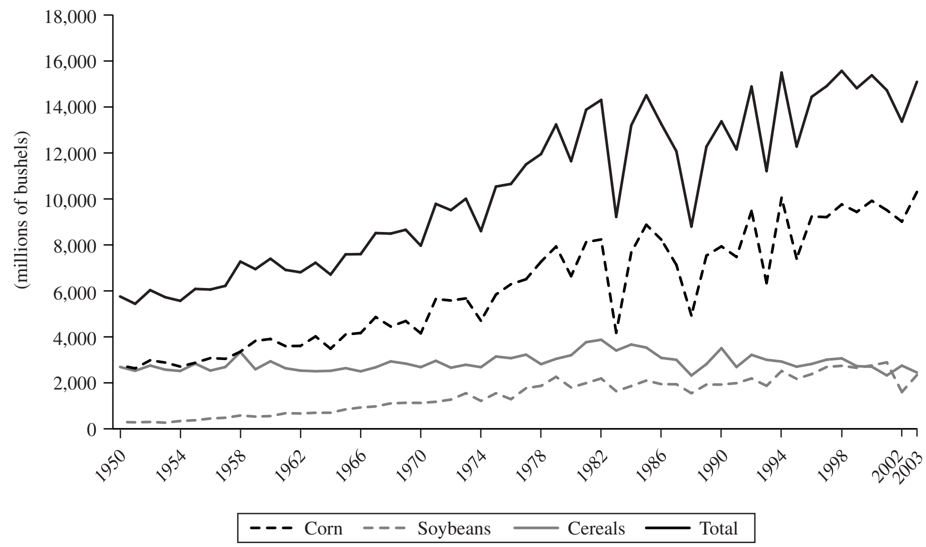
- *Virtually every farm requires grain handling equipment* – Every time a crop is moved, some form of grain handling equipment is required. As illustrated in the following flow chart, grain handling equipment is used at various stages of the farming process. The window of opportunity for many of these stages, particularly seeding and harvesting, is often limited by weather and other factors, making the performance of grain handling equipment very important.



- *Sales of grain handling equipment are dependent upon crop production volume and crop type* – The key determinant of demand for grain handling equipment is the total production volume of grain, which includes corn, soybeans, cereals, oilseeds, rice, sorghum, specialty crops and pulse crops. Although production may vary from year to year as a result of a number of factors, over the past 50 years, grain production in North America has increased substantially. As grain production volumes have grown, so too has the demand for grain handling equipment.

The following graph illustrates the increase in production of certain key crops in the United States over the period from 1950 to 2003.

United States Crop Production
1950 – 2003



Source: United States Department of Agriculture.

Corn is the predominant crop grown in the United States, representing more than twice the volume of all other crops combined. Ever expanding market applications and improvements in seed and farming technologies continue to increase corn production. Soybeans rank second in terms of volume of production in the United States. As with corn, soybeans are being used in an increasing number of market applications. Cereal grain production has remained fairly constant over the last 50 years. It has been less influenced by technology, although improved farming practices have resulted in better yields.

Crop mix is another important variable affecting grain handling equipment demand, since different types of crops wear out grain handling equipment at different rates. Generally, the more abrasive the crop, the faster the equipment wears out. Corn is the most important crop type to grain handling equipment manufacturers because of its sheer volume and abrasive handling characteristics. Soybeans are more abrasive than corn but are a less significant crop due to the lower volumes produced.

The table below summarizes some of the key characteristics of corn, soybeans and cereals.

Crop	Abrasiveness[1]	1950 Production[2][3]	2003 Production[2][3]	1950-2003 Production CAGR[2]
Corn	Medium	2,764	10,300	2.5%
Soybeans	High	299	2,450	4.0%
Cereals	Low	2,692	2,340	(0.3%)

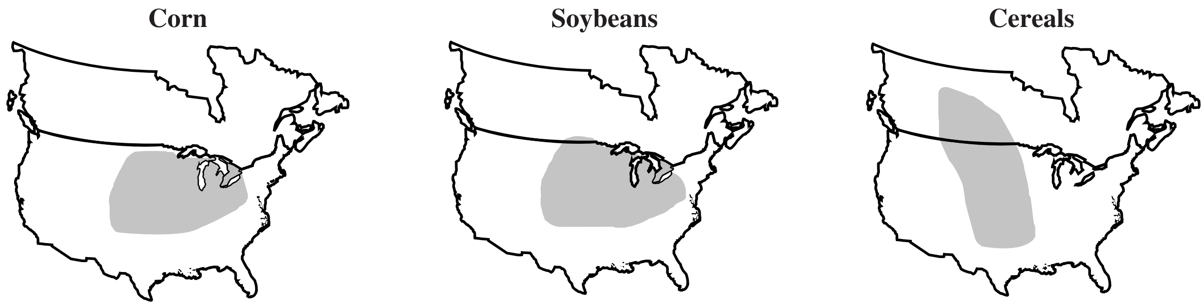
Notes:

(1) Management estimates of abrasiveness to grain handling equipment.

(2) Source: United States Department of Agriculture.

(3) Millions of bushels in the United States.

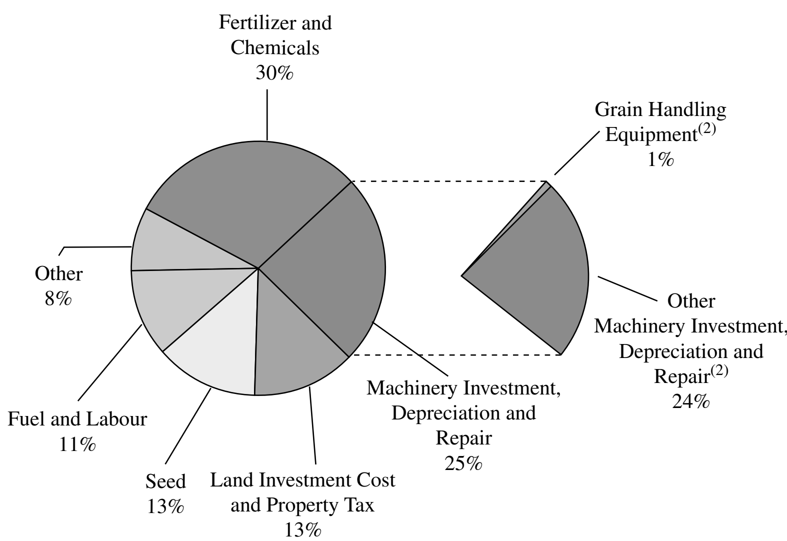
Although different crop types are grown throughout North America, the maps below indicate management's estimate of the primary growing areas for each of corn, soybeans and cereals.



In addition to the crops referred to above, there are a variety of other crops (such as rice and specialty crops) for which grain handling equipment is utilized. These crops vary widely in terms of production volumes and handling characteristics. For example, rice is extremely abrasive and wears out grain handling equipment quite rapidly, but the market for rice is still relatively small in North America.

- *Grain handling equipment is a consumable item* – Grain handling equipment has a relatively low price point, with most units costing between $3,000 and $10,000. As indicated in the following chart, the cost of grain handling equipment is low in comparison to many farm inputs and other capital equipment.

Illustrative Breakdown of Annual Production Costs(1)
(1,200 Acre Corn Farm)



Notes:

(1) Source: Crop Production Costs 2002 Guidelines – Manitoba Agriculture and Food, Government of Manitoba.

(2) Management estimate.

Grain handling equipment generally requires replacement every three to seven years, depending on the volumes handled, the application (crop type) and frequency of use. As such, it is largely viewed by farmers as a consumable item. Furthermore, if a farm's grain handling equipment fails, the entire farming process can be interrupted. As a result, grain handling equipment is typically replaced promptly if it fails at a critical juncture in the farming process.

Market Trends

There are a number of macroeconomic and agricultural trends that management believes will have a positive impact on the grain handling equipment market, including the following:

Growth in Population and Grain Consumption

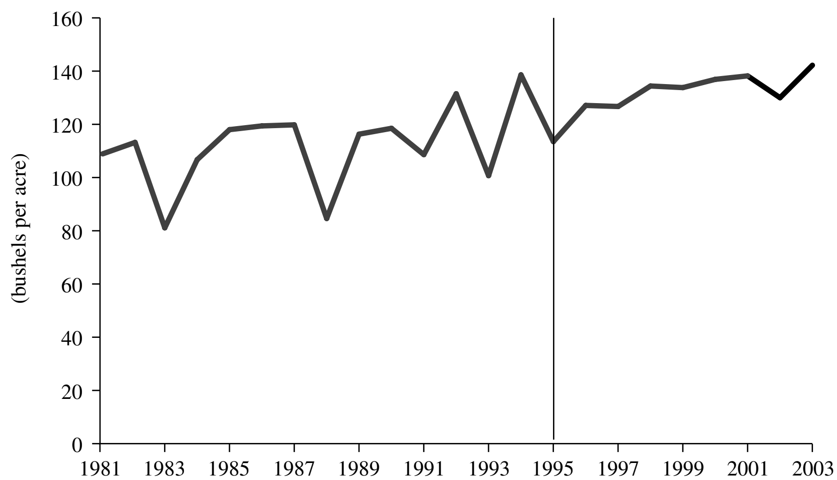
The world's population is increasing and grain production is expected to play a significant role in addressing the nutritional requirements of the expanding population. According to Organization for Economic Cooperation and Development (''OECD'') data, the world's population will increase from 7.1 billion in 2002 to 7.6 billion in 2008. Global crop production is also forecast to increase, with wheat, oilseeds, coarse grains and rice production expanding by 2.1%, 2.6%, 2.1% and 1.9% per annum, respectively, between 2002 and 2008. This growth is related not only to strong population growth, but also to economic growth, rising personal incomes and improved diets in lower and middle-income countries. Continued increases in crop production volumes to satisfy this increased demand for grain will result in growth in demand for grain handling equipment.

Farming Productivity Gains

Advances in farming practices and technology over the past 50 years have been significant. Although most of the focus has been on corn due to its overall importance, numerous other crops are also benefiting from these advances. Farms are becoming increasingly sophisticated operations, utilizing the newest technology to generate the highest returns per acre of land, through a combination of increased volumes per acre and higher-value crops. There have been significant farming productivity gains over the last 50 years as a result of a number of factors, including:

- *Advances in seed technology* – As a result of advances in seed technology, farmers are realizing not only increased yields, but also less volatility in yields, as genetically modified crops are often more resistant to adverse weather conditions and disease. The increase in crop production volumes that results from improved yields will drive increased demand for grain handling equipment. The stabilizing effect of new seed technology on United States corn yields since 1995 is apparent from the graph below.

United States Corn Yields
1981 – 2003



Source: United States Department of Agriculture.

- *Continuous cropping* – Historically, farmers in certain areas have ''rested'' the soil every few years by not planting a crop in order to rejuvenate the soil. As a result of advances in farming techniques such as crop rotation and tillage practices, many farmers now harvest crops on all of their land every year. Consequently, the demand for grain handling equipment has increased, as such practices result in increased overall volumes and greater on-farm grain handling activity.

- *Crop diversification* – Increasingly, North American farmers are producing a variety of pulse, oilseeds and specialty crops that have not historically been produced in the region. This is particularly true in Western Canada, as a result of changes in government policies and the structure of the grain transportation system. Crop diversification is driving demand for dedicated grain handling equipment, as well as new types of grain handling equipment designed for the gentle handling requirements of these crops.

Farm Size and Storage Trends

- *Larger, more capital intensive farms* – The trend towards larger, more capital intensive farms has been on-going for generations. As the number of people actively involved in farming decreases, manual labour is replaced through the increased use of equipment and automation. In the case of grain handling equipment, larger farms require larger, higher capacity augers and conveyors. To prevent potential costly downtime, larger farms will often acquire multiple pieces of the same type of grain handling equipment to avoid taking the time to move such equipment around the farm. All of these factors are driving increased demand for grain handling equipment.

- *Increased on-farm storage* – On-farm storage has increased in the past few years as a result of a number of factors. Farmers are becoming increasingly sophisticated in the marketing and sale of the crops they produce. In many cases, this includes storing crops on the farm while waiting for optimal selling conditions. In Western Canada in particular, other factors driving increased on-farm storage are the recent changes in grain transportation regulation and the rationalization of the grain elevator networks of the grain companies, resulting in less storage capacity in their networks. Since grain handling equipment is required to move crops into and out of storage, an increase in on-farm storage leads to an increase in demand for grain handling equipment.

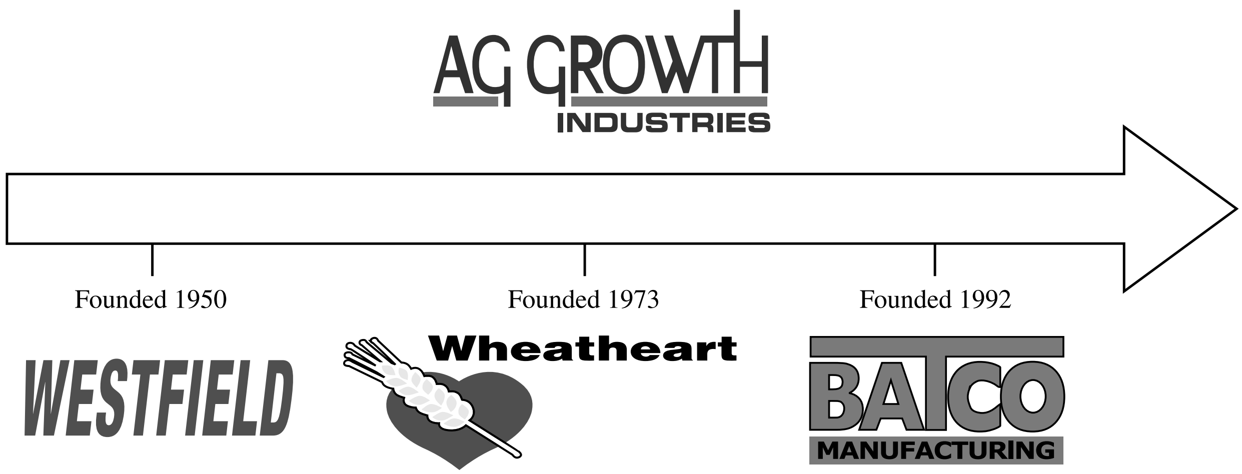
BUSINESS OF AG GROWTH

Overview

Ag Growth is a leading manufacturer of portable grain handling equipment including augers, belt conveyors and numerous other grain handling accessories. Ag Growth has three operating divisions: Westfield Industries, Wheatheart Manufacturing and Batco Manufacturing.

History of Ag Growth

In less than twelve years, management has developed Ag Growth into a market leader with 2003 revenues of approximately $57 million and 2003 EBITDA of approximately $17 million, through a combination of organic growth and acquisitions.



Batco was established in Swift Current, Saskatchewan in 1992 by certain members of the current management of Ag Growth. Rob Stenson, the President and Chief Executive Officer of Ag Growth, joined Batco in 1995 and Gary Anderson, the Vice President and Chief Operating Officer of Ag Growth, joined Batco in 1996.

Ag Growth was established in 1996 by a group of shareholders, including Rob Stenson and Gary Anderson, for the purpose of identifying, evaluating and executing upon acquisition opportunities in the short-line agricultural equipment manufacturing industry. In June 1997, Ag Growth completed an initial public offering and began trading on the Alberta Stock Exchange as a junior capital pool company, and in December 1997 it acquired the operations of Batco. Over the next three years, Ag Growth completed a number of other acquisitions, including Wheatheart in May 1998; the Victory line of combine ''pick-up'' attachments in February 1999; Westfield in May 2000; and the Seed Shuttle product line from Adam Industries Inc. in December 2000. Concurrently with its acquisition of Westfield, Ag Growth completed a transaction whereby all of its outstanding public securities were acquired by an acquisition vehicle, and Ag Growth terminated its Alberta Stock Exchange listing.

As acquisitions were completed, Ag Growth management implemented a comprehensive integration process to realize economies of scale without sacrificing the key strengths of the individual business units and the important relationships with employees, suppliers and distribution partners that accompanied them.

Operating Divisions

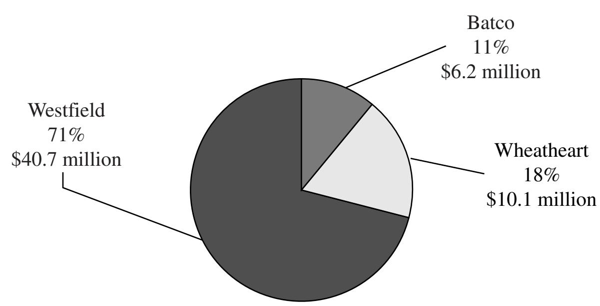
Westfield Industries is Ag Growth's largest and most profitable division. Founded in 1950 and based in Rosenort, Manitoba (approximately 60 kilometres south of Winnipeg), it is a leading North American manufacturer of grain augers. Westfield has a strong market share in every state and province in North America in which it sells product.

Wheatheart Manufacturing was founded in 1973 and is located in Saskatoon, Saskatchewan. Wheatheart is a manufacturer of grain handling accessories, grain augers and fencing equipment. The specialty products produced by this division are generally used for farm functions that have historically been performed manually.

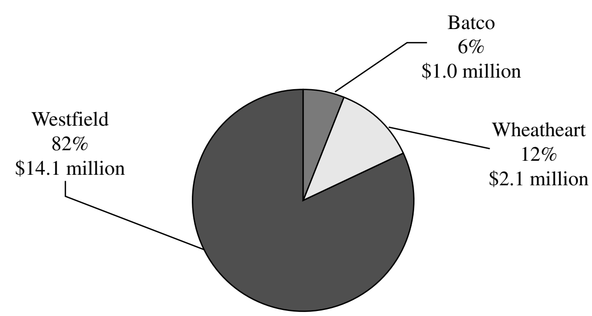
Batco Manufacturing was founded in Swift Current, Saskatchewan in 1992. Batco manufactures belt conveyor products that provide gentle handling of crops. Batco has become a leading manufacturer of belt conveyor products as a result of its innovative product designs and the aggressive development of its distribution network.

The following graphs provide a breakdown of 2003 sales and EBITDA for each of Ag Growth's divisions:

2003 Sales by Division(1)



2003 EBITDA by Division(1)(2)



Notes:

(1) Data presented is for the fiscal year ended December 31, 2003.

(2) EBITDA is not a recognized measure under GAAP. See ''Non-GAAP Measures''.

Product Overview

Ag Growth generates sales from a variety of products. Management estimates that approximately two-thirds of Ag Growth's revenues result from the sale of augers. The chart below describes the principal products manufactured by Ag Growth.

Product Group	Description	Typical Price Range (2003)	Division
Augers	Used to move grain during seeding, harvesting and conditioning, and at the time grain is shipped to market.	$3,000 – $7,000	Westfield Wheatheart
Belt Conveyors	Used as an alternative to augers, particularly for gentle handling applications.	$5,000 – $15,000	Batco Westfield
Fencing Equipment	Line of fencing equipment, including post hole augers and fence post drivers.	$2,000 – $10,000	Wheatheart
Other Equipment	Grain handling accessories to enhance convenience; seed shuttles to tender mini bulk seed.	$1,500 – $8,000	Wheatheart Batco
Parts	Replacement parts such as auger flighting, bearings and belts.	$300 – $800	Westfield Wheatheart Batco

Operations and Production

Facilities

Ag Growth owns, utilizes or has access to the following properties and facilities for production, warehousing or distribution purposes:

Location and Principal Operation	Description	Interest
Rosenort, Manitoba (Westfield)	135,000 sq. ft. production plant 5,000 sq. ft. truck shop, housing and servicing 7 semi-tractor units and 15 trailers 3,000 sq. ft. storage building	Owned
Saskatoon, Saskatchewan (Wheatheart)	34,000 sq. ft. production plant 5,000 sq. ft. storage building 3,000 sq. ft. storage shed	Owned
Swift Current, Saskatchewan (Batco)	12,000 sq. ft. production plant 12,500 sq. ft. assembly, packaging and research and development shop	Owned
Springfield, Illinois (All divisions)	12,000 sq. ft. warehouse and distribution centre	Leased
West Fargo, North Dakota (Westfield warehouse)	20,000 sq. ft. distribution centre	Owned
Chariton, Iowa (Westfield warehouse)	11,000 sq. ft. distribution centre	Warehousing arrangement with Independent Sales Representative
18 locations in the Midwest United States (All divisions)	Stocking points for field inventory in support of area dealers	Warehousing arrangements with Independent Dealers

Employees

As at December 31, 2003, Ag Growth had 247 employees, including eight members of senior management and 51 middle management, sales, administration and engineering staff.

Production Processes

All three of Ag Growth's operating divisions undertake similar manufacturing activities, including metal fabrication, welding, painting, sub-assembly, packaging, warehousing and shipping. As such, Ag Growth is able to undertake a substantial amount of inter-divisional manufacturing in order to minimize input costs. Differences in the production processes of the three divisions relate primarily to the nature and scale of operations (i.e. high-volume process vs. low-volume batch production style), product lines and facilities.

Westfield operates a high-volume, vertically-integrated manufacturing process that has established it as a low-cost producer. This has been achieved through a simple and efficient manufacturing operation that, despite its large number of product offerings, essentially involves component manufacturing, leaving product assembly to be completed off-site by distributors and dealers. Westfield's product components are complementary and interchangeable, allowing the plant to complete very large process runs of basic components, thereby increasing labour efficiency. Gross margins are enhanced through vertical integration, since the volume of units produced justifies in-house manufacturing of most components. This level of vertical integration also allows Westfield to maximize control over supply, which reduces the risks of costly interruptions in production that could otherwise result from shipment delays or quality defects.

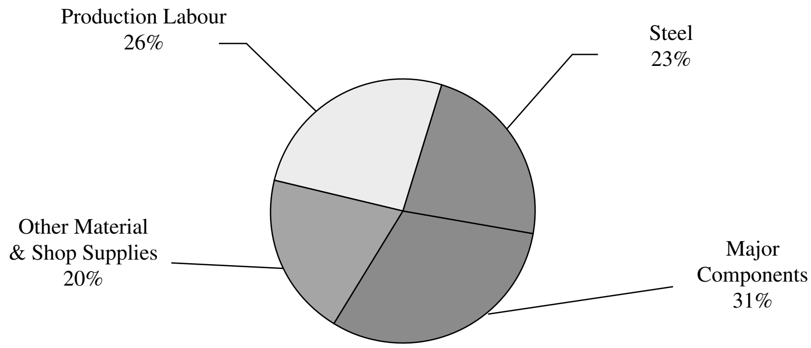
Wheatheart's and Batco's production processes are geared towards a ''job shop'' style of production. The processes have been designed for quick setup and changeover, which is ideal for small production runs and during the early stages of new product development. This also enables Batco to respond in a timely manner to ''custom built'' requirements and to cater to a wide selection of stock model demands. The bulk of Batco products are produced and shipped in component form, with final assembly being completed by the distributor or dealer. In contrast, final assembly of a number of Wheatheart products is completed at the plant, while others are prepared in ''kit'' form for economical shipment.

Ag Growth's production processes do not rely upon complex or expensive machinery. As such, its facilities are relatively inexpensive to maintain. See ''Operations and Production – Capital Expenditures''.

Production Costs

As illustrated in the chart below, Ag Growth's production costs are reasonably stable and diversified, with no single input representing more than 26% of aggregate production costs.

2003 Production Cost Breakdown(1)



Note:

(1) Data presented is for the fiscal year ended December 31, 2003.

Steel and major component purchases are planned and negotiated on an annual basis, with shipments scheduled throughout the year. The high volumes of steel and major components purchased provides an opportunity for purchasing efficiencies. In 2003, steel purchases totaled 23% of production costs, with significant volumes purchased from eight different suppliers based on specific tendering requirements. Other major components such as drivelines, gearboxes, hydraulic motors, valves, winches, gasoline engines and belting represented 31% of production costs.

Capital Expenditures

In 2003, net capital expenditures were approximately $700,000, all of which were considered maintenance capital expenditures.

Maintenance capital expenditures are expenditures of a capital nature which management considers to be related to the betterment or improvement of existing facilities and processes. Maintenance capital expenditures in 2003 included new forklifts, sales and delivery vehicles, manufacturing equipment upgrades and replacements, office and computer equipment, facility enhancements and the replacement of one semi-tractor unit.

Ag Growth estimates that annual net maintenance capital expenditures in the foreseeable future will be approximately $700,000, in line with historical amounts.

Research And Development

Ag Growth has a well established track record of successful research and development, providing a solid foundation for organic growth. For the year ended December 31, 2003, management estimates that sales of new products developed in 2002 and 2003 totaled $3.8 million. In addition to new products, Ag Growth's strong customer focus results in a number of product improvements, which keep Ag Growth's product lines current and relevant to the marketplace.

Ag Growth has a history of conceiving, designing and introducing commercially attractive new products and enhancements to existing products, and is able to move product concepts from the design stage to commercial implementation on a timely basis. Research and development is integrated throughout the organization. While each division has an engineering team and technicians for support, Ag Growth's senior management team provides strategic leadership, coordination and prioritization of resources.

In the foreseeable future, Ag Growth intends to spend approximately $825,000 per year on research and development.

Distribution and Marketing

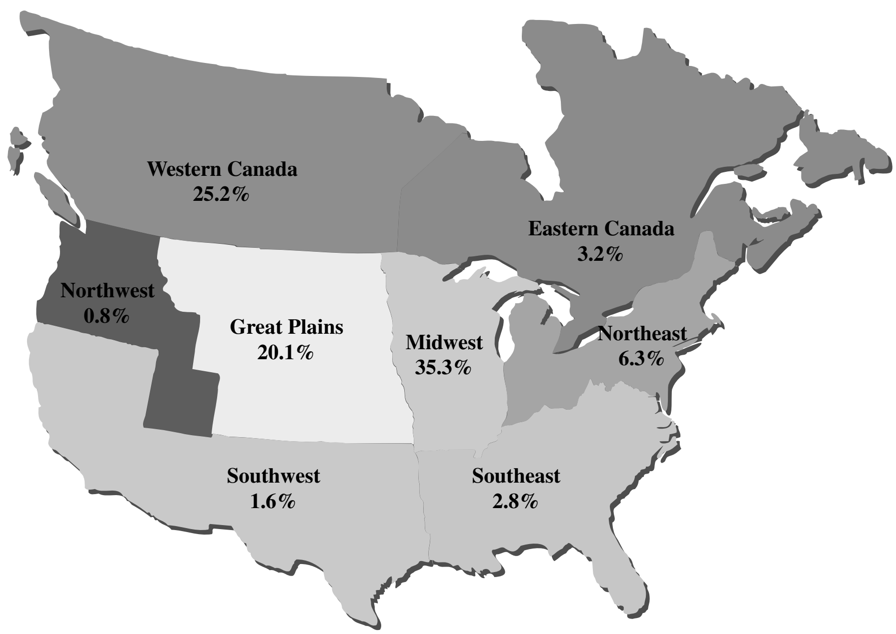
Distribution System

Ag Growth has a leading North American sales, marketing and distribution system within the farm equipment industry. Ag Growth's distribution system comprises approximately 1,400 dealers and distributors, in 48 states and nine provinces. Ag Growth also has inventory stocking points at 18 strategic locations throughout the United States.

Ag Growth benefits from an external distribution system comprised of two separate networks, one for Westfield and a second for Wheatheart and Batco. Management believes that the Westfield network is one of the most highly recognized distribution networks in the short-line farm equipment sector and provides broad geographical coverage. The Wheatheart/Batco network is geared towards the penetration of markets using specialty products. Depending upon specific product and market characteristics, Ag Growth can select the most appropriate distribution network for marketing and selling its new products. Furthermore, Ag Growth has the ability to strategically deploy its products to ensure ready supply across its geographically diversified distribution networks.

Geographic diversification has been a critical component of Ag Growth's strong and stable growth. The map below illustrates Ag Growth's sales by geographic region for the year ended December 31, 2003.

Sales by Geographic Region
2003(1)



Note:

(1) Data presented is for the fiscal year ended December 31, 2003.

As illustrated on the map, approximately 67% of Ag Growth's 2003 sales were made in the United States and approximately 28% were made in Canada. The remaining 5% of sales were generated offshore. Of the 48 states and nine provinces in which Ag Growth sells product, only eight accounted for more than 5% of total sales in 2003, and no single state or province accounted for more than 15% of total sales.

Marketing

Grain handling equipment customers purchase from Ag Growth in part because of its well-established brands and its long-standing, positive reputation. Management believes that Ag Growth's dealers are very loyal as a result of Ag Growth's leading status in the marketplace, proven ability to deliver high quality and reliable products and commitment to strong after-sales service and support. Ag Growth is an active participant in trade shows throughout North America. Trade shows provide an excellent opportunity for Ag Growth to obtain feedback and ideas from farmers, introduce new products and work closely with members of its distribution networks. Ag Growth also advertises in industry publications and employs seasonal mail-outs and fax-outs to its distribution networks to highlight topical sales issues, provide dealers with sales, service and technical information and generally enhance Ag Growth's profile.

Ag Growth has undertaken a number of recent initiatives designed to further enhance its sales and marketing function. In 2003, two additional sales manager positions were added in an effort to strengthen sales leadership and support in the field. In early 2004, Ag Growth launched a pilot retail finance program in conjunction with a third party leasing company. This new initiative will provide farmers with a quick, user-friendly lease option for purchasing grain handling equipment.

Sales and EBITDA

External Operating Environment

A number of external factors affecting the North American agriculture industry have negatively impacted Ag Growth over the past two years. In many ways, 2002 and 2003 were widely considered to be the most challenging years in North American agriculture in a generation.

The 2002 crop year experienced an almost unprecedented drought in terms of breadth and scope. Although drought conditions are not uncommon on a regional basis, 2002 was very unusual in that severe drought conditions existed throughout a broad and geographically dispersed area. In Western Canada, the magnitude of the 2002 drought was of a degree not experienced in the past 100 years, as yields on many crops decreased substantially. Production volumes in Canada of cereals and oilseeds were down 22% and 14%, respectively, from 2001 levels, and were significantly below long term averages. In the United States, the 2002 drought was the most widespread and severe in 20 years. Poor growing conditions were experienced across most areas, particularly in the Great Plains region (Kansas, Nebraska, Colorado, North Dakota and Montana), which experienced a significant worsening of dry conditions experienced in 2001, and the Midwest (Minnesota, Iowa, Missouri, Illinois and Wisconsin), which is traditionally not subject to severe drought conditions. Production in the United States of cereals, which were the hardest hit, experienced a 31% decline from 2001, and aggregate production of cereals, corn and soybeans decreased 9% from 2001.

The impact of the 2002 drought on farm equipment manufacturers carried into 2003, as the 2002 harvest left little crop to handle and a depressed agricultural economy heading into a new growing season. Early in 2003, the Canadian agricultural sector was faced with the additional challenges of BSE (Mad Cow Disease) and a devaluation of the US dollar, both of which decreased income for Canadian farmers. However, the industry experienced a strong rebound later in the year. Although growing conditions in 2003 remained dry in many areas, conditions improved significantly as compared to 2002, and the volume of grain production in both Western Canada and the United States rebounded to levels much more in line with historical averages. In Canada, production of cereals and oilseeds was up approximately 50% from the depressed levels of 2002, and in the United States, total production of corn, soybeans and cereals rebounded 13% from 2002 levels.

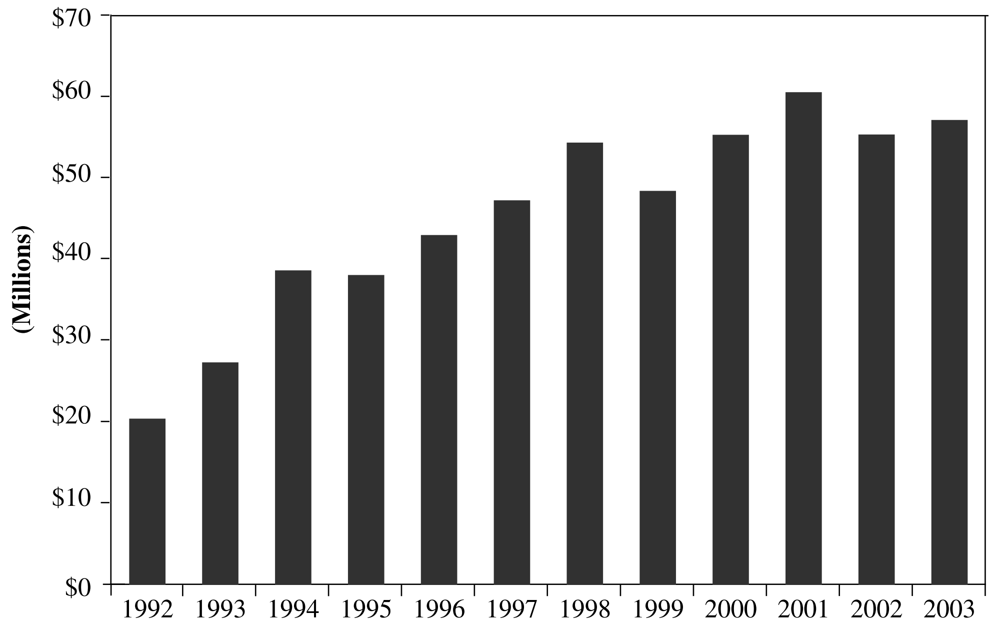
Despite the most difficult operating environment in recent history for manufacturers of grain handling equipment in the United States, and what some industry participants characterize as the ''perfect storm'' for Western Canadian agriculture, Ag Growth's results have shown remarkable resilience. Despite the severe and widespread drought conditions, Ag Growth's 2002 sales were only 8.6% lower than 2001 sales. Management believes that this is because Ag Growth's products are low-cost, consumable and essential to farming operations. In 2003, despite the additional challenges detailed above, Ag Growth's sales rebounded, increasing 3.2% over sales in 2002. Ag Growth also maintained its superior operating performance during this difficult period, posting EBITDA margins in excess of approximately 30% in both 2002 and 2003.

Management believes that 2004 will mark the return to normalized agricultural markets, particularly since drought conditions over the last several years have significantly reduced world food stocks and crop prices have rebounded from their previously depressed levels. These factors and others have resulted in optimism on behalf of farmers which, in turn, is triggering a rebound in farm equipment sales.

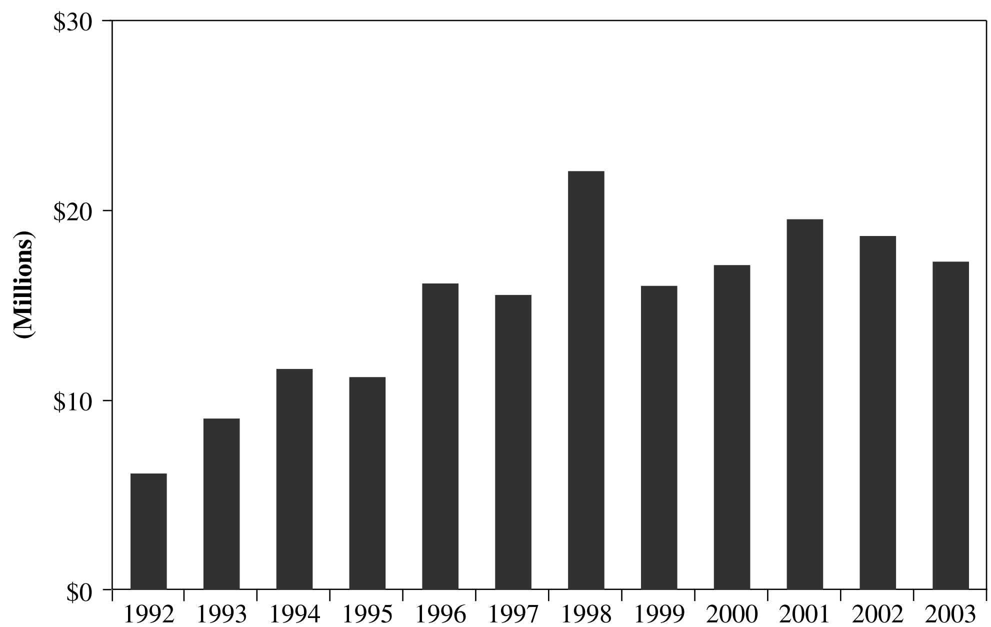
Long Term Trends

Ag Growth has displayed strong long-term growth in both sales and EBITDA. Since 1992, pro forma sales and EBITDA have grown at CAGRs of 9.9% and 10.0%, respectively, as a result of both organic growth and acquisitions.

***Pro Forma* Historical Sales(1)**
1992 – 2003



***Pro Forma* Historical EBITDA(1)(2)**
1992 – 2003



Note:

(1) Management believes that Ag Growth's results for 1998 were abnormally high due to a number of external events, including the 1997 Manitoba flood which delayed the shipment of products until fiscal 1998, as well as a one-time federal government payment that enhanced farm incomes in 1998.

(2) EBITDA is not a recognized measure under GAAP. See ''Non-GAAP Measures''.

The *pro forma* historical sales and EBITDA data presented above have been compiled in the following manner. For Batco, 1992 to 1999 data is for the years ended March 31; and 2000 through 2003 data is for the years ended December 31. For Wheatheart, pre-1994 data is not available and has therefore not been included; 1994 to 1997 data is for the years ended December 31; 1998 and 1999 data is for the years ended March 31; and 2000 through 2003 data is for the years ended December 31. For Westfield, 1992 to 1999 data is for the years ended October 31; and 2000 through 2003 data is for the years ended December 31.

Ag Growth's annual sales are seasonal due to the buying patterns of grain handling equipment customers and the payment terms provided by Ag Growth to its distribution networks. As a result of the flexible payment terms offered by Ag Growth, dealers purchase equipment throughout the year and Ag Growth is able to manufacture products on a continuous basis to ensure that adequate stock is available at peak season times.

Foreign Exchange Implications

A substantial portion (approximately 61% in 2003) of Ag Growth's revenues are denominated in US dollars. A much smaller proportion of Ag Growth's expenses are denominated in US dollars, as all of its manufacturing operations, and the majority of its sales, marketing and administrative functions are based in Canada. As a result, Ag Growth has a substantial net exposure to the US dollar. Any change in the value of the Canadian dollar relative to the US dollar during a given financial period results in a foreign exchange gain or loss on the translation into Canadian dollars for financial reporting purposes.

During the period from January 1, 2001 through December 31, 2003, the value of the Canadian dollar versus the US dollar moved from a low of Cdn$1.6132 = US$1.00 to a high of Cdn$1.2924 = US$1.00.

Ag Growth has historically managed its foreign currency risk by entering into forward foreign exchange contracts to mitigate potential adverse changes resulting from fluctuations in US dollar/Canadian dollar foreign exchange rates (see ''Management's Discussion and Analysis of Financial Condition and Results of Operations – Hedging Policy''). As a result, Ag Growth has only experienced negative earnings impacts to the extent that its net US dollar exposure was greater than the amounts for which forward foreign exchange contracts had been entered into. In January 2004, Ag Growth closed out its forward foreign exchange positions for 2004 and 2005 and received proceeds of approximately $5.0 million. In March 2004, Ag Growth entered into new forward foreign exchange contracts for approximately 90% of its anticipated net US dollar exposure for 2004 to 2006, providing for weighted-average exchange rates of Cdn$1.3279 = US$1.00 for 2004, Cdn$1.3355 = US$1.00 for 2005 and Cdn$1.3507 = US$1.00 for 2006.

Competitive Strengths of Ag Growth

Ag Growth has developed and continues to enjoy a premier market position by leveraging its competitive strengths, which include:

- *North American Market Leader* – Ag Growth is a leading North American portable grain handling equipment manufacturer, with a strong market share in its primary markets.
- *Strong, Diversified Distribution System* – Ag Growth has a leading sales, marketing and distribution system for farm equipment in North America. The geographic diversification provided by Ag Growth's distribution system has been a critical factor in Ag Growth's strong performance, as it diminishes the risk of regional crop variability and provides exposure to a variety of crop types. Ag Growth also has significant resources to support its distribution network, which is a key factor in its ability to secure preferred supplier status with dealers.
- *Low Cost Manufacturing Capabilities* – Management believes that Ag Growth is a low cost producer of portable grain handling equipment in the North American market and that its annual EBITDA margin of approximately 30% is well in excess of industry averages. Ag Growth's size allows it to realize economies of scale in manufacturing operations in areas such as raw materials purchases.
- *Customer-Focused Product Development and After-Sales Service and Support* – Ag Growth has a demonstrated ability to conceive, design and introduce commercially attractive new products and enhancements to existing products with relatively short lead times. In addition, Ag Growth's commitment to

after-sales service and support has entrenched it as a preferred supplier with its dealers and distributors, and has garnered strong brand loyalty among farmers.

- *Positive Brand Awareness and Customer Loyalty* – Each of Ag Growth's three operating divisions has its own strong, identifiable brand. Westfield, in particular, enjoys over 50 years of name recognition in the North American grain handling equipment market, with a reputation for providing top quality products at competitive prices. The quality and reliability of products and the degree of after-sales service and support are crucial factors in building brand loyalty, which management believes is often the dominant factor in farmers' equipment purchase decisions. Ag Growth's brand recognition and reputation translate into strong customer loyalty, resulting in repeat business.
- *Ability to Acquire and Integrate* – Ag Growth has a strong track record of identifying, executing and integrating acquisitions, allowing it to benefit from the acquisition of complementary product lines that offer purchasing, manufacturing and distribution synergies. Management completed and successfully integrated two major business acquisitions and two product line acquisitions in the three-year period from 1998 to 2000, while achieving strong sales growth and profitability.
- *Strong Management Team* – Ag Growth has an experienced, entrepreneurial management team that maintains a focus on profitable growth. The eight members of Ag Growth's senior management team have over 100 years aggregate experience in the manufacturing and agricultural industries. Upon the completion of the Offering and related transactions, the management team will own approximately 380,642 Trust Units (or 4%) of the Fund (on a fully-diluted basis, assuming the exchange of their Exchangeable LP Units and Subordinated LP Units). See ''Retained Interest of Ag Growth Shareholders and Exchange Rights''. This, together with their participation in Ag Growth's long term incentive plan, will align the interests of senior management with the interest of Trust Unitholders.

Strategy

Management intends to maximize distributable cash to Trust Unitholders with continued focus on its core business strengths and activities to generate profitable growth.

- *Focus on competitive strengths* – Ag Growth has realized strong performance and steady growth by capitalizing on its competitive strengths. Ag Growth intends to continue to leverage these strengths in order to deliver long-term profitable growth and margin improvement, thereby enhancing Trust Unitholder value. Specifically, Ag Growth intends to: (i) maintain and enhance its geographically diverse distribution networks; (ii) focus on realizing manufacturing efficiencies; and (iii) continue to strengthen its brands by providing high quality products and superior after-sales service and support.
- *Pursue Organic Growth Opportunities* – Ag Growth expects to achieve ongoing organic growth from geographic expansion, further penetration of existing markets and expansion of product offerings through new product development and enhancement of existing products.
- *Pursue Acquisition Opportunities* – The grain handling, storage and conditioning market is very fragmented. As a result, Ag Growth may have excellent opportunities to acquire businesses that will complement its current product offerings and enable it to achieve increased purchasing, manufacturing and distribution synergies. Ag Growth will make acquisitions or investments only if it believes that the acquisition or investment will result in an increase in distributable cash per Trust Unit.

Competition

Over 90% of Ag Growth's sales are generated in two geographic segments of the portable grain handling equipment market: Western Canada and the United States. Ag Growth has a leading position in both of its primary geographic markets. However, it faces competition in all aspects of its business, including the scope of product offerings and distribution, quality and pricing.

Ag Growth has identified a number of existing competitors. Key competitors in the United States include Brandt Industries Ltd., Bühler/Farm King, Convey-All Industries Inc., Feterl Mfg. Co., The GSI Group Inc., Hutchinson/Mayrath Industries, Peck, Sakundiak Equipment Ltd., Speed King Industries, Inc. and Sudenga Industries Inc. In Western Canada, Ag Growth's key competitors include Brandt Industries Ltd., Bühler/Farm King, Convey-All Industries Inc. and Sakundiak Equipment Ltd.

The competitors listed above include both large and small manufacturers of agricultural equipment. To date, Ag Growth believes that its focus on its core business and its entrepreneurial nature have provided it with a competitive advantage over larger industry participants, while its large scale, geographic diversification and strong manufacturing and distribution capabilities have provided it with a competitive advantage over smaller participants.

Intellectual Property

Ag Growth regards certain aspects of its products and technology as proprietary. Ag Growth relies on a combination of patents, trade-marks and confidentiality agreements to protect its intellectual property. Ag Growth has also entered into non-compete and confidentiality agreements with certain key employees and vendors from whom it has acquired businesses or product lines.

Ag Growth's on-going intellectual property strategy will be to expand upon its existing intellectual property base by registering patents on new inventions and improvements to existing patents as product improvements are made.

Environmental Matters

Ag Growth is not a party to any environmental litigation, nor does it have any outstanding notices of violation.

Phase I environmental site assessments were performed on Ag Growth's Saskatoon, West Fargo and Swift Current facilities in February 1998, April 2000 and May 2000, respectively. In addition a Phase I and limited Phase II environmental site assessment were performed on Ag Growth's facility in Rosenort, Manitoba in December 1999. All of these investigations were updated in September 2002. In management's view, no material environmental issues at any of the four properties reviewed were raised in these updated environmental investigations.

SELECTED FINANCIAL INFORMATION OF AG GROWTH

The following tables set forth a summary of certain selected financial information of Ag Growth for the dates and periods indicated that is derived from, and should be read in conjunction with, the historical financial statements of Ag Growth and the notes thereto and ''Management's Discussion and Analysis of Financial Condition and Results of Operations'', all as included elsewhere in this prospectus.

	Years Ended December 31		
	2003	2002	2001
	(dollars in thousands)		
Sales	$ 56,969	$ 55,185	$ 60,383
Gross margin	$ 28,089	$ 28,163	$ 30,262
Gross margin (%)	*49.31%*	51.03%	50.12%
EBITDA(1)	$ 17,233	$ 18,585	$ 19,469
EBITDA margin (%)(1)	*30.25%*	*33.68%*	*32.24%*
Net income	$ 4,065	$ 4,334	$ 3,805
Net income margin (%)	7.14%	7.85%	6.30%
Total assets (as at December 31)	$102,561	$104,996	$108,856
Capital expenditures	$ 770	$ 978	$ 1,179
Class D redeemable preferred shares (as at December 31)	$ 16,000	$ 16,000	$ 20,000
Other long-term liabilities (as at December 31)	$ 29,697	$ 33,144	$ 41,455
Total long-term liabilities (as at December 31)	$ 45,697	$ 49,144	$ 61,455

Note:

(1) EBITDA and EBITDA Margin (%) are not recognized measures under GAAP. See ''Non-GAAP Measures'' and ''EBITDA to Net Income Reconciliation''.

EBITDA[1] TO NET INCOME RECONCILIATION

	Years Ended December 31		
	2003	2002	2001
	(dollars in thousands)		
EBITDA[1]	$17,233	$18,585	$19,469
Less:			
Transaction costs[2]	—	1,784	—
Other one-time expenses[2]	72	855	—
Interest expense	4,468	4,951	6,502
Depreciation and amortization	1,572	1,773	3,845
Write-off of deferred financing costs	1,749	—	—
Management fees[3]	716	771	816
Income tax expense	4,591	4,117	4,501
Net Income	$ 4,065	$ 4,334	$ 3,805

Notes:

(1) EBITDA is not a recognized measure under GAAP. See ''Non-GAAP Measures''.

(2) Related to a contemplated initial public offering that was not completed.

(3) Management fees represent non-recurring management fees historically paid to certain of the Ag Growth Shareholders.

NET INCOME TO CASH FLOW FROM OPERATIONS RECONCILIATION

	Years Ended December 31		
	2003	2002	2001
	(dollars in thousands)		
Net income	$ 4,065	$ 4,334	$ 3,805
Add charges (deduct credits) to operations not requiring a current cash payment:			
Depreciation and amortization	1,572	1,773	3,845
Future income taxes (recovery)	(189)	(500)	184
Gain on sale of property, plant and equipment	(34)	(163)	(53)
Write-off of deferred financing costs	1,749	—	—
Add charges (deduct credits) for net change in non-cash working capital balances related to operations	(418)	307	(3,615)
Cash provided by operating activities	$ 6,745	$ 5,751	$ 4,166

SUMMARY OF DISTRIBUTABLE CASH FLOW OF THE FUND

Management believes that, following completion of the transactions described under ''Funding, Acquisition and Related Transactions'', the Fund will incur certain expenses and make certain expenditures that are not reflected in the *pro forma* consolidated statement of income of the Fund that is included in this prospectus. Although the complete financial effect of all additional expenses and expenditures cannot be objectively determined, management believes that the following represents a reasonable estimate of what distributable cash on a *pro forma* basis would have been for the years ended December 31, 2003, 2002 and 2001 if the Fund had been in existence during that period. These estimates do not constitute a forecast or a projection of future results. The actual results of operations of the Fund for any period following the Closing will vary from the amounts set out below, and such variations may be material.

	Years Ended December 31,		
	2003	**2002**	**2001**
	(dollars in thousands, except per unit data)		
EBITDA(1)(2)	$17,233	$18,585	$19,469
Add (deduct):			
Adjustment for non-recurring items(3)	237	(281)	296
Reduction in capital tax expense(4)	341	106	102
Less:			
Incremental administrative expenses(5)	500	500	500
Interest expense and related charges(6)	1,100	1,100	1,100
Maintenance capital expenditures(7)	700	700	700
Estimated distributions before foreign exchange adjustment(8)(9)	$15,511	$16,110	$17,567
Estimated distributions to Trust Unitholders and holders of Exchangeable LP Units before foreign exchange adjustment(9)	$12,409	$12,888	$14,054

While a substantial portion of Ag Growth's sales are denominated in US dollars (approximately 61% in 2003), a much smaller proportion of its expenses are denominated in this currency. As a result, Ag Growth has a substantial net exposure to fluctuations in the exchange rate between the US dollar and the Canadian dollar. Historically, Ag Growth has managed its foreign exchange risk by entering into forward foreign exchange contracts to mitigate potential adverse changes resulting from fluctuations in US dollar/Canadian dollar exchange rates. See ''Management's Discussion and Analysis of Financial Condition and Results of Operations — Hedging Policy''. The estimated distributions shown above reflect Ag Growth's 2003, 2002 and 2001 forward foreign exchange contract rates, as well as the foreign exchange environment in which Ag Growth operated in such years. As illustrated in the table below, translating Ag Growth's US dollar cash provided by operating activities at the weighted-average exchange rate of Cdn$1.3279 = US$1.00 obtained under the forward foreign exchange contracts entered into by Ag Growth for 2004, the Fund's estimated distributions, and estimated distributions to Trust Unitholders and holders of Exchangeable LP Units, on a *pro forma* basis for the years ended December 31, 2003, 2002 and 2001 would have been $12,519,000 and $10,015,000, $12,684,000 and $10,147,000 and $13,719,000 and $10,975,000, respectively. The amounts set forth below are provided to illustrate the effect of foreign exchange rates on the business of Ag Growth and may not be indicative of actual cash distributions of the Fund and AGHLP in the future.

	Years Ended December 31,		
	2003	**2002**	**2001**
	(dollars in thousands, except per unit data)		
Estimated distributions before foreign exchange adjustment(8)(9)	$15,511	$16,110	$17,567
Less:			
Foreign exchange adjustment(10)	2,992	3,426	3,848
Estimated distributions after foreign exchange adjustment(8)(9)	$12,519	$12,684	$13,719
Estimated distributions to Trust Unitholders and holders of Exchangeable LP Units after foreign exchange adjustment(9)	$10,015	$10,147	$10,975

Notes:

(1) EBITDA is derived based upon the consolidated statements of income for Ag Growth for the years ended December 31, 2003, 2002 and 2001. See ‘‘EBITDA to Net Income Reconciliation’’.

(2) EBITDA is not a recognized measure under GAAP. See ‘‘Non-GAAP Measures’’.

(3) Adjustments for certain items that management believes will not recur (namely, management incentive compensation, non-recurring professional fees and other non-operational expenses, net of gain on sale of capital assets).

(4) Reflects an adjustment to the amount expensed for capital tax in 2003 of $747 thousand, in 2002 of $512 thousand and in 2001 of $558 thousand downward to an estimated amount of approximately $406 thousand for 2003 and 2002 and approximately $456 thousand for 2001 after giving effect to the Offering.

(5) Includes incremental administration and management expenses that management estimates would have been incurred by the Fund.

(6) Represents management’s estimate of interest expense under the Credit Facility, assuming a $20 million secured term loan bearing interest at 4.15% per annum and an $18 million operating facility, with an average balance outstanding over a full fiscal year of $6 million, bearing interest at 4.50% per annum.

(7) Management expects that these maintenance capital expenditures will remain at a similar level in the foreseeable future.

(8) Includes distributions to all holders of Trust Units and Exchangeable LP Units (representing 80% of estimated distributions) and Subordinated LP Units (representing 20% of estimated distributions).

(9) The holders of the Subordinated LP Units have agreed to subordinate their entitlement to distributions to Trust Unitholders and holders of Exchangeable LP Units until the Subordination End Date.

(10) In March 2004, Ag Growth entered into forward foreign exchange contracts in respect of substantially all of its anticipated net US dollar exposure through 2006. The foreign exchange adjustment has been made to reflect the net effect of restating the Canadian dollar value of United States dollar transactions that occurred during the relevant period by translating such transactions into Canadian dollars based on the weighted-average foreign exchange rate of Cdn $1.3279 = US $1.00 obtained under the forward foreign exchange contracts entered into by Ag Growth for 2004. The adjustment (as calculated by management) reflects a decrease in the Canadian dollar value of Ag Growth’s US dollar cash provided by operating activities during the relevant period which results from translating such amounts into Canadian dollars based on such weighted-average exchange rate.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis is a review of the financial condition and results of operations of Ag Growth. It should be read in conjunction with the consolidated financial statements of Ag Growth and notes thereto included elsewhere in this prospectus.

The Fund will be entirely dependent upon the operations and assets of AGLP, which will carry on the business currently carried on by Ag Growth. The earnings and cash flow of AGLP will be affected by certain risks described elsewhere in this prospectus. See ''Risk Factors''.

Background

Ag Growth is a leading manufacturer of portable grain handling equipment. Its wide customer base is located in nine provinces, 48 states, and overseas, and is served through an extensive distribution system comprised of over 1,400 dealers. Ag Growth is a low-cost manufacturer with customer focused product development and after-sales service support.

Significant External Factors

A number of external factors affecting the North American agriculture industry have negatively impacted Ag Growth over the past two years. In many ways, 2002 and 2003 were widely considered to be the most challenging years in North American agriculture in a generation. The 2002 crop year experienced an almost unprecedented drought in terms of breadth and scope. Although drought conditions are not uncommon on a regional basis, 2002 was very unusual in that severe drought conditions existed throughout a broad and geographically dispersed area. The impact of the 2002 drought carried into 2003, as the 2002 harvest left little crop to handle and a depressed agricultural economy heading into a new growing season. Early in 2003, the Canadian agricultural sector was faced with the additional challenges of BSE (Mad Cow Disease) and a devaluation of the US dollar, both of which decreased income for Canadian farmers. However, the industry experienced a strong rebound later in the year. Although growing conditions in 2003 remained dry in many areas, conditions improved significantly as compared to 2002 and the volume of grain production in both Western Canada and the United States rebounded to levels much more in line with historical averages. Management believes that 2004 will mark the return to more normal agricultural markets.

Critical Accounting Policies

Management believes that the accounting policies that are critical to Ag Growth's business relate to its use of estimates regarding the collectibility of accounts receivable and the valuation of inventory. The preparation of financial statements in accordance with GAAP requires management to make assumptions and estimates that can have a material impact on Ag Growth's results of operations as reported on a periodic basis. Due to the nature of Ag Growth's business and the credit terms it provides to its customers, estimates and judgments are inherent in the on-going assessment of the recoverability of accounts receivable. In addition, assessments and judgments are inherent in the determination of the net realizable value of inventories. Inventory is valued at the lower of cost and net realizable value. While management has applied judgment based on assumptions believed to be reasonable in the circumstances, actual results can vary from these assumptions. It is possible that materially different results would be reported using different assumptions.

Hedging Policy

Ag Growth's principal exposure to fluctuations in the exchange rate between the US dollar and the Canadian dollar arises from the translation into Canadian dollars of that portion of its sales and expenses denominated in US dollars. While approximately 61% of Ag Growth's sales are denominated in US dollars, a much smaller proportion of its expenses are denominated in this currency, resulting in a net exposure to fluctuations in the exchange rate between the US dollar and the Canadian dollar.

Historically, Ag Growth has entered into forward foreign exchange contracts to mitigate potential adverse changes resulting from fluctuations in US dollar/Canadian dollar foreign exchange rates. From an accounting standpoint, Ag Growth has decided not to apply hedge accounting. The majority of these forward contracts have terms of up to two years. As a result, Ag Growth has only experienced negative earnings impacts to the extent that its net US dollar exposure was greater than the amounts for which forward foreign exchange contracts had been entered into. In January 2004, Ag Growth closed out its forward foreign exchange positions for 2004 and 2005 and received proceeds of approximately $5.0 million. In March 2004, Ag Growth entered into new forward foreign exchange contracts at exchange rates ranging from C$1.3252 = US$1.00 to C$1.3517 = US$1.00, to mitigate the potential impact of fluctuating foreign exchange rates through December 2006. Based on historical results, Ag Growth estimates that these forward foreign exchange arrangements will cover approximately 90% of its net exposure to fluctuations in US dollar/Canadian dollar foreign exchange rates.

Ag Growth intends to continue its policy of using forward foreign exchange contracts to mitigate its exposure to fluctuations in US dollar/Canadian dollar foreign exchange rates in the future in a similar manner.

Operating Results

Year Ended December 31, 2003 Compared to Year Ended December 31, 2002

Sales for the year ended December 31, 2003 were $57.0 million, compared to $55.2 million for the year ended December 31, 2002. The 3.2% increase in sales was largely the result of a partial recovery from the widespread drought conditions experienced in 2002, which had negatively impacted sales. Sales growth also resulted from the development of new product lines, including bin load-out equipment and a new auger line. Offsetting the sales growth from these sources was the negative impact of the strengthening Canadian dollar, as Ag Growth's hedging program covered approximately 81% of actual US dollar net exposure in 2003. Ag Growth hedges its foreign exchange exposure through the use of forward exchange contracts. See ''– Hedging Policy'' above.

Gross margin for the year ended December 31, 2003 was $28.1 million, very similar to the $28.2 million for the same period in 2002. As a percentage of sales, gross margin for 2003 was 49.3%, compared to 51.0% in 2002. As with sales, the strengthening Canadian dollar had a negative impact on gross margin.

Total expenses for the year ended December 31, 2003 were $10.9 million, a decrease of $1.3 million from the same period in 2002. Total expenses decreased in 2003 largely because costs related to an initial public offering that was not completed decreased from $2.6 million in 2002 to $0.1 million in 2003. The decrease in initial public offering costs was partially offset by additional capital taxes and increases in insurance, sales and marketing, and salary costs.

The above resulted in EBITDA of $17.2 million for the year ended December 31, 2003 (excluding one-time costs of $0.1 million, see ''EBITDA to Net Income Reconciliation''), compared to $18.6 million for the year ended December 31, 2002 (excluding one-time costs of $2.6 million, see ''EBITDA to Net Income Reconciliation''). EBITDA as a percentage of sales was 30.2% for 2003, compared to 33.7% for 2002.

Interest expense decreased from $5.0 million for the year ended December 31, 2002 to $4.5 million for the year ended December 31, 2003. The decrease resulted from the refinancing of Ag Growth's subordinated debt with bank term debt, the repayment of long-term debt, and an overall decrease in interest rates.

Depreciation and amortization decreased from $1.8 million for the year ended December 31, 2002 to $1.6 million for the year ended December 31, 2003. In connection with the subordinated debt refinancing in 2003, deferred financing costs associated with the initial debt were written off, resulting in a decrease in amortization.

The above resulted in a decrease in net income of $0.2 million, from $4.3 million for the year ended December 31, 2002 to $4.1 million in 2003.

Year Ended December 31, 2002 Compared to Year Ended December 31, 2001

Sales for the year ended December 31, 2002 were $55.2 million, compared to $60.4 million for the year ended December 31, 2001. The decrease in sales resulted from an extensive drought in 2002, which was almost unprecedented in terms of its breadth and scope. Despite the severity of the drought, the impact on Ag Growth's revenues was partially mitigated by the geographic diversity of Ag Growth's customer base and the nature of its products, and thus sales declined by only 8.6%.

Gross margin for the year ended December 31, 2002 was $28.2 million, compared to $30.3 million for the same period in 2001. As a percentage of sales, gross margin in 2002 was 51.0% compared to 50.1% in 2001. Gross margin in 2002 benefited from manufacturing efficiency gains, favourable input costs, and a high effective foreign exchange rate on sales, due to favourable hedge positions under Ag Growth's hedging program.

Total expenses for the year ended December 31, 2002 were $12.2 million, an increase of $1.4 million from the same period in 2001. Expenses in 2002 increased primarily due to the inclusion of $2.6 million related to a proposed initial public offering that was not completed, offset by decreases in other expenses including lower commission and salary costs.

The above resulted in EBITDA of $18.6 million for the year ended December 31, 2002, compared to $19.5 million for the year ended December 31, 2001. EBITDA as a percentage of sales was 33.7% for 2002 compared to 32.2% in 2001.

Interest expense decreased from $6.5 million for the year ended December 31, 2001 to $5.0 million for the year ended December 31, 2002. The decrease is the result of repayment of $7.0 million of long-term debt, the negotiation of more favourable interest rates under Ag Growth's term facility, and lower overall interest rates.

Depreciation and amortization decreased from $3.8 million for the year ended December 31, 2001 to $1.8 million for the year ended December 31, 2002 as a result of the adoption of new accounting rules on January 1, 2002 that eliminated the need to amortize goodwill.

The above resulted in an increase in net income of $0.5 million, from $3.8 million for the year ended December 31, 2001 to $4.3 million in 2002.

Liquidity and Capital Resources

Ag Growth has historically been able to generate positive cash flow from operations. Working capital requirements are significant and fluctuate on a seasonal basis. At Closing, Ag Growth will have credit facilities in place that, based on historical performance, are sufficient to satisfy Ag Growth's working capital requirements. See ''Principal Agreements – Credit Facility''.

Year Ended December 31, 2003 Compared to Year Ended December 31, 2002

For the year ended December 31, 2003, cash generated from operations before changes in non-cash working capital totaled $7.2 million, compared to $5.4 million for the year ended December 31, 2002. For the year ended December 31, 2003, non-cash working capital increased $0.4 million, compared to a $0.3 million decrease in 2002. Non-cash working capital in 2003 was affected by the payment of $2.1 million of accrued costs relating to a proposed initial public offering that was not completed. Excluding these costs, changes in non-cash working capital in 2003 generated cash flow of $1.7 million.

During the year ended December 31, 2003, Ag Growth expended $0.8 million in investing activities, compared to $1.0 million in the year ended December 31, 2002. Capital expenditures in both years consisted primarily of acquisitions of forklifts, sales and delivery vehicles, office and computer equipment, and manufacturing equipment. Capital expenditures in 2002 also included a $0.4 million acquisition of an assembly facility that Ag Growth had previously leased.

During the year ended December 31, 2003, Ag Growth repaid $5.0 million of bank debt, compared to $7.0 million in 2002. In addition, in September 2003, Ag Growth refinanced $20 million of outstanding subordinated debt with bank term debt with more favourable terms.

Year Ended December 31, 2002 Compared to Year Ended December 31, 2001

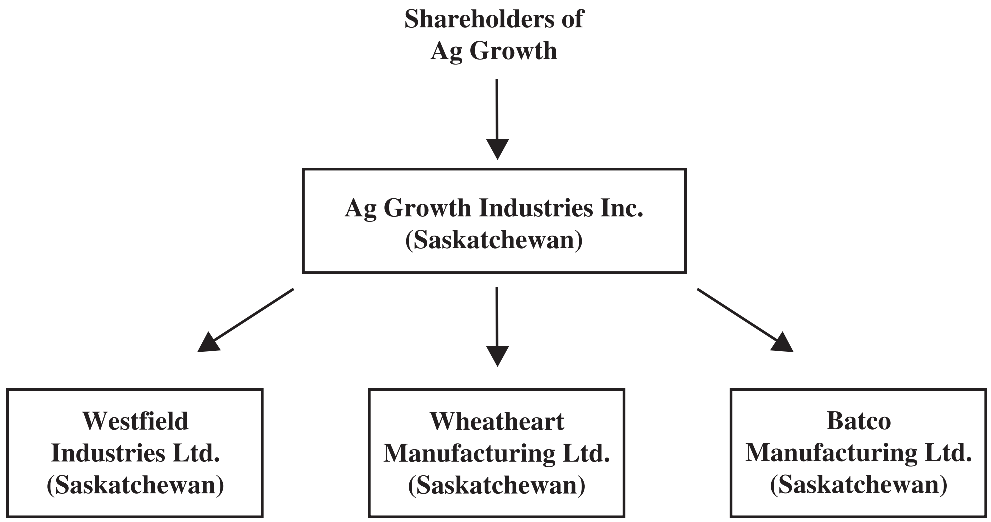
Cash generated from operations before changes in non-cash working capital for the year ended December 31, 2002 totaled $5.4 million, compared to $7.8 million in 2001. For the year ended December 31, 2002, the net change in non-cash working capital was $0.3 million, compared to an investment of $3.6 million in 2001. Non-cash working capital for the year ended December 31, 2002 was affected by increases in inventory and accounts receivable related to the impact on sales of drought conditions in many areas of North America, as well as by an accrual of $2.1 million of costs related to the proposed initial public offering that was not completed. For the year ended December 31, 2001, the repayment of a large income tax accrual and a significant investment in inventory reduced the net change in non-cash working capital items.

During the year ended December 31, 2002, Ag Growth expended $1.0 million in investing activities, compared to $1.2 million in the year ended December 31, 2001. Capital expenditures in both years consisted primarily of acquisitions of forklifts, sales and delivery vehicles, office and computer equipment, and manufacturing equipment. Capital expenditures in 2002 also included a $0.4 million acquisition of an assembly facility that Ag Growth had previously leased. Expenditures in 2001 included a $0.2 million upgrade of the paint system at the Westfield division, a $0.2 million addition to a manufacturing facility, and a $0.1 million investment in a management information system.

During the year ended December 31, 2002, Ag Growth repaid $7.0 million of bank debt, compared to $2.5 million in 2001.

FUNDING, ACQUISITION AND RELATED TRANSACTIONS

At present, Ag Growth owns 100% of the issued and outstanding securities of Batco, Wheatheart and Westfield. The current organizational structure of Ag Growth can be depicted as follows[(1)]:



Note:

(1) Only principal subsidiaries of Ag Growth are shown.

The following is a summary of the principal transactions that will take place in connection with the completion of the Offering and the indirect acquisition by the Fund of all of the securities and assets of Ag Growth (assuming no exercise of the Over-Allotment Option):

1. The Fund will establish AGOT and capitalize it with $6,904,000 in AGOT Units (representing 10% of AGOT's total capitalization) and Series 1 AGOT Notes bearing interest at the rate of 11.25% per annum in the principal amount of $62,136,000 (representing 90% of AGOT's total capitalization). See ''Description of AGOT''.

2. AGOT will subscribe for common shares in the capital of AGHI (representing 100% of AGHI's issued and outstanding shares).

3. AGOT and AGHI will establish AGHLP. AGOT will subscribe for 6,903,831 Ordinary LP Units for an aggregate subscription price of $69,038,310. AGHI, the general partner of AGHLP, will invest $690 in AGHLP in exchange for a 0.001% general partnership interest in AGHLP. See ''Description of AGHLP''.

4. AGHLP will pay the expenses of the Offering and related transactions and will borrow the sum of $20,000,000 under the Credit Facility.

5. The Ag Growth Shareholders will (directly or indirectly) sell all of their securities in the capital of Ag Growth to AGHLP for approximately $32,347,600 in cash, Exchangeable LP Units with an aggregate value of $8,000,000 and Subordinated LP Units with an aggregate value of $19,260,000. See ''Retained Interest of Ag Growth Shareholders and Exchange Rights''.

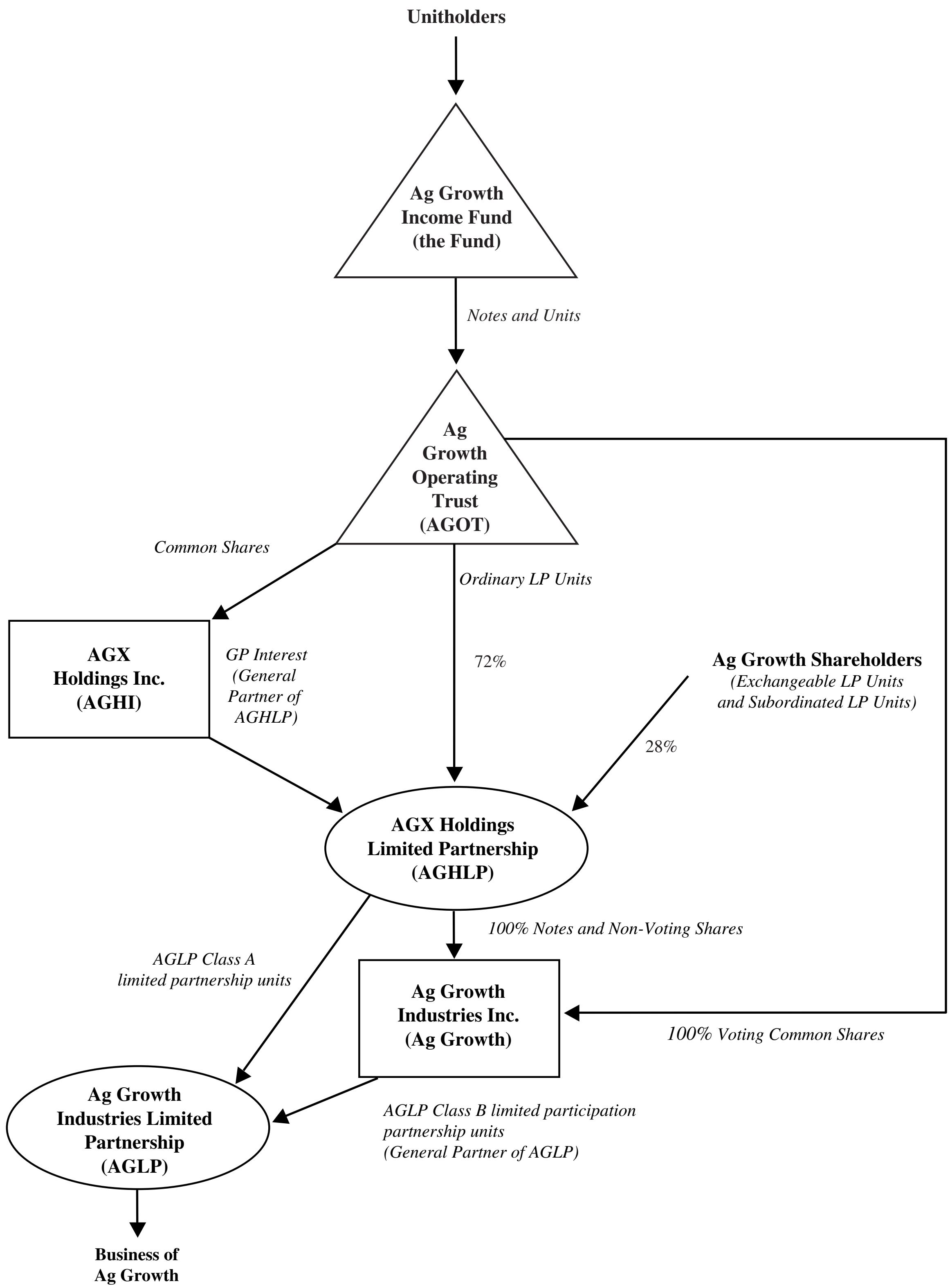
6. AGHLP will transfer all of the issued and outstanding securities in the capital of Ag Growth that it owns to AGII in exchange for a promissory note in the amount of approximately $43,347,600 and non-voting shares in the capital of AGII equal to the value of the Exchangeable LP Units and Subordinated LP Units less approximately $11,000,000.

7. AGHLP will loan Ag Growth the principal sum of approximately $16,300,000. Ag Growth will use such amount to redeem all of the issued and outstanding Class D preferred voting shares in the capital of Ag Growth, and to pay accrued dividends on such Class D preferred voting shares. Upon completion of this redemption, AGII will own, directly or indirectly, all of the issued and outstanding securities of Ag Growth.

8. AGII, Ag Growth, Batco, Wheatheart, Westfield and Tricor Pacific Agrico Holdings, Inc. (a holding company whose sole asset is shares of Ag Growth that will be acquired by AGHLP pursuant to step 5 above) will amalgamate under the laws of the Province of Saskatchewan to form Ag Growth.

9. Ag Growth and AGHLP will establish AGLP. Ag Growth will be the general partner of AGLP. Ag Growth will transfer (directly or indirectly) its business operations (net of debt in the amount of $12,750,000 which will be retained by Ag Growth) to AGLP. As consideration for this asset transfer, AGLP will assume $20,000,000 of long-term debt of Ag Growth and will issue to Ag Growth Class B limited participation limited partnership units of AGLP having a value of approximately $88,657,600. Contemporaneously with this transfer, AGHLP will subscribe for Class A limited partnership units of AGLP for an aggregate subscription price of $20,000,000 and will also loan Ag Growth the principal sum of $12,749,000. AGLP will use the $20,000,000 furnished to it by AGHLP to repay the long-term debt of Ag Growth assumed by AGLP and Ag Growth will use the proceeds of the loan from AGHLP to repay its remaining long-term debt. See ''Description of AGLP''.

Upon completion of the transactions described above, the Fund will indirectly hold approximately 72% of AGHLP, which in turn will indirectly own all of the securities and assets of Ag Growth. The structure of the Fund on completion of the Offering and related transactions will be as follows:



TRUSTEES, DIRECTORS AND MANAGEMENT

Trustees of the Fund

Upon the Closing, the Trustees of the Fund will be Harold F. Bjarnason, John R. Brodie, J. Trevor Johnstone, Roderick R. Senft, Greg Smith, Rob Stenson and W. Terrence Wright, Q.C. The term of office for each of the Trustees will expire at the time of the first annual meeting of Unitholders of the Fund. The names, municipalities of residence and principal occupation of each of the Trustees are set out below.

Name and Municipality of Residence	Position with the Fund	Principal Occupation
Harold F. Bjarnason . . . . Gimli, Manitoba	Trustee	Dean of Faculty of Agricultural and Food Sciences, University of Manitoba
John R. Brodie . . . . West Vancouver, British Columbia	Trustee	President, John R. Brodie Capital Inc. (a private management company)
J. Trevor Johnstone . . . . West Vancouver, British Columbia	Trustee	Managing Director, Tricor Pacific Capital, Inc.
Roderick R. Senft(1) . . . . West Vancouver, British Columbia	Trustee	Managing Director, Tricor Pacific Capital, Inc.
Greg Smith . . . . Calgary, Alberta	Trustee	Chief Executive Officer, Evans Consoles Inc. (a designer and manufacturer of console furnishings)
Rob Stenson . . . . Winnipeg, Manitoba	Trustee	President and Chief Executive Officer, Ag Growth
W. Terrence Wright, Q.C.(1) . . . . . Winnipeg, Manitoba	Trustee	Senior Vice President, General Counsel and Secretary, Investors Group Inc. (a financial services company)

Note:

(1) Mr. Senft and Mr. Wright were directors of a public corporation prior to such corporation making an assignment in bankruptcy in 2003.

All of the Trustees have had the same principal occupations with the organizations listed opposite their respective names for the last five years, other than Mr. Brodie who prior to August 2003 was a partner with KPMG LLP; and Mr. Smith who prior to 2003 was President and a director of Pauwels Canada, Inc.

Collectively, immediately following Closing, the Trustees are expected to beneficially own, directly or indirectly, or exercise control or direction over an aggregate of 1,680,484 Trust Units (on a fully-diluted basis, assuming the exchange of their Exchangeable LP Units and Subordinated LP Units), representing approximately 17% of the outstanding Trust Units, on a fully-diluted basis. These figures include 1,362,866 Trust Units (on a fully-diluted basis, assuming the exchange of their Exchangeable LP Units and Subordinated LP Units) that will be held by Tricor (Ag Growth EXU) Holdings Ltd. Each of the Trustees has agreed to purchase a minimum of 5,000 Trust Units (or to retain an equivalent interest in AGHLP or the Fund) within a period of three years of the Closing.

Initial compensation for the Trustees, other than Trustees who are also officers of Ag Growth, will be $12,000 per Trustee per year and up to $1,000 per Trustee for attending meetings of the Trustees or committees of the Trustees. The Chair of the Board of Trustees will receive an additional annual retainer of $5,000. The Fund will also reimburse the Trustees for out-of-pocket expenses for attending meetings of the Trustees and the Trustees will participate in the insurance and indemnification arrangements described below. See ''Description of the Fund – Trustees''.

Audit Committee

The Trustees will appoint an audit committee consisting of not less than three Trustees, all of whom will be independent and financially literate within the meaning of applicable securities laws. The audit committee will be responsible for the oversight and supervision of:

- the accounting and financial reporting practices and procedures of the Fund and the Ag Growth Entities;

- the adequacy of the internal accounting controls and procedures of the Fund and the Ag Growth Entities; and
- the quality and integrity of the financial statements of the Fund and the Ag Growth Entities.

In addition, the audit committee will be responsible for the appointment, compensation, retention and oversight of the external auditor, as well as the pre-approval of all non-audit services to be provided by the external auditor, and for directing the auditor's examination into specific areas of the business of the Fund. The audit committee will have a written charter and will establish procedures to deal with complaints regarding accounting, internal accounting controls or auditing matters and to deal with confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters.

Governance/Disclosure Policy

In lieu of a governance committee, the Trustees will be directly responsible for developing the Fund's approach to governance issues, filling vacancies among the Trustees and periodically reviewing the composition and effectiveness of the Trustees and the contribution of individual Trustees. In fulfilling their governance responsibilities, the Trustees will consult with the committee of the trustees and boards of directors of the Ag Growth Entities, as required.

The Trustees will also be responsible for adopting and periodically reviewing and updating the Fund's written disclosure policy. This policy will, among other things:

- articulate the legal obligations of the Fund, its affiliates and their respective trustees, directors, officers and employees with respect to confidential information;
- identify spokespersons of the Fund, who will be the only persons authorized to communicate with third parties such as analysts, media and investors;
- provide guidelines on the disclosure of forward-looking information;
- require advance review by the Trustees of any disclosure of financial information and ensure that selective disclosure of material information is not permitted, and that if it occurs, a news release is issued immediately; and
- establish ''black-out'' periods beginning immediately prior to the end of each quarter and ending following the disclosure of quarterly and annual financial results, and provides for the establishment of additional ''black out'' periods in connection with certain material changes, during which the Fund, its affiliates and their respective trustees, directors, officers and employees may not purchase or sell Units or other securities of the Fund or securities convertible into or exchangeable for securities of the Fund.

The Fund will compare financial information for the business carried on pre-Closing by Ag Growth and the business to be carried on post-Closing by the Fund (through AGLP) in future management's discussion and analysis filings as part of the Fund's continuous disclosure record.

Insiders of the Fund will be required to file insider reports in compliance with applicable securities laws. Holders of Class B Exchangeable Units who are insiders of the Fund will be required to file insider reports in respect of their ownership of both Class B Exchangeable Units and Trust Units.

Trustees and Directors of Related Entities

The AGOT Trustees will be Harold F. Bjarnason, John. R. Brodie, J. Trevor Johnstone, Roderick R. Senft, Greg Smith, Rob Stenson and W. Terrence Wright, Q.C., and each of those persons will also act as directors of AGHI and Ag Growth. Mr. Senft will be the non-executive Chairman of AGHI and Ag Growth. However, these individuals will not receive any additional compensation for acting as AGOT Trustees or directors of AGHI and Ag Growth (other than fees for attending meetings that do not run concurrently with meetings of Trustees).

Management

The following table sets out, for each of the executive officers of Ag Growth, the person's name, municipality of residence, position with Ag Growth (which is each individual's principal occupation) and the number of Trust Units of the Fund (on a fully-diluted basis, assuming the exchange of their Exchangeable LP Units and Subordinated LP Units) that will, immediately following Closing, be beneficially owned, directly or indirectly, or over which control and direction will be exercised by such person.

Name and Municipality of Residence	Position with Ag Growth	Number of Trust Units of the Fund Owned or Controlled
Rob Stenson Winnipeg, Manitoba	President and Chief Executive Officer	168,218
Gary Anderson Winnipeg, Manitoba	Vice President and Chief Operating Officer	37,315
Steve Sommerfeld, C.A. Swift Current, Saskatchewan	Chief Financial Officer and Corporate Secretary	8,000
George Adair Swift Current, Saskatchewan	Vice President, Sales and Marketing	Nil
Art Stenson Swift Current, Saskatchewan	General Manager, Batco	167,109

The following is a brief biography of each of the executive officers of Ag Growth:

Rob Stenson – President and Chief Executive Officer

Mr. Stenson became a principal of Batco in 1995 and was instrumental in the formation of Ag Growth in 1996. He has been President and Chief Executive Officer of Ag Growth since its inception. Mr. Stenson received a Master of Business Administration from the University of Western Ontario in 1995 and his Bachelor of Arts from the University of Saskatchewan in 1993.

Gary Anderson – Vice President and Chief Operating Officer

Mr. Anderson became general manager of Batco in 1996. He was a founding shareholder of Ag Growth and has served in his present capacity since its inception. Prior to joining Ag Growth, Mr. Anderson was General Manager and Production Manager of a two-division short-line agricultural equipment manufacturer. Mr. Anderson is a member of the Board of Directors of PIMA Agricultural Manufacturers of Canada. He has a Bachelor of Commerce degree from the University of Saskatchewan.

Steve Sommerfeld – Chief Financial Officer and Corporate Secretary

As Chief Financial Officer of Ag Growth since 1997, Mr. Sommerfeld has fulfilled his primary responsibilities of financial management and financial reporting in both a public and private company environment. Prior to joining Ag Growth, Mr. Sommerfeld worked for both Deloitte & Touche and KPMG, and with J&H Marsh McLennan in the offshore insurance industry. Mr. Sommerfeld has a Bachelor of Commerce degree from the University of Saskatchewan and obtained his C.A. designation in 1992.

George Adair – Vice President, Sales and Marketing

Mr. Adair has 25 years of experience in the agricultural sector, including wholesale, retail and manufacturing operations. Mr. Adair joined Ag Growth in July 1998 as Director of New Market Development. In May 1999, Mr. Adair became Vice President, Sales and Marketing, heading a newly structured sales and marketing team that integrated all of Ag Growth's product lines under his direction.

Art Stenson – General Manager, Batco

Mr. Stenson has worked in the manufacturing and agricultural sectors for more than 25 years and is the founder of Batco. Mr. Stenson's expertise and creative talents led to the design of Batco's innovative line of conveyors. In addition to his role as General Manager of Batco, Mr. Stenson provides leadership and direction in the development of new products throughout Ag Growth.

Committees of the Board of Directors of Ag Growth

The board of directors of Ag Growth will have a compensation and corporate governance committee and a safety committee.

Compensation and Corporate Governance Committee

The compensation and corporate governance committee will review and make recommendations to the board concerning the appointment of officers of Ag Growth and the hiring, compensation, benefits and termination of senior executive officers and all other key employees of Ag Growth. The committee will annually review the Chief Executive Officer's goals and objectives for the upcoming year and provide an appraisal of the Chief Executive Officer's performance. The committee will administer and make recommendations regarding the operation of Ag Growth's long-term incentive plan (''LTIP'') referred to below. The committee will also be responsible for developing Ag Growth's approach to corporate governance issues, advising the board in filling vacancies on the board and periodically reviewing the composition and effectiveness of the board and the contribution of individual directors. All members of this committee will be directors who are independent within the meaning of applicable securities laws.

Safety Committee

The purpose of the safety committee will be to establish principles of health and safety stewardship for Ag Growth. The safety committee will review health and safety policies and procedures established by management, monitor compliance with such policies and procedures, and recommend to the Board practices conducive to the implementation of such policies and procedures. The safety committee will review on a regular basis Ag Growth's methods of communicating safety policies and procedures and will also review directors' duties and responsibilities related to health and safety matters.

Insurance Coverage and Indemnification

The Trustees, the AGOT Trustees, the directors and officers of AGHI and Ag Growth and the trustees, directors or officers of any affiliate entities will be covered under a directors and officers insurance policy that will provide an aggregate limit of liability to the insured trustees, directors and officers of $15 million.

The declaration of trust of each of the Fund and AGOT and the by-laws of AGHI and Ag Growth will also provide for the indemnification of their respective trustees, directors and officers from and against liability and costs in respect of any action or suit against them in connection with the execution of their duties of office, subject to certain usual limitations.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides a summary of the compensation of the Chief Executive Officer of Ag Growth and each of the four other most highly-compensated individuals who will serve as executive officers of Ag Growth (collectively, the ''Named Executive Officers'').

Name and Principal Position	Year	Annual Compensation			All Other Compensation ($)
		Salary ($)	Bonus ($)	Other Annual Compensation ($)	
ROB STENSON President and Chief Executive Officer	2003	172,715	51,220	—	—
GARY ANDERSON Vice-President and Chief Operating Officer	2003	151,125	45,130	—	7,250(1)
GEORGE ADAIR Vice-President, Sales and Marketing	2003	125,763	28,035	—	6,288(1)
STEVE SOMMERFELD Chief Financial Officer	2003	115,283	27,574	—	5,764(1)
ART STENSON General Manager, Batco	2003	106,341	23,751	—	—

Note:

(1) RRSP contributions made on behalf of the Named Executive Officer.

Management Arrangements

At or prior to Closing, Ag Growth will enter into amended and restated employment arrangements with each of Rob Stenson, Gary Anderson and Steve Sommerfeld, the material terms of which are summarized below.

Rob Stenson. The employment agreement with Mr. Stenson will be for an indefinite term, subject to the termination provisions within the agreement. The agreement will provide for a base salary of $200,000 and eligibility to receive an annual performance-based bonus and to participate in Ag Growth's LTIP. The agreement will contain non-solicitation and non-competition covenants in favour of Ag Growth which will apply during the term of Mr. Stenson's employment and for a period of two years following the termination of his employment, and confidentiality covenants in favour of Ag Growth which will apply indefinitely. In addition, if Mr. Stenson is terminated for any reason other than for cause, Mr. Stenson will receive: (i) at his election, either continuation of his base salary for 18 months or payment of an amount equivalent to his base salary in two equal installments; (ii) payment of an amount equal to his annual bonus entitlement in the fiscal year in which his employment is terminated; and (iii) continuation of his benefits for 12 months. The agreement will also provide that Mr. Stenson will be required to retain at least 40,000 Trust Units or securities of AGHLP exchangeable into Trust Units during the term of his employment.

Gary Anderson. The employment agreement with Mr. Anderson will be for an indefinite term, subject to the termination provisions within the agreement. The agreement will provide for a base salary of $170,000 and eligibility to receive an annual performance-based bonus and to participate in the LTIP. The agreement will contain non-solicitation and non-competition covenants in favour of Ag Growth which will apply during the term of Mr. Anderson's employment and for a period of two years following the termination of his employment, and confidentiality covenants in favour of Ag Growth which will apply indefinitely. In addition, if Mr. Anderson is terminated for any reason other than for cause, Mr. Anderson will receive: (i) at his election, either continuation of his base salary for 18 months or payment of an amount equivalent to his base salary in two equal installments; (ii) payment of an amount equal to his annual bonus entitlement in the fiscal year in which his employment is terminated; and (iii) continuation of his benefits for 12 months. The agreement will also provide that Mr. Anderson will be required to purchase and hold at least 25,000 Trust Units during the term of his employment.

Steve Sommerfeld. The employment agreement with Mr. Sommerfeld will be for an indefinite term, subject to the termination provisions within the agreement. The agreement will provide for a base salary of $125,000 and eligibility to receive an annual performance-based bonus and to participate in the LTIP. The agreement will contain non-solicitation and non-competition covenants in favour of Ag Growth which will apply during the term of Mr. Sommerfeld's employment and for a period of two years following the termination of his employment, and confidentiality covenants in favour of Ag Growth which apply indefinitely. In addition, if Mr. Sommerfeld is terminated for any reason other than for cause, Mr. Sommerfeld will receive: (i) at his election, either continuation of his base salary for 18 months or payment of an amount equivalent to his base salary in two equal installments; (ii) payment of an amount equal to his annual bonus entitlement in the fiscal year in which his employment is terminated; and (iii) continuation of his benefits for 12 months. The agreement will also provide that Mr. Sommerfeld will be required to purchase and hold at least 8,000 Trust Units during the term of his employment.

Director and Employee Unit Ownership

Some of the directors, senior management and employees of Ag Growth may choose to purchase Trust Units in the Offering, on the same terms as other investors.

Long Term Incentive Plan

Key senior management of Ag Growth and its affiliates will be eligible to participate in the LTIP. The purpose of the LTIP will be to provide eligible participants with compensation opportunities that will encourage ownership of Trust Units, enhance Ag Growth's ability to attract, retain and motivate key personnel and reward key senior management for superior performance and associated cash flow growth of the Fund (on a per Trust Unit basis). Pursuant to the LTIP, the compensation and corporate governance committee of Ag Growth will set aside a pool of funds based upon the amount by which the Fund's distributions per Trust Unit exceed cash distribution threshold amounts. A trustee who will be appointed to administer the LTIP will then purchase Trust Units in the market with such pool of funds and will hold such Trust Units until such time as ownership vests to each participant. The compensation and corporate governance committee will have the power to, among other things, determine: (1) those individuals who will participate in the LTIP; (2) the level of participation of each participant; and (3) the time or times when ownership of the Trust Units will vest for each participant.

Initially, the LTIP will provide for awards that may be based on the amount by which the Fund's per Trust Unit distributions exceed $1.30 per Trust Unit per annum, which will be pro rated for 2004. The amount of that excess which forms the LTIP incentive pool will be determined in accordance with the table below:

Amount by which Cash Distributions per Trust Unit exceed the Base Distribution Threshold	Maximum Proportion of Excess Available for Incentive Payments
Less than $0.05	10%
$0.05 or more but less than $0.10	15%
$0.10 or more	20%

The LTIP may not be amended or terminated for a period of three years following Closing, except for amendments made with the consent of the affected participants, or technical or administrative amendments or in certain other circumstances.

RETAINED INTEREST OF AG GROWTH SHAREHOLDERS AND EXCHANGE RIGHTS

Retained Interest

In connection with the completion of the Offering and the indirect acquisition by the Fund of all of the issued and outstanding securities and assets of Ag Growth, the Ag Growth Shareholders will sell (directly or indirectly) all of their securities in the capital of Ag Growth to AGHLP in exchange for cash in the amount of approximately $32,347,600, and Exchangeable LP Units and Subordinated LP Units with an aggregate value of $27,260,000, and representing, in the aggregate, approximately 28% of the total outstanding limited partnership units of AGHLP (23% if the Over-Allotment Option is exercised in full). Assuming the exchange of all Exchangeable LP Units and Subordinated

LP Units for Trust Units, the Ag Growth Shareholders would, on Closing and as a group, directly and indirectly own or exercise control or direction over approximately 28% of all issued and outstanding Trust Units (23% if the Over-Allotment Option is exercised in full).

Subordination

Distributions to the holders of the Subordinated LP Units will be subordinate to the distributions to holders of Ordinary LP Units (which will be held indirectly by the Fund) and Exchangeable LP Units (which will be held by certain of the Ag Growth Shareholders) until the Subordination End Date (as defined below). Prior to such time, distributions will be made in the following priority: (i) holders of Ordinary LP Units will be entitled to receive monthly cash distributions in an amount sufficient to provide the Fund with available cash to make cash distributions on the Trust Units of a minimum of $0.1083 per Trust Unit for such month and holders of Exchangeable LP Units will be entitled to receive a distribution per unit equal to the distribution per unit on the Trust Units or, if there is insufficient distributable cash to make distributions in such amount, such lesser amount as is available, on a proportionate basis; (ii) at the end of each fiscal quarter of AGHLP, distributable cash shall be distributed in the following order of priority: (a) first, in payment of the monthly cash distribution to the holders of Ordinary LP Units and Exchangeable LP Units as described above, for the month then ended; (b) second, to the holders of Ordinary LP Units and Exchangeable LP Units, to the extent that monthly per unit distributions on the Trust Units and the Exchangeable LP Units in respect of the 12-month period then ended were not made or were made in amounts less than the minimum amounts described above, the amount of any deficiency; (c) third, to holders of Subordinated LP Units in a per unit amount of a minimum of $0.3249 per unit or, if there is insufficient available cash to make distributions in such amount, such lesser amount as is available; (d) fourth, proportionately to the holders of Subordinated LP Units, to the extent that per unit distributions on the Subordinated LP Units in respect of any fiscal quarter(s) during the 12-month period then ended were not made or were made in amounts less than a minimum of $0.3249 per Subordinated LP Unit, the amount of such deficiency; and (e) fifth, to the extent of any excess, to the holders of Ordinary LP Units, Exchangeable LP Units and Subordinated LP Units such that aggregate per unit distributions on the Trust Units, Exchangeable LP Units and Subordinated LP Units are the same.

The ''Subordination End Date'' is the first date on which both of the following conditions are satisfied:

(i) the Fund has earned EBITDA for the immediately preceding fiscal year (based on audited consolidated financial statements of the Fund) of at least $14.3 million; and

(ii) average monthly cash distributions of at least $0.1083 per Trust Unit have been paid by the Fund on the Trust Units and average monthly cash distributions of at least $0.1083 per Exchangeable LP Unit have been paid by AGHLP on the Exchangeable LP Units and average quarterly cash distributions of at least $0.3249 per Subordinated LP Unit have been paid by AGHLP on the Subordinated LP Units, in each case for the 24 month period ending on the last day of the month immediately preceding such date.

Escrow, Transferability and Pledge of LP Units

The Exchangeable LP Units and Subordinated LP Units are transferable, subject to satisfaction of certain conditions set forth in the AGHLP limited partnership agreement, including that any transferee must not be a non-resident of Canada. However, pursuant to the Exchange and Escrow Agreement, AGHI will hold all of the unit certificates in respect of the Exchangeable LP Units in escrow for 180 days after the Closing Date. In the event that the Over-Allotment Option is exercised, the Fund will indirectly subscribe for additional Ordinary LP Units and AGHLP will use the proceeds of such issuance to redeem a number of the Exchangeable LP Units issued to the Ag Growth Shareholders. AGHI will release unit certificates in respect of the Exchangeable LP Units from escrow for such purposes, and in any event will release all such unit certificates remaining in its possession 180 days after the Closing Date. Pursuant to the Acquisition Agreement, the Ag Growth Shareholders who acquire Subordinated LP Units will pledge their Subordinated LP Units to AGHLP in support of their indemnity obligations under the Acquisition Agreement for a period of two years following the Closing Date as described under ''Principal Agreements – Acquisition Agreement''.

Exchange Rights

The Exchange and Escrow Agreement will grant the holders of Exchangeable LP Units the right to require AGHLP and the Fund to exchange each Exchangeable LP Unit for Trust Units on a one-for-one basis at any time, subject to customary anti-dilution protections and provided that the exchange will not jeopardize the Fund's status as a ''mutual fund trust'' or a ''registered investment'' under the Tax Act. The Exchange and Escrow Agreement will also grant AGHLP the right to acquire Exchangeable LP Units in exchange for Trust Units on a one-for-one basis (subject to customary anti-dilution protections) in certain specified circumstances.

The exchange procedure may be initiated by the holder of an Exchangeable LP Unit by delivering to AGHI an exchange notice together with a unit certificate in respect of the Exchangeable LP Units to be exchanged, duly endorsed in blank for transfer. AGHI will give notice of the proposed exchange to AGOT and the Fund, and AGOT will acquire from the Fund the number of Trust Units required to complete the exchange in consideration for the issuance of AGOT Units and Series 1 AGOT Notes. AGOT will transfer to AGHLP the requisite number of Trust Units in return for additional Ordinary LP Units. AGHLP will then effect the exchange procedure by causing the Exchangeable LP Units so tendered for exchange to be cancelled, and causing a certificate for that number of Trust Units required to be issued on the exchange of such Exchangeable LP Units to be issued. Such certificate may be registered in the name of CDS or its nominee, if required by the book-based system administered by CDS. See ''Description of the Fund — Book-Entry Only System''. The exchange rights under the Exchange and Escrow Agreement may be assigned by the holders of Exchangeable LP Units, in whole or in part, in connection with a transfer of Exchangeable LP Units.

The Subordinated LP Units will be transferred to AGHLP in exchange for Exchangeable LP Units on a one-for-one basis (subject to customary anti-dilution protections) on, and the subordination provisions only apply until, the Subordination End Date. The Subordinated LP Units may also be transferred to AGHLP in exchange for Exchangeable LP Units in certain other specified circumstances (see ''Description of the Fund — Take-over Bids'').

If the Subordination End Date does not occur by December 31, 2009, then the holders of the Subordinated LP Units will have the option, at any time after such date and before the Subordination End Date, to transfer to AGHLP all or any part of their Subordinated LP Units in exchange for Exchangeable LP Units based on the following formula:

$$\frac{A}{B} \times C$$

where:

A = the average quarterly cash distributions paid on the Subordinated LP Units for the 24 month period ending on the last day of the fiscal quarter immediately preceding such time;

B = the amount of $0.3249 per unit, being the target average quarterly distributions payable on the Subordinated LP Units; and

C = the number of Subordinated LP Units being transferred in exchange for Exchangeable LP Units by the holders of Subordinated LP Units at that time,

provided that the Subordinated LP Units may not, in any event, be exchangeable for Exchangeable LP Units on more than a one-for-one basis.

The purpose of the foregoing adjustment to the exchange ratio is to proportionately reduce the entitlement of the holders of Subordinated LP Units to Exchangeable LP Units in the event they transfer Subordinated LP Units in exchange for Exchangeable LP Units after December 31, 2009 but before the Subordination End Date to the extent that average cash distributions of less than the target average quarterly distributions of $0.3249 per unit have been paid on the Subordinated LP Units.

Voting Rights

Holders of Exchangeable LP Units and Subordinated LP Units will, in connection with the Offering, be issued Special Voting Units of the Fund that will be attached to, and will only be evidenced by, the certificates representing the Exchangeable LP Units and Subordinated LP Units. The Special Voting Units will entitle the holders thereof to vote in all votes of Unitholders (including resolutions in writing) as if they were the holders of the number of Trust

Units that they would receive if all their Exchangeable LP Units and Subordinated LP Units were exchanged for Trust Units. The Ag Growth Shareholders will pledge the Special Voting Units that are granted in respect of their Subordinated LP Units in favour of AGHLP at Closing, together with their Subordinated LP Units, as described under ''Principal Agreements – Acquisition Agreement''. See ''Description of the Fund – Units''.

Dilution Rights and Economic Equivalence

The Exchange and Escrow Agreement will provide that in the event that there is a change in the number of Trust Units outstanding as a result of a subdivision, consolidation, reclassification, capital reorganization or similar change in the Trust Units (other than a consolidation of Trust Units immediately following a distribution of Trust Units in lieu of a cash distribution), the exchange ratio will be proportionately adjusted. The Exchange and Escrow Agreement also provides that the Fund will not issue or distribute Trust Units to the holders of all or substantially all of the then outstanding Trust Units (other than a distribution of Trust Units in lieu of cash distribution), issue or distribute rights, options or warrants to the holders of all or substantially all of the then outstanding Trust Units or issue or distribute property of the Fund to the holders of all or substantially all of the then outstanding Trust Units unless, in each case, the economic equivalent thereof (as determined by the Trustees) is issued or distributed simultaneously to the holders of Exchangeable LP Units and Subordinated LP Units.

Reclassification of Trust Units

If, at any time while any Subordinated LP Unit or any Exchangeable LP Unit is outstanding, there is any consolidation, amalgamation, arrangement, merger or other form of business combination of the Fund with or into any other entity resulting in a reclassification of the outstanding Trust Units, then the Exchange Rights will be adjusted in a manner approved by the Trustees, acting reasonably, so that holders of Exchangeable LP Units will be entitled to receive, in lieu of the number of Trust Units to which they would otherwise have been entitled, the kind and number or amount of securities that they would have been entitled to receive as a result of such event if, on the effective date thereof, they had been the registered holder of the number of Trust Units which they would have held had they exercised the Exchange Rights immediately before the effective date of any such transaction.

If any such reclassification of the outstanding Trust Units, change of the Trust Units into other units or securities or other capital reorganization of the Fund is the result of any consolidation, amalgamation, arrangement, merger or other form of business combination of the Fund with or into any other entity (other than any such reclassification, reorganization or transaction initiated or requested by a holder of the Subordinated LP Units, any person not acting at arm's-length to a holder of Subordinated LP Units or any associate or affiliate thereof), and such transaction is approved by a resolution passed by more than 66⅔% of the votes cast at a meeting of Unitholders, then notwithstanding the terms and conditions of the Subordinated LP Units, the Exchange and Escrow Agreement and any other provision of the Declaration of Trust or the AGHLP limited partnership agreement, the outstanding Subordinated LP Units will be transferred to AGHLP in exchange for Exchangeable LP Units at the then current exchange ratio in effect, and the holders of such Exchangeable LP Units will, immediately subsequent to such exchange, be entitled to receive, in lieu of the number of Trust Units which they would otherwise have been entitled to receive upon the exercise of their Exchange Rights, the kind and number or amount of securities that they would have been entitled to receive as a result of such event if, on the effective date thereof, they had been the registered holder of the number of Trust Units which they would have received had they exercised the Exchange Rights immediately before the effective date of any such transaction.

The issuance by the Fund of the Exchange Rights in respect of the Exchangeable LP Units and the Subordinated LP Units to the Ag Growth Shareholders is qualified by this prospectus.

PRINCIPAL AGREEMENTS

Governance Agreements

Each of the Fund and AGOT has been created pursuant to a declaration of trust, which are described under ''Description of the Fund'' and ''Description of AGOT'', respectively. Each of AGHLP and AGLP has been or established under a limited partnership agreement, which are described under ''Description of AGHLP'' and ''Description of AGLP'', respectively.

Administration Agreement

On Closing, the Fund, AGOT, AGHLP, Ag Growth and AGLP will enter into the Administration Agreement. Under the terms of the Administration Agreement, AGLP will provide (for no additional consideration, other than reimbursement by the Fund, AGOT, AGHLP, and Ag Growth of out-of-pocket expenses for provision of such services) administrative and support services to the Fund, AGOT, AGHLP and Ag Growth including (without limitation) those necessary to: (i) ensure compliance by the Fund with continuous disclosure obligations under applicable securities legislation; (ii) provide investor relation services; (iii) provide or cause to be provided to Unitholders all information with respect to income taxes; (iv) call and hold meetings of the securityholders of such entities and distribute required materials, including notices of meetings and information circulars, in respect of all such meetings; (v) provide for the calculation of distributions to Trust Unitholders and holders of LP Units; (vi) attend to all administrative and other matters arising in connection with any redemption of Trust Units, AGOT Units and AGOT Notes and with the exchange of Exchangeable LP Units for Trust Units and Subordinated LP Units for Exchangeable LP Units; (vii) ensure compliance with limitations on non-resident ownership; (viii) attend to all administrative and other matters arising in connection with the AGOT Note Indenture, including the payment of interest and principal on the AGOT Notes; and (ix) providing general accounting, bookkeeping and administrative services to the Fund and the Ag Growth Entities.

The Administration Agreement will have an initial term of five years, and will be renewable for two additional five-year terms at the option of the parties thereto. The Administration Agreement may be terminated: (i) upon written notice by AGLP in the event that the Fund or AGOT terminates or winds-up and (ii) upon 30 days' written notice by the Fund to AGLP.

AGOT Note Indenture

The AGOT Notes will be issued pursuant to the AGOT Note Indenture. The AGOT Note Indenture will prescribe the terms of the AGOT Notes issuable thereunder, including interest, maturity, repayment, prepayment and events of default. See ''Description of AGOT – AGOT Notes''.

Acquisition Agreement

Pursuant to the terms of the Acquisition Agreement, certain Ag Growth Shareholders will sell (directly or indirectly) all of the securities in the capital of Ag Growth held (directly or indirectly) by such Ag Growth Shareholders to AGHLP in exchange for approximately $32,347,600 in cash, Exchangeable LP Units with an aggregate value of $8,000,000 and Subordinated LP Units with an aggregate value of $19,260,000. Upon completion of the transactions contemplated by the Acquisition Agreement, such Ag Growth Shareholders will own Exchangeable LP Units and Subordinated LP Units representing approximately 28% of the issued and outstanding limited partnership units of AGHLP (23% if the Over-Allotment Option is exercised in full). The Exchangeable LP Units and Subordinated LP Units will also represent approximately 28% of the Trust Units (23% if the Over-Allotment Option is exercised in full), on a fully-diluted basis. Pursuant to a separate share purchase agreement, the remaining Ag Growth Shareholders will sell all of their securities in the capital of Ag Growth to AGHLP for nominal consideration.

The completion of the transactions contemplated by the Acquisition Agreement will be conditional upon, among other things: (i) the Offering having been completed; and (ii) certain necessary consents having been obtained.

The Acquisition Agreement will contain certain customary representations and warranties. In particular, the Acquisition Agreement will contain representations and warranties (in certain cases to the knowledge of the party giving the representation or warranty) and related indemnities regarding, among other things, corporate matters, taxes, litigation, title to purchased securities and assets, operations, asset condition, employee matters, properties, environmental compliance and financial statements. Certain Ag Growth Shareholders will also represent (in certain cases to their knowledge) that this prospectus contains full, true and plain disclosure of all material facts related to the

Fund, the Ag Growth Entities and the Trust Units (other than information therein relating solely to the Underwriters) and does not contain any misrepresentation (as defined under applicable securities laws). Generally, these representations and warranties will survive for a period of 18 months and any liability with respect to such representations and warranties will be limited to the amount of the consideration received by the applicable Ag Growth Shareholder. The representation to be given by certain Ag Growth Shareholders relating to this prospectus will survive for the applicable prospectus limitation period. Certain qualifications and limitations will apply to these representations, warranties and indemnities. All Ag Growth Shareholders receiving Subordinated LP Units as consideration will pledge their Subordinated LP Units (as well as the related Special Voting Units and Exchange Rights) to AGHLP in support of their indemnity obligations under the Acquisition Agreement for a period of two years following the Closing Date. However, there can be no assurance of recovery by the Fund from the Ag Growth Shareholders for breaches of such representations and warranties given that there can be no assurance that the assets or financial resources of the Ag Growth Shareholders, including the Subordinated LP Units, will be sufficient to satisfy such obligations.

Asset Purchase Agreement

Pursuant to the terms of the Asset Purchase Agreement, AGLP will directly and/or indirectly acquire the assets and assume the liabilities of Ag Growth (net of $12,750,000 in debt which will be retained by Ag Growth) for consideration consisting of the assumption of $20,000,000 of long term debt of Ag Growth and Class B limited participation partnership units of AGLP having a value of approximately $88,657,600.

The completion of the transactions contemplated by the Asset Purchase Agreement will be conditional upon: (i) the Offering having been completed; and (ii) certain necessary consents having been obtained.

Credit Facility

On or before Closing, AGLP and AGHLP and/or their affiliates will enter into credit arrangements with a Canadian chartered bank (the ''Bank'') whereby the Bank will provide credit facilities to AGLP and AGHLP (the ''Credit Facilities'') and hedging and cash management lines, subject to satisfaction of certain customary conditions, as follows: (i) a revolving credit facility of up to an aggregate amount of $15 million and an operating bulge of up to $3 million (or the US dollar equivalent); (ii) a term loan of up to an aggregate amount of $20 million (or the US dollar equivalent); and (iii) foreign currency hedging facilities and cash management lines to hedge interest rates, foreign exchange and cash management items.

The following is a summary of the principal terms of the Credit Facilities as contained in the term sheet, but does not purport to be complete.

Each of the Credit Facilities will be guaranteed by each of AGLP, AGHLP and other Ag Growth Entities. The Credit Facilities will be secured by a first priority security interest in the present and after acquired property of AGLP, AGHLP and each of the guarantors, subject to certain permitted encumbrances.

Each facility (other than the $3 million operating bulge) will have a two year term that may be extended annually for additional one-year terms at the option of the Bank and is payable in full at maturity. The $3 million operating bulge is payable on demand. The Credit Facilities will be repayable at any time without any prepayment penalties and borrowings may be made by way of Canadian dollar prime rate, US dollar base rate, LIBOR or Bankers' Acceptances advances plus, in each case, an applicable margin. Letters of credit and letters of guarantee are also available under the Credit Facilities. The interest rates on the different types of advances will vary depending on the ratio of total funded debt to EBITDA of the Ag Growth Entities. Commitment fees and standby charges usual for borrowings of this nature will be payable.

The Credit Facilities will be subject to customary terms and conditions (including covenants and events of default) for borrowings of this nature, including limits on incurring additional indebtedness or selling assets without the consent of the Bank. The Bank may also restrict AGLP and AGHLP's ability to make capital expenditures and the ability of the Ag Growth Entities to pay distributions.

On Closing, subject to customary working capital adjustments, AGHLP and AGLP expect to draw the full amount of the term loan under the Credit Facilities.

CONSOLIDATED CAPITALIZATION OF THE FUND

The following table sets forth the consolidated capitalization of the Fund as at March 26, 2004, both before and after giving effect to the Offering and the related transactions.

	Authorized	As at March 26, 2004	As at March 26, 2004[(1)(2)]
Long-Term Debt	—	—	$20,000,000
Trust Units[(3)]	Unlimited	$ 30.00 (3 Trust Units)	$61,397,600 (6,904,000 Trust Units)
Special Voting Units	Unlimited	—	— (2,726,000 Special Voting Units)

Notes:

(1) After giving effect to the Offering and related transactions but before the exchange of the Exchangeable LP Units and Subordinated LP Units for Trust Units.

(2) Assuming no exercise of the Over-Allotment Option.

(3) The Fund was initially settled on March 24, 2004 with $30.

DESCRIPTION OF THE FUND

Declaration of Trust

The Fund is an unincorporated open-ended limited purpose trust established under the laws of the Province of Ontario pursuant to the Declaration of Trust. It is intended that the Fund will qualify as a ''mutual fund trust'' and a ''registered investment'' for the purposes of the Tax Act, although the Fund will not be a mutual fund under applicable securities laws. The following is a summary of the material attributes and characteristics of the Units and certain provisions of the Declaration of Trust, which does not purport to be complete. Reference is made to the Declaration of Trust for a complete description of the Units and the full text of its provisions.

Activities of the Fund

The Declaration of Trust provides that the Fund is a limited purpose trust and its activities are restricted to:

(i) acquiring, investing in, holding, transferring, disposing of and otherwise dealing with investments in debt and/or equity securities and/or assets of the Ag Growth Entities, as well as other corporations, partnerships, trusts and other persons conducting business in the grain handling, storage and conditioning equipment market, and such other investments as the Trustees may determine;

(ii) temporarily holding cash in interest-bearing accounts or short-term certificates of deposit, short term government debt or investment grade corporate debt, or money market mutual funds for the purposes of the Fund's activities, including making investments or paying the expenses and liabilities of the Fund, paying amounts owing by the Fund in connection with the redemption of any Trust Units or other securities of the Fund, and making distributions to Trust Unitholders;

(iii) issuing Trust Units, Special Voting Units and other securities of the Fund (including securities convertible into or exchangeable for Trust Units, Special Voting Units or other securities of the Fund, or warrants, options or other rights to acquire Trust Units, Special Voting Units or other securities of the Fund), including for the purposes of: (a) obtaining cash to conduct the activities described above, including raising funds for further acquisitions, (b) implementing Trust Unitholder rights plans, distribution reinvestment plans and Trust Unit purchase plans, incentive option plans or other compensation plans, if any, established by the Fund, or the Ag Growth Entities, (c) making non-cash distributions to Trust Unitholders as contemplated by the Declaration of Trust, including pursuant to distribution reinvestment plans, if any, established by the Fund, (d) satisfying any indebtedness or liability of or borrowing by the Fund, or (e) giving effect to the exercise of the Exchange Rights pursuant to the Exchange and Escrow Agreement;

(iv) issuing debt securities or otherwise borrowing and mortgaging, pledging, charging, granting a security interest in or otherwise encumbering any of its assets as security;

(v) guaranteeing (as guarantor, surety or co-principal obligor) the payment of any indebtedness, liability or obligation of the Ag Growth Entities or the performance of any obligation of the Ag Growth Entities, and mortgaging, pledging, charging, granting a security interest in or otherwise encumbering all or any part of its assets, including debt or equity securities issued by the Ag Growth Entities or any of the Fund's or their affiliates, as the case may be, as security for such guarantee, and subordinating its rights under the AGOT Notes or other indebtedness owed to the Fund to other indebtedness;

(vi) issuing or redeeming rights and Trust Units pursuant to any incentive plan or Trust Unitholder rights plan adopted by the Fund;

(vii) disposing of all or any part of any of the Fund's assets;

(viii) repurchasing and redeeming securities issued by the Fund, subject to the provisions of the Declaration of Trust and applicable law;

(ix) satisfying the obligations, liabilities or indebtedness of the Fund;

(x) carrying out any of the transactions contemplated by this prospectus; and

(xi) undertaking such other activities, or taking such actions, as are related to or in connection with the foregoing or as are contemplated by the Declaration of Trust or as may be approved by the Trustees from time to time,

provided that the Fund may not undertake any activity, take any action, or make any investment that would result in the Fund not being considered a ''mutual fund trust'' or ''registered investment'' for purposes of the Tax Act or that would result in the Units constituting foreign property for the purposes of Part XI of the Tax Act or that would subject the Fund to special taxes in respect of excess holdings of foreign property.

Units

The beneficial interests in the Fund will be divided into interests of two classes, described and designated as ''Trust Units'' and ''Special Voting Units'', respectively. An unlimited number of Trust Units and Special Voting Units will be issuable pursuant to the Declaration of Trust. Each Trust Unit will be transferable and will represent an equal undivided beneficial interest in any distributions from the Fund whether of net income, net realized capital gains or other amounts, and in the net assets of the Fund in the event of the termination or winding-up of the Fund. The Trust Units issued pursuant to this Offering will not be subject to future calls or assessments, and will entitle the holder thereof to one vote for each whole Trust Unit held at all meetings of Unitholders. Except as set out under ''Redemption at the Option of Trust Unitholders'' below, the Trust Units have no conversion, retraction, redemption or pre-emptive rights.

The Special Voting Units will not be entitled to any interest or share in the Fund, in any distribution from the Fund whether of net income, net realized capital gains or other amounts, or in the net assets of the Fund in the event of the termination or winding-up of the Fund. Special Voting Units may be issued in series and will only be issued in connection with or in relation to Exchangeable LP Units, Subordinated LP Units and, if the Trustees so determine, other Exchangeable Securities, in each case, for the purpose of providing voting rights with respect to the Fund to the holders of such securities. Special Voting Units will be issued in conjunction with, and will be attached to, the Exchangeable LP Units, Subordinated LP Units or other Exchangeable Securities to which they relate, and will be evidenced only by the certificates representing such Exchangeable LP Units, Subordinated LP Units or other Exchangeable Securities unless the Trustees determine otherwise in their sole discretion. Special Voting Units will not be transferable separately from the Exchangeable LP Units, Subordinated LP Units or other Exchangeable Securities to which they are attached. Each Special Voting Unit will entitle the holder thereof to that number of votes at any meeting of Unitholders equal to the number of Trust Units that may be obtained upon the exchange (direct or indirect) of the Exchangeable LP Units, Subordinated LP Units or other Exchangeable Securities to which the Special Voting Unit is attached. Upon the exchange or conversion of an Exchangeable LP Unit, Subordinated LP Unit or other Exchangeable Security, as the case may be, for Trust Units, the Special Voting Unit that is attached to such Exchangeable LP Unit, Subordinated LP Unit or other Exchangeable Security will immediately be cancelled without any further action of the Trustees, and the former holder of such Special Voting Unit will cease to have any rights with respect thereto.

In certain circumstances, issued and outstanding Trust Units and Special Voting Units may be subdivided or consolidated from time to time without the approval of Unitholders.

No certificates will be issued for fractional Trust Units and fractional Trust Units will not entitle the holders thereof to vote. The Trust Units are not ''deposits'' within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under the provisions of such act or any other legislation. Furthermore, the Fund is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

This prospectus qualifies the distribution of the Special Voting Units to the holders of the Exchangeable LP Units and Subordinated LP Units.

Issuance of Trust Units

The Declaration of Trust provides that Trust Units or rights to acquire Trust Units may be issued at the times, to the persons, for the consideration and on the terms and conditions that the Trustees determine, including pursuant to any unitholder rights plan, or any incentive option or other compensation plan established by the Fund. Trust Units may be issued in satisfaction of any non-cash distribution of the Fund to Trust Unitholders on a pro rata basis. The Declaration of Trust also provides that immediately after any *pro rata* distribution of Trust Units to all Trust Unitholders in satisfaction of any non-cash distribution, the number of outstanding Trust Units will be consolidated such that each Trust Unitholder will hold after the consolidation the same number of Trust Units as the Trust Unitholder held before the non-cash distribution (except where tax was required to be withheld in respect of the Trust Unitholder's share of the distribution as described below). In this case, each certificate representing a number of Trust Units prior to the non-cash distribution will be deemed to represent the same number of Trust Units after the non-cash distribution and the consolidation. Where amounts so distributed represent income, non-resident Trust Unitholders will be subject to withholding tax and the consolidation will not result in such non-resident Trust Unitholders holding the same number of Trust Units.

Trustees

The Fund will have a minimum of three and a maximum of ten Trustees. The Trustees are to supervise the activities and manage the affairs of the Fund. Pursuant to the terms of the Declaration of Trust, not less than two-thirds of the Trustees must be ''resident in Canada'' for purposes of the Tax Act. In the event that, at any time, less than two-thirds of the Trustees are ''resident in Canada'' for purposes of the Tax Act, the Trustees then in office will appoint such number of resident Canadian Trustees as may be necessary such that not less than two-thirds of the Trustees will be ''resident in Canada'' for purposes of the Tax Act.

The initial Trustees are Harold F. Bjarnason, John R. Brodie, J. Trevor Johnstone, Roderick R. Senft, Greg Smith, Rob Stenson and W. Terrence Wright, Q.C. See ''Trustees, Directors and Management'' for information about the initial Trustees.

Trustees will be appointed at each annual meeting of Unitholders to hold office for a term expiring at the close of the next annual meeting. A quorum of Trustees, being the greater of two Trustees or a majority of the Trustees then holding office (provided that the majority of Trustees present are resident in Canada), may fill a vacancy in the Trustees, except a vacancy resulting from an increase in the number of Trustees (other than as noted below) or from a failure of the Unitholders to elect the required number of Trustees at a meeting of Unitholders called for such purpose. In the absence of a quorum of Trustees, or if the vacancy has arisen from a failure of the Unitholders to elect the required number of Trustees at a meeting of Unitholders called for such purpose, the Trustees will promptly call a special meeting of Unitholders to fill the vacancy. If the Trustees fail to call that meeting or if there are not Trustees then in office, any Unitholder may call the meeting. The Trustees may, prior to the first annual meeting of Unitholders or between annual meetings of Unitholders, appoint one or more additional Trustees to serve until the next annual meeting of Unitholders, but the number of additional Trustees so appointed may not exceed one-third of the number of Trustees who held office at the later of the closing of this Offering and the expiration of the immediately preceding annual meeting of Unitholders.

A Trustee may resign upon written notice to the Fund and may be removed by an Ordinary Resolution of the Unitholders. A vacancy created by the removal of a Trustee may be filled at the same meeting of Unitholders, failing which it may be filled by the remaining Trustees.

The Declaration of Trust provides that, subject to its terms and conditions, the Trustees will have full, absolute and exclusive power, control and authority over the assets of the Fund and over the affairs of the Fund to the same extent as if the Trustees were the sole and absolute legal and beneficial owners of the assets of the Fund and may, in respect of the assets of the Fund, exercise any and all rights, powers and privileges that could be exercised by a legal and beneficial owner thereof. Subject to such terms and conditions, the Trustees are responsible for, among other things:

(i) supervising the activities and managing the investments and the affairs of the Fund;

(ii) maintaining records and providing reports to Unitholders;

(iii) effecting distributions from the Fund to Trust Unitholders;

(iv) effecting the payment of the redemption or repurchase price for Trust Units;

(v) acting for, voting on behalf of, and representing the Fund as a holder of AGOT Units and a holder of AGOT Notes; and

(vi) voting in favour of the Trustees to serve as trustees of AGOT.

The Declaration of Trust provides that the Trustees must act honestly and in good faith with a view to the best interests of the Fund and Trust Unitholders and in connection therewith must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that each Trustee and officer of the Fund, as well as former Trustees and officers, and their respective heirs and legal representatives, will be entitled to indemnification from the Fund in respect of the exercise of that person's powers, and the discharge of that person's duties, provided that the person acted honestly and in good faith with a view to the best interests of the Fund and Trust Unitholders and exercised the degree of care, diligence and skill required by the Declaration of Trust and, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, where the person had reasonable grounds for believing that his or her conduct was lawful.

Distributions

The Fund intends to make monthly cash distributions of its distributable cash to the maximum extent possible to Trust Unitholders. The amount of cash available for distribution will be equal to the interest and principal repayments on the AGOT Notes owned by the Fund and the distributions (if any) on or in respect of the AGOT Units owned by the Fund less: (i) administrative expenses and other obligations of the Fund; (ii) amounts that may be paid by the Fund in connection with any cash redemptions or repurchases of Trust Units; (iii) satisfaction of its debt service obligations (principal and interest) on indebtedness, if any; and (iv) any amount that the Trustees may reasonably consider to be necessary to provide for the payment of any costs or expenses, including any tax liability of the Fund, that have been or are reasonably expected to be incurred in the activities and operations of the Fund (to the extent that such costs or expenses have not otherwise been taken into account in the calculation of the available distributable cash of the Fund) and for reasonable reserves.

The Fund may make additional distributions in excess of the aforementioned monthly distributions during the year, as the Trustees may determine. The distribution declared in respect of the month ending December 31 in each year will include such amount in respect of the taxable income and net realized capital gains, if any, of the Fund for such year as is necessary to ensure that the Fund will not be liable for income taxes under Part I of the Tax Act in such year. Any income of the Fund that is unavailable for cash distribution will, to the extent necessary to ensure that the Fund does not have any such income tax liability, be distributed to Trust Unitholders in the form of additional Trust Units. Such additional Trust Units will be issued pursuant to applicable exemptions under applicable securities laws, discretionary exemptions granted by applicable securities regulatory authorities or a prospectus or similar filing.

The Fund intends to make monthly cash distributions to Trust Unitholders of record on the last business day of each month, and the distributions will be paid within 30 days following each month end. The initial cash distribution for the period from the closing of the Offering (assuming Closing occurs on May 18, 2004) to June 30, 2004 is estimated to be approximately $0.1581 per Trust Unit, and is expected to be paid on or before July 30, 2004. See ''Certain Canadian Federal Income Tax Considerations''.

Trust Unitholders who are non-residents of Canada will be required to pay all withholding taxes payable in respect of any distributions of income by the Fund, whether such distributions are in the form of cash or additional Trust Units. The Fund will withhold from monthly distributions all amounts required to be withheld by law, whether such distributions are in the form of cash, additional Trust Units or otherwise. In the event of a distribution in the form of additional Trust Units, the Trustees may sell such Trust Units to pay such withholding taxes and to pay all of the

Trustees' reasonable expenses with regard thereto. Any such sale shall be made on any stock exchange or other market on which the Trust Units are then listed or traded. Non-residents should consult their own tax advisors regarding the tax consequences of investing in the Trust Units.

Redemption at the Option of Trust Unitholders

Trust Units are redeemable at any time on demand by the holders thereof upon delivery to the Fund of a duly completed and properly executed notice requesting redemption in a form approved by the Trustees specifying the number of Trust Units to be redeemed. As the Trust Units will be issued in book entry form, a Trust Unitholder who wishes to exercise the redemption right will be required to obtain a redemption notice form from the Trust Unitholder's investment dealer, who will be required to deliver the completed redemption notice form to the Fund at its head office and to CDS. As of the close of business on the date the Trust Units are tendered for redemption, all rights to and under the Trust Units tendered for redemption shall (subject to the following) be surrendered and the holder thereof shall be entitled to receive a price per Trust Unit (the ''Redemption Price'') equal to the lesser of:

(a) 90% of the Market Price of the Trust Units on the principal stock exchange on which the Trust Units are listed (or, if the Trust Units are not listed on any stock exchange, on the principal market on which the Trust Units are quoted for trading) during the period of the last 10 trading days on such stock exchange or market ending immediately prior to the date on which the Trust Units were tendered for redemption; and

(b) the Closing Market Price of the Trust Units on the date on which the Trust Units were tendered for redemption on the principal stock exchange on which Trust Units are listed (or, if Trust Units are not listed on any stock exchange, on the principal market on which the Trust Units are quoted for trading).

For the purposes of determining the Redemption Price, ''Market Price'' will be the amount equal to the weighted average of the trading prices of the Trust Units on the applicable market or exchange for each of the trading days on which there was a trade of Trust Units during the specified trading day period; provided that if there was trading of Trust Units on the applicable exchange or market for fewer than five of the trading days during the specified trading day period, ''Market Price'' will be the average of the following prices established for each of the trading days during the specified trading day period: the average of the last bid and ask prices of Trust Units for each trading day on which there was no trading of Trust Units and the weighted average trading prices of the Trust Units for each trading day on which there was trading of Trust Units. For the purposes of determining the Redemption Price, ''Closing Market Price'' will be: (i) an amount equal to the closing price of the Trust Units on the applicable market or exchange if there was a trade of Trust Units on the specified date and the applicable market or exchange provides a closing price; (ii) an amount equal to the average of the highest and lowest prices of Trust Units on the applicable market or exchange if there was trading of Trust Units on the specified date and the applicable market or exchange provides only the highest and lowest trading prices of Trust Units traded on a particular day; or (iii) the average of the last bid and ask prices on the applicable market or exchange if there was no trading of Trust Units on the specified date.

The aggregate Redemption Price payable by the Fund in respect of any Trust Units surrendered for redemption during any calendar month will be satisfied by way of a cash payment by the Fund no later than the last day of the calendar month following the calendar month in which the Trust Units were tendered for redemption, provided that the entitlement of the Trust Unitholders to receive cash upon the redemption of their Trust Units is subject to the limitations that:

(a) the total amount payable in cash by the Fund in respect of such Trust Units and all other Trust Units tendered for redemption in the same calendar month may not exceed $50,000 (the ''Monthly Limit''), provided that the Trustees may, in their sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any calendar month;

(b) at the time such Trust Units are tendered for redemption, the outstanding Trust Units must be listed for trading on a stock exchange or traded or quoted on another market that, in the sole discretion of the Trustees, provides a representative fair market value price for the Trust Units; and

(c) the normal trading of Trust Units must not be suspended or halted on any stock exchange on which the Trust Units are listed (or, if not listed on a stock exchange, on any market on which the Trust Units are quoted for trading) on the date that the Trust Units are tendered for redemption or for more than five trading days during the 10 trading day period prior to the date on which the Trust Units are tendered for redemption.

If a Trust Unitholder is not entitled to receive cash upon the redemption of Trust Units as a result of the Monthly Limit, then the Redemption Price for each Trust Unit tendered for redemption will, subject to any applicable regulatory approvals, be paid and satisfied by way of a distribution *in specie* of the assets of the Fund. If a Trust Unitholder is not entitled to receive cash upon the redemption of Trust Units as a result of the other specified limitations, then each redeeming Trust Unitholder will be entitled to receive a price per Trust Unit (the ''In Specie Redemption Price'') equal to the fair market value thereof as determined by the Trustees, which may be satisfied by way of a distribution *in specie* of the assets of the Fund. In each such case, a proportionate amount of the AGOT Units and Series 1 AGOT Notes held by the Fund having an aggregate value equal to the Redemption Price (or, as applicable, the In Specie Redemption Price) will be redeemed in consideration of the issuance to the Fund of Series 2 AGOT Notes and Series 3 AGOT Notes, respectively. The Series 2 AGOT Notes and the Series 3 AGOT Notes will then be transferred to a wholly-owned affiliate of the Fund in exchange for Series 2 Exchange Notes and Series 3 Exchange Notes, respectively. The Series 2 Exchange Notes and Series 3 Exchange Notes will have terms similar to the Series 2 AGOT Notes and Series 3 AGOT Notes, respectively, except that the interest rates on the Series 2 Exchange Notes and Series 3 Exchange Notes will be 0.05% less than the interest rates on the Series 2 AGOT Notes and Series 3 AGOT Notes. The Series 2 Exchange Notes and Series 3 Exchange Notes will then be distributed to the redeeming Trust Unitholder in full satisfaction of the Redemption Price (or, as applicable, the In Specie Redemption Price). Series 2 Exchange Notes and Series 3 Exchange Notes will be issued only in integral multiples of $100. Where the principal amount of Series 2 Exchange Notes or Series 3 Exchange Notes to be received by a Trust Unitholder includes a multiple of less than $100, that number will be rounded to the next lowest integral multiple of $100. The Fund will be entitled to all interest paid on the AGOT Notes and distributions paid on the AGOT Units on or before the date of the distribution *in specie*. Where the Fund makes a distribution *in specie* of securities on the redemption of Trust Units, the Fund currently intends to allocate to the redeeming Trust Unitholder any capital gain or income realized by the Fund as a result of the redemption of the AGOT Units and Series 1 AGOT Notes and the distribution of securities to the Trust Unitholder on the redemption of such Trust Units. See ''Certain Canadian Federal Income Tax Considerations''.

It is anticipated that the redemption right described above will not be the primary mechanism for Trust Unitholders to dispose of their Trust Units. The assets of the Fund that may be distributed *in specie* to Trust Unitholders in connection with a redemption (including the Series 2 Exchange Notes and Series 3 Exchange Notes) will not be listed on any stock exchange, no market is expected to develop in such securities and such securities may be subject to an indefinite ''hold period'' or other resale restrictions under applicable securities laws.

Repurchase of Trust Units

The Fund will be allowed, from time to time, to purchase Trust Units for cancellation in accordance with applicable securities laws and the rules prescribed under applicable stock exchange or regulatory policies.

Meetings of Unitholders

The Declaration of Trust provides that meetings of Unitholders will be required to be called and held annually, for the purpose of: (i) the election of Trustees, (ii) the appointment of auditors of the Fund for the ensuing year, (iii) generally, any other matter that requires a resolution of Unitholders, and (iv) transacting such other business as the Trustees may determine or as may be properly brought before the meeting. The Declaration of Trust provides that Unitholders will be entitled to pass resolutions that will bind the Fund with respect to:

(a) the election or removal of Trustees of the Fund;

(b) any amalgamation, arrangement, other merger or capital reorganization of the Fund, or the Ag Growth Entities with any other entity;

(c) the appointment or removal of nominees of the Fund chosen by the Unitholders to serve as trustees of AGOT (provided that casual vacancies may be filled by the remaining AGOT Trustees);

(d) the appointment or removal of the auditors of the Fund;

(e) the appointment of an inspector to investigate the performance by the Trustees of their respective responsibilities and duties in respect of the Fund;

(f) the approval of amendments to the Declaration of Trust (as described under ''Description of the Fund – Amendments to the Declaration of Trust'');

(g) the sale, lease or exchange of all or substantially all of the assets of the Fund (other than in connection with an *in specie* redemption of Trust Units by the Fund);

(h) the exercise of certain voting rights attached to the securities of AGOT or other Ag Growth Entities held directly or indirectly by the Fund;

(i) the ratification of any Trust Unitholder rights plan, distribution reinvestment plan and Trust Unit purchase plan, Trust Unit option plan or other compensation plan contemplated by the Declaration of Trust requiring Unitholder approval;

(j) the dissolution of the Fund prior to the end of its term; and

(k) such other business as the Trustees may determine or as may properly be brought before a meeting, including, without limitation, any other matters required by securities law, stock exchange rules or other laws or regulations to be submitted to Unitholders for their approval.

No other action taken by Unitholders or any other resolution of the Unitholders will in any way bind the Trustees.

Resolutions: (i) electing or removing the Trustees, (ii) electing or removing nominees of the Fund to serve as trustees of AGOT, (iii) appointing or removing the auditors of the Fund, (iv) with respect to the exercise of certain voting rights attached to the securities of AGOT or the other Ag Growth Entities held, directly or indirectly, by the Fund, (v) ratifying any Trust Unitholder rights plan, distribution reinvestment plan and Trust Unit purchase plan, Trust Unit option plan or other compensation plan contemplated by the Declaration of Trust requiring Unitholder approval, and (vi) where applicable, required by securities law, stock exchange rules or other laws or regulations to be submitted to Unitholders, must be passed by an Ordinary Resolution of Unitholders (or as otherwise required by any such laws, regulations or stock exchange rules). The balance of the foregoing matters must be passed by a Special Resolution of the Unitholders.

Subject to the foregoing limitations, a meeting of Unitholders may be convened at any time and for any purpose by the Trustees and must be convened if requisitioned in writing by the holders of not less than 5% of the Units then outstanding. A requisition must state in reasonable detail the business proposed to be transacted at the meeting.

Unitholders may attend and vote at all meetings of the Unitholders either in person or by proxy and a proxyholder need not be a Unitholder. Two persons present in person and either holding personally or representing by proxy in the aggregate at least 10% of the votes attached to all outstanding Units will constitute a quorum for the transaction of business at all such meetings. At any meeting at which a quorum is not present within one-half hour after the time fixed for the holding of such meeting, the meeting, if convened upon the request of the Unitholders, will be terminated (not adjourned), but in any other case, the meeting will stand adjourned to a day not less than 14 days later and to a place and time as chosen by the chair of the meeting, and if at the resumption of such adjourned meeting a quorum is not present, the Unitholders present either in person or by proxy will be deemed to constitute a quorum.

The Declaration of Trust contains provisions as to the notice required and other procedures with respect to the calling and holding of meetings of Unitholders.

Limitation on Non-Resident Ownership

In order for the Fund to maintain its status as a ''mutual fund trust'' under the Tax Act, the Fund must not be established or maintained primarily for the benefit of non-residents of Canada within the meaning of the Tax Act. Accordingly, the Declaration of Trust provides that at no time may non-residents of Canada be the beneficial owners of more than 49.9% of either of the Trust Units or the Special Voting Units then outstanding. This 49.9% limitation will be applied with respect to the issued and outstanding Trust Units and Special Voting Units of the Fund on both a non-diluted basis and a fully-diluted basis. The Trustees may require declarations as to the jurisdictions in which beneficial owners of Units are resident. If the Trustees become aware that the beneficial owners of at least 49% of either of the Trust Units or the Special Voting Units then outstanding are, or may be, non-residents of Canada or that such a situation is imminent, the Trustees or the transfer agent and registrar shall make a public announcement thereof and thereafter the transfer agent and registrar shall not accept a subscription for Trust Units or Special Voting Units, as the case may be, from or issue or register a transfer of such Units to a person unless the person provides a declaration that he or she is not a non-resident of Canada within the meaning of the Tax Act. If, notwithstanding the foregoing, the Trustees determine that 49% or more of the Trust Units or Special Voting Units are held by non-residents of Canada, the Trustees may direct the transfer agent and registrar to send a notice to non-resident holders of Trust Units or Special Voting Units, as the case may be, chosen (to the extent possible) in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell their Trust Units or Special Voting Units or a portion thereof within a specified period of not less than 60 days. If the persons receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not non-residents of Canada within the meaning of the Tax Act within such period, the Trustees may, on behalf of such persons, sell such Units and, in the interim, shall suspend the voting and distribution rights, if any, attached to such Units. Upon such sale, the affected holders shall cease to be holders of the Units so sold and their rights shall be limited to receiving the net proceeds of such sale.

Amendments to the Declaration of Trust

The Declaration of Trust may be amended or altered from time to time by Special Resolution.

The Trustees may, at their discretion and without the approval of the Unitholders, make certain amendments to the Declaration of Trust, including amendments for the purpose of:

(i) ensuring continuing compliance and conformity of the Declaration of Trust with applicable laws, regulations, requirements or policies of any governmental authority having jurisdiction over the Trustees or the Fund; or

(ii) providing additional protection or added benefits for Trust Unitholders, in the opinion of counsel to the Trustees; or

(iii) removing any conflicts or inconsistencies in the Declaration of Trust or making minor changes or corrections that are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Trust Unitholders; or

(iv) making amendments that, in the opinion of the Trustees, are necessary or desirable as a result of changes in taxation laws or policies of any governmental authority having jurisdiction over the Trustees or the Fund; or

(v) for purposes of ensuring that the Fund continues to qualify as a mutual fund trust under the Tax Act; or

(vi) as may be otherwise specifically contemplated in the Declaration of Trust.

Notwithstanding the previous sentence, the Trustees may not amend the Declaration of Trust in a manner which would result in: (i) the Fund failing to qualify as a ‘‘mutual fund trust’’ under the Tax Act; or (ii) the Trust Units being treated as ‘‘foreign property’’ for the purposes of the Tax Act.

Exercise of Certain Voting Rights Attached to the Securities of the Ag Growth Entities

The Declaration of Trust provides that the Fund will not vote, nor will it permit the AGOT Trustees to vote, or cause to be voted, securities of any of the Ag Growth Entities to authorize, among other things:

(i) any matter that, under the AGOT Declaration of Trust, requires or permits the approval of the holders of AGOT Units by special resolution (as defined therein);

(ii) any material amendment to the AGOT Note Indenture other than in contemplation of a further issue of AGOT Notes;

or any transaction that is adverse to the Trust Unitholders including:

(iii) any sale, lease, exchange or other disposition or distribution of all or substantially all of the direct or indirect assets of any of the Ag Growth Entities except: (a) in conjunction with an internal reorganization, (b) pursuant to a good faith charge, pledge, mortgage, lien, security interest or other encumbrance granted by the Ag Growth Entities over any assets of the Ag Growth Entities in the ordinary course of business, (c) pursuant to any guarantee of any obligation of the Ag Growth Entities, or any charge, mortgage, lien, security interest or other encumbrance, in each case, granted by the Ag Growth Entities over any of the assets of the Ag Growth Entities, or (d) as expressly contemplated by this prospectus;

(iv) any amalgamation, arrangement, other merger, combination or capital reorganization of any of the Ag Growth Entities with any other entity, except: (a) in conjunction with an internal reorganization or (b) the acquisition by any of the Ag Growth Entities of the securities or assets of another entity or (c) as expressly contemplated by this prospectus;

(v) the winding-up or dissolution of any of the Ag Growth Entities prior to the end of the term of the Fund, except in connection with an internal reorganization; or

(vi) any material amendment to the limited partnership agreement of AGHLP or AGLP, the articles of incorporation of AGHI, the articles of incorporation of AGII or the articles of amalgamation of Ag Growth in any manner that may be prejudicial to the Fund or the Unitholders,

without the authorization of the Unitholders by Special Resolution except in the case of a proposed change to the subordination provisions of the Subordinated LP Units, in which case the Fund will not be able to vote, or cause to be voted, securities of any of the Ag Growth Entities to authorize any change to the subordination provisions attached to the Subordinated LP Units without the approval of a majority of the votes cast by Unitholders, excluding any Trust Units or Special Voting Units directly or indirectly owned by a holder of Subordinated LP Units (or its affiliates or associates).

The Trustees will be required to vote the AGOT Units held by the Fund to cause the election of the Trustees as AGOT Trustees.

Term of the Fund

The Fund has been established for a term ending 21 years after the date of death of the last surviving issue of Her Majesty, Queen Elizabeth II, alive on March 24, 2004. On a date selected by the Trustees which is not more than two years prior to the expiry of the term of the Fund, the Trustees are obligated to commence to wind-up the affairs of the Fund so that it will terminate on the expiration of the term. In addition, at any time prior to the expiry of the term of the Fund, the Unitholders may by a Special Resolution require the Trustees to commence the termination, liquidation or wind-up of the affairs of the Fund.

The Declaration of Trust provides that, upon being required to commence the termination, liquidation or winding-up of the affairs of the Fund, the Trustees will give notice thereof to the Unitholders, which notice shall designate the time or times at which Unitholders may surrender their Units for cancellation and the date at which the register of Units will be closed. After the date the register is closed, the Trustees will proceed to wind up the affairs of the Fund as soon as may be reasonably practicable and for such purpose will, subject to any direction to the contrary in respect of a termination authorized by a resolution of the Unitholders, sell and convert into money the AGOT Units, AGOT Notes and all other assets comprising the Fund in one transaction or in a series of transactions at public or private sales and do all other acts appropriate to liquidate the Fund. After paying, retiring, discharging or making provision for payment, retirement or discharge of all known liabilities and obligations of the Fund and providing for indemnity against any other outstanding liabilities and obligations, the Trustees will distribute the remaining part of the proceeds of the sale of the AGOT Units, AGOT Notes and other assets comprising the Fund together with any cash forming part of the assets of the Fund among the Unitholders in accordance with their pro rata interests. If the Trustees are unable to sell all or any of AGOT Units, AGOT Notes or other assets which comprise part of the Fund by the date set for termination, the Trustees may distribute the remaining AGOT Units, AGOT Notes or other assets *in specie* directly to the Unitholders in accordance with their pro rata interests subject to obtaining all required regulatory approvals.

Take-over Bids

The Declaration of Trust, the AGHLP limited partnership agreement and the Exchange and Escrow Agreement provide that if a non-exempt take-over bid from a person acting at arm's length to holders of the Subordinated LP Units (or any affiliate or associate thereof) is made for the Trust Units and a contemporaneous identical offer is not made for the Subordinated LP Units (in terms of price, timing, proportion of securities sought to be acquired and conditions, provided that the offer for the Subordinated LP Units may be conditional on Trust Units being taken up and paid for under the take-over bid), then provided not less than 25% of the Trust Units (other than Trust Units, Exchangeable LP Units, Subordinated LP Units or other Exchangeable Securities held at the date of the take-over bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken-up and paid for pursuant to the non-exempt bid, from and after the date of first take-up of Trust Units under the said take-over bid in excess of the foregoing threshold, the Subordinated LP Units, as and from such date, and notwithstanding any other provision of the Declaration of Trust or the AGHLP limited partnership agreement, will be transferred to AGHLP in exchange for Exchangeable LP Units at the then current exchange ratio in effect under the Exchange and Escrow Agreement.

The Declaration of Trust and the Exchange and Escrow Agreement include provisions to facilitate the exchange of Exchangeable LP Units for Trust Units so that a holder of Exchangeable LP Units can exercise its rights to exchange all or a portion of such holdings for Trust Units, including conditionally, in order to tender to a take-over bid.

The Declaration of Trust, the AGHLP limited partnership agreement and the Exchange and Escrow Agreement also contain provisions to the effect that if a take-over bid is made and not less than 90% of the Trust Units, on a fully diluted basis, (including the Trust Units issuable upon the exchange of all Exchangeable LP Units, Subordinated LP Units and any other Exchangeable Securities for Trust Units, but not including any Trust Units, Exchangeable LP Units, Subordinated LP Units or Exchangeable Securities held at the date of the take-over bid by or on behalf of the offeror or associates or affiliates of the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire the Trust Units held by holders who did not accept the take-over bid and to require the Fund and AGHLP to cause the exchange of any outstanding Exchangeable LP Units, Subordinated LP Units and other Exchangeable Securities for Trust Units and to acquire such Trust Units, in each case, on the same terms on which the offeror acquired Trust Units pursuant to the take-over bid.

Information and Reports

In accordance with and subject to applicable securities laws, the Fund will furnish to Unitholders such consolidated financial statements of the Fund (including quarterly and annual consolidated financial statements) and other reports as are from time to time required by applicable law, including prescribed forms needed for the completion of Unitholders' tax returns under the Tax Act and equivalent provincial legislation. Prior to each meeting of Unitholders, the Trustees will provide the Unitholders (along with notice of such meeting) all such information as is required by applicable law and the Declaration of Trust to be provided to such holders. AGLP will undertake to provide the Fund with: (i) a report of any material change that occurs in the affairs of AGLP in form and content that it would file with applicable regulatory authorities were it a reporting issuer (or equivalent); and (ii) all financial statements (and accompanying management's discussion and analysis) that it would be required to file with applicable regulatory authorities if it were a reporting issuer (or equivalent) under applicable securities laws. All such reports and statements will be provided to the Fund in a timely manner so as to permit the Fund to comply with the continuous disclosure requirements relating to reports of material changes in its affairs and the delivery of financial statements as required under applicable securities laws.

Book-Entry Only System

Registration of interests in and transfers of the Trust Units will be made only through a book-based system administered by CDS. At Closing, the Trustees will deliver to CDS one or more certificates representing the total number of Trust Units subscribed for under the Offering. Trust Units must be purchased, transferred and surrendered for redemption through a participant in the CDS depository service (a ''CDS Participant''). All rights of Trust Unitholders must be exercised through, and all payments or other property to which the Trust Unitholder is entitled will be made or delivered by, CDS or the CDS Participant through which the Trust Unitholder holds the Trust Units. Upon a purchase of any Trust Units, the Trust Unitholder will receive only a customer confirmation from the registered dealer which is a CDS Participant and from or through which the Trust Units are purchased. References in this prospectus to a Trust Unitholder mean, unless the context otherwise requires, the owner of the beneficial interest in those Trust Units.

The ability of a beneficial owner of Trust Units to pledge those Trust Units or otherwise take action with respect to the Trust Unitholder's interest in those Trust Units (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

The Fund has the option to terminate registration of the Trust Units through the CDS book-entry only system, in which case certificates for the Trust Units in fully registered form would be issued to beneficial owners of those Trust Units or their nominees.

Financial Year End

The fiscal year end of the Fund will be December 31.

DESCRIPTION OF AGOT

The AGOT Declaration of Trust contains provisions substantially similar to those of the Declaration of Trust. The principal differences between the AGOT Declaration of Trust and the Declaration of Trust are those described below. The description below is a summary only, which does not purport to be complete and is qualified in its entirety by reference to the text of the AGOT Declaration of Trust and the Declaration of Trust.

General

AGOT is an unincorporated, open-ended limited purpose trust established pursuant to the AGOT Declaration of Trust and governed by the laws of the Province of Ontario. AGOT's activities will be restricted to:

(i) acquiring, investing in, holding, transferring, disposing of or otherwise dealing with investments in debt, and/or equity securities and/or assets of AGHLP, AGHI, AGII, Ag Growth, AGLP and/or their affiliates, as well as other corporations, partnerships, trusts and other persons conducting business in the grain handling, storage and conditioning equipment market and such other investments as the AGOT Trustees may determine;

(ii) temporarily holding cash in interest-bearing accounts, short term government debt or investment grade corporate debt for the purposes of AGOT's activities, including making investments or paying the expenses and liabilities of AGOT, paying amounts owing by AGOT in connection with the AGOT Notes or the redemption of any AGOT Units or other securities of AGOT, and making distributions to holders of AGOT Units;

(iii) issuing AGOT Units and other securities of AGOT (including securities convertible into or exchangeable for AGOT Units or other securities of AGOT or warrants, options or other rights to acquire AGOT Units or other securities of AGOT);

(iv) issuing debt securities or otherwise borrowing and mortgaging, pledging, charging, granting a security interest in or otherwise encumbering any of its assets as security;

(v) guaranteeing (as guarantor, surety or co-principal obligor) the payment of any indebtedness, liability or obligation of the Fund or the Ag Growth Entities or any other person, or the performance of any obligation of the Fund or the Ag Growth Entities or any other person, and mortgaging, pledging, charging, granting a security interest in or otherwise encumbering all or any part of its assets, including debt or equity securities issued by AGHLP, AGHI, AGII, Ag Growth, AGLP and/or their affiliates, as the case may be;

(vi) disposing of all or any part of AGOT's assets;

(vii) repurchasing and redeeming securities issued by AGOT, subject to the provisions of the AGOT Declaration of Trust and applicable laws;

(viii) satisfying the obligations, liabilities or indebtedness of AGOT;

(ix) carrying out any of the transactions and activities contemplated by this prospectus; and

(x) undertaking such other activities, or taking such actions, as are related to or in connection with the foregoing or as are contemplated by the AGOT Declaration of Trust or as may be approved by the AGOT Trustees from time to time,

provided that AGOT shall not undertake any activity, take any action, or make any investment that would result in the Fund not being considered a ''mutual fund trust'' for purposes of the Tax Act, or result in the Trust Units constituting ‘‘foreign property’’ for the purposes of the Tax Act or that would subject the Fund to special taxes in respect of excess holdings of foreign property.

Trustees/Governance

The AGOT Declaration of Trust provides that AGOT will have a minimum of three and a maximum of ten trustees. The AGOT Trustees are to supervise the activities and manage the affairs of AGOT. Pursuant to the terms of the AGOT Declaration of Trust, not less than two-thirds of the AGOT Trustees must be ‘‘resident in Canada’’ for purposes of the Tax Act. In the event that, at any time, less than two-thirds of the AGOT Trustees are ‘‘resident in Canada’’ for purposes of the Tax Act, the AGOT Trustees then in office will appoint such number of resident Canadian AGOT Trustees as may be necessary such that not less than two-thirds of the AGOT Trustees will be ‘‘resident in Canada’’ for purposes of the Tax Act.

The AGOT Trustees will be the persons who serve as the Trustees (initially, Harold F. Bjarnason, John R. Brodie, J. Trevor Johnstone, Roderick R. Senft, Greg Smith, Rob Stenson and W. Terrence Wright, Q.C.).

The AGOT Declaration of Trust provides that, subject to its terms and conditions, the AGOT Trustees will have full, absolute and exclusive power, control and authority over the assets of AGOT and over the affairs of AGOT to the same extent as if the AGOT trustees were the sole and absolute beneficial owners of the assets of AGOT and may, in respect of such assets, exercise any and all rights, powers and privileges that could be exercised by a legal and beneficial owner thereof. Subject to such terms and conditions, the AGOT Trustees will be responsible for, among other things:

(i) acting for, voting on behalf of and representing AGOT as a shareholder of AGHI, AGII and Ag Growth and as a unitholder of AGHLP;

(ii) maintaining records and providing reports to AGOT Unitholders;

(iii) supervising the activities and managing the investments and affairs of AGOT;

(iv) effecting distributions from AGOT to AGOT Unitholders and payments of interest and principal on the AGOT Notes;

(v) effecting the payment of the redemption or repurchase price for AGOT Units and AGOT Notes; and

(vi) voting in favour of the Trustees to serve as directors of AGHI and Ag Growth.

AGOT Trustees will not receive any compensation for acting as trustees of AGOT.

Exercise of Certain Voting Rights Attached to the Securities of the Ag Growth Entities

The AGOT Declaration of Trust provides that AGOT will not vote, nor will it permit AGHI or AGHLP to vote, or cause to be voted, securities of any of the Ag Growth Entities to authorize, among other things:

(i) any sale, lease, exchange or other disposition or distribution of all or substantially all of the direct or indirect assets of any of the Ag Growth Entities, except: (a) in conjunction with an internal reorganization, (b) pursuant to a good faith charge, pledge, mortgage, lien, security interest or other encumbrance granted by AGOT over any of the assets of AGOT in the ordinary course of business, or (c) pursuant to any guarantee of any obligation of the Fund or the Ag Growth Entities, or any charge, pledge, mortgage, lien, security interest or other encumbrance, in each case, granted by AGOT over any of the assets of AGOT;

(ii) any amalgamation, arrangement or other merger, combination or capital reorganization of any of the Ag Growth Entities with any other entity, except: (a) in conjunction with an internal reorganization, or (b) as expressly contemplated by this prospectus;

(iii) the winding-up or dissolution of any of the Ag Growth Entities prior to the end of the term of the Fund, except in connection with an internal reorganization; or

(iv) any material amendment to the limited partnership agreement of AGHLP or AGLP, the articles of incorporation of AGHI, the articles of incorporation of AGII or the articles of amalgamation of Ag Growth in any manner that may be prejudicial to the Fund or the holders of Trust Units, without the approval of the holders of AGOT Units by special resolution, except in the case of a proposed change to the subordination provisions of the Subordinated LP Units, in which case the Fund will not be able to vote, or cause to be voted, securities of any of the Ag Growth Entities to authorize any change to the subordination provisions attached to the Subordinated LP Units without the approval of a majority of the votes cast by Unitholders, excluding any Trust Units or Special Voting Units directly or indirectly owned by a holder of Subordinated LP Units (or its affiliates or associates).

The AGOT Trustees will be required to vote the shares in the capital of AGHI, AGII and Ag Growth held by AGOT to cause the election of the AGOT Trustees as the directors of AGHI, AGII and Ag Growth.

Redemption Right

The AGOT Units will be redeemable at any time on demand by the holders thereof upon delivery to AGOT of a duly completed and properly executed notice requiring AGOT to redeem the AGOT Units in a form reasonably acceptable to the AGOT Trustees, together with the certificates representing the AGOT Units to be redeemed and written instructions as to the number of AGOT Units to be redeemed. Upon tender of the AGOT Units by a holder thereof for redemption, the holder of the AGOT Units tendered for redemption will no longer have any rights with respect to such AGOT Units other than the right to receive the redemption price for such AGOT Units. The redemption price for each AGOT Unit tendered for redemption will be equal to:

$$\frac{(A \times B) - C}{D}$$

where:

A = the cash redemption price per Trust Unit calculated as of the close of business on the date the AGOT Units were so tendered for redemption by an AGOT Unitholder;

B = the aggregate number of Trust Units outstanding as of the close of business on the date the AGOT Units were so tendered for redemption by an AGOT Unitholder;

C = (a) the aggregate unpaid principal amount and accrued interest thereon of any indebtedness held by or owed to the Fund (including the AGOT Notes) and the fair market value of any other assets or investments held by the Fund (other than AGOT Units, AGOT Notes and any other indebtedness of AGOT held by or owed to the Fund) as of the close of business on the date the AGOT Units were so tendered for redemption by an AGOT Unitholder, minus (b) the aggregate unpaid principal of any indebtedness and any accrued liabilities owed by the Fund as of the close of business on the date the AGOT Units were so tendered for redemption by an AGOT Unitholder; and

D = the aggregate number of AGOT Units outstanding held by the Fund as of the close of business on the date the AGOT Units were so tendered for redemption by an AGOT Unitholder.

AGOT will also be entitled to call for redemption, from time to time and at any time, all or part of the outstanding AGOT Units registered in the name of holders thereof (other than the Fund), at the same redemption price as described above for each AGOT Unit called for redemption, calculated with reference to the date the AGOT Trustees approved the redemption of AGOT Units.

The aggregate redemption price payable by AGOT in respect of any AGOT Units tendered for redemption by the holders thereof during any calendar month will be satisfied, at the option of the AGOT Trustees in their sole discretion: (i) in immediately available funds by cheque; (ii) by the issuance to or to the order of the holder whose AGOT Units are to be redeemed of such aggregate amount of Series 2 AGOT Notes as is equal to the aggregate redemption price payable to such holder of AGOT Units rounded down to the nearest $100, with the balance of any such aggregate redemption price not paid in Series 2 AGOT Notes to be paid in immediately available funds by cheque; or (iii) by any combination of funds and Series 2 AGOT Notes as the AGOT Trustees shall determine in their discretion, in each such case payable no later than the last day of the calendar month following the calendar month in which the AGOT Units were tendered for redemption.

Distributions

AGOT intends to make monthly cash distributions of its distributable cash to the maximum extent possible. The amount of cash to be distributed monthly per AGOT Unit to the AGOT Unitholders will be equal to a pro rata share of distributions on or in respect of Ordinary LP Units owned by AGOT and all other amounts, if any, from any other investments from time to time held by AGOT received in or in respect of such period, less amounts which are paid, payable, incurred or provided for in such period in connection with: (i) administrative expenses and other obligations of AGOT; (ii) amounts that may be paid by AGOT in connection with any cash redemptions or repurchases of AGOT Units or repayments of AGOT Notes; (iii) satisfaction of its debt service obligations (principal and interest) on the AGOT Notes and other indebtedness, if any; and (iv) any amount that the AGOT Trustees may reasonably consider to be necessary to provide for the payment of any costs or expenses, including any tax liability of AGOT, that have been or are reasonably expected to be incurred in the activities and operations of AGOT (to the extent that such costs or expenses have not otherwise been taken into account in the calculation of the available distributable cash of AGOT) and for reasonable reserves.

Such distributions will be payable to holders of record of AGOT Units on the last business day of each month and will be paid within 30 days following each month end. The cash distributions payable by AGOT are intended to be received by the Fund prior to its related cash distribution to Trust Unitholders.

The distribution declared by the AGOT Trustees in respect of the month ending December 31 in each year will include such amount in respect of the taxable income and net realized capital gains, if any, of AGOT for such year as is necessary to ensure that AGOT will not be liable for income taxes under Part I of the Tax Act in such year. Any income of AGOT which is unavailable for cash distribution will, to the extent necessary to ensure that AGOT does not have any such income tax liability, be distributed to the AGOT Unitholders in the form of additional AGOT Units. The value of each AGOT Unit so issued will be equal to the redemption price thereof. The AGOT Declaration of Trust provides that immediately after any pro rata distribution of AGOT Units in satisfaction of any non-cash distribution, the number of outstanding AGOT Units will be consolidated such that each holder of AGOT Units will hold after consolidation the same number of AGOT Units as the holder held before the non-cash distribution.

Unit Certificates

AGOT Units are not intended to be issued to or held by any person other than the Fund, and therefore registration of interests in, and transfer of, the AGOT Units will not be made through the book-entry system administered by CDS. Rather, holders of AGOT Units will be entitled to receive certificates therefor.

The AGOT Notes

The following is a summary of the material attributes and characteristics of the AGOT Notes that will be issuable by AGOT under the AGOT Note Indenture. This summary is qualified in its entirety by reference to the provisions of the AGOT Note Indenture, which contains a complete statement of such attributes and characteristics.

Three series of AGOT Notes will initially be authorized for issuance under the AGOT Note Indenture. At Closing, only Series 1 AGOT Notes will be issued and outstanding, all of which will be held by the Fund. Additional Series 1 AGOT Notes may be issued by AGOT from time to time. Series 2 AGOT Notes will be reserved by AGOT to be issued exclusively to holders of AGOT Units as full or partial payment of the redemption price for AGOT Units, as the trustees of AGOT decide. Series 3 AGOT Notes will be reserved by AGOT to be issued exclusively as full or partial payment of the redemption price for Series 1 AGOT Notes. In the event that Series 2 AGOT Notes and Series 3 AGOT Notes are issued to the Fund by AGOT, such Series 2 AGOT Notes and Series 3 AGOT Notes will be transferred by the Fund to a wholly-owned subsidiary of the Fund in exchange for Series 2 Exchange Notes and Series 3 Exchange Notes, respectively. The Series 2 Exchange Notes and Series 3 Exchange Notes will have terms similar to the Series 2 AGOT Notes and Series 3 AGOT Notes, respectively, except that the interest rates on the Series 2 Exchange Notes and Series 3 Exchange Notes will be 0.05% less than the interest rates on the Series 2 AGOT Notes and Series 3 AGOT Notes.

Interest and Maturity

The Series 1 AGOT Notes to be issued at Closing will be payable on demand, will mature on the 15th anniversary of the date of issuance and will bear interest at a rate of 11.25% per annum, payable, up to one month in arrears, no later than the 30th day after the end of each calendar month that such Series 1 AGOT Note is outstanding. Each Series 1 AGOT Note issued subsequent to Closing, if any, will be payable on demand, will mature on a date which is the 15th anniversary of the date of issuance thereof and will bear interest at a market rate to be determined by the AGOT Trustees at the time of issuance thereof, payable, up to one month in arrears, no later than the 30th day after the end of each calendar month that such Series 1 AGOT Note is outstanding. Each Series 2 AGOT Note will mature on a date which is no later than the first anniversary of the date of issuance thereof and will bear interest at a market rate to be determined by the AGOT Trustees at the time of issuance thereof, payable, up to one month in arrears, no later than the 30th day after the end of each calendar month that such Series 2 AGOT Note is outstanding. Each Series 3 AGOT Note will mature on the same date as the Series 1 AGOT Notes in respect of which such Series 3 AGOT Note was issued and will bear interest at a market rate to be determined by the AGOT Trustees at the time of issuance thereof, payable, up to one month in arrears, no later than the 30th day after the end of each calendar month that such Series 3 AGOT Note is outstanding.

Payment upon Maturity

On maturity, AGOT will repay the AGOT Notes by paying to the Note Trustee, in cash, an amount equal to the principal amount of the outstanding AGOT Notes that have then matured, together with accrued and unpaid interest thereon.

Redemption

The AGOT Notes will be redeemable (at a redemption price equal to the principal amount thereof together with accrued and unpaid interest thereon, payable in cash or, in the case of a redemption of Series 1 AGOT Notes on an *in specie* payment of the Redemption Price for Trust Units, in Series 3 AGOT Notes) at the option of AGOT, and in the case of Series 1 AGOT Notes also at the option of the holder, prior to maturity.

Subordination/Security

Payment of the principal amount and interest on the AGOT Notes will be subordinated in right of payment to the prior payment in full of the principal of and accrued and unpaid interest on, and all other amounts owing in respect of, all senior indebtedness of AGOT, which will be defined as all indebtedness, liabilities and obligations of or guaranteed by AGOT which, by the terms of the instrument creating or evidencing the same, is expressed to rank in right of payment in priority to the indebtedness evidenced by the AGOT Notes including, without limitation, the Credit Facility, but excluding any indebtedness to trade creditors. AGOT may also designate in writing from time to time any other obligations or liabilities or class thereof, as senior indebtedness. The AGOT Note Indenture provides that upon any distribution of the assets of AGOT in the event of any insolvency, bankruptcy, liquidation, winding-up or other similar proceedings relative to AGOT, the holders of all such senior indebtedness will be entitled to receive payment in full before the holders of the AGOT Notes are entitled to receive any payment.

The AGOT Notes will be unsecured debt obligations of AGOT.

Default

The AGOT Note Indenture provides that any of the following shall constitute an Event of Default (as defined in the AGOT Note Indenture): (i) default in repayment of the principal amount of any of the AGOT Notes when the same becomes due and payable and the continuation of such default for a period of 10 business days, (ii) the failure to pay interest under any of the AGOT Notes when such interest becomes due and payable and continuation of such default for a period of 90 days, (iii) certain events of dissolution, liquidation, bankruptcy, insolvency or other similar proceedings relative to AGOT or its affiliates, (iv) default in the observance or performance of any other covenant or condition of the AGOT Note Indenture and the continuance of such default for a period of 30 days after notice in writing has been given by the Note Trustee to AGOT specifying such default and requiring AGOT to rectify the same, or (v) the occurrence of an event of default under any indebtedness of AGOT having an outstanding principal amount of $1,000,000 or more that has caused the creditor or holder of such indebtedness to accelerate payment thereof provided such indebtedness has not been discharged in full or such acceleration has not been rescinded within 30 days.

DESCRIPTION OF AGHLP

General

AGHLP is a limited partnership established under the laws of the Province of Manitoba for the purpose of acquiring, investing in, holding, transferring, disposing of or otherwise dealing with investments in debt and/or equity securities and/or assets of AGII, Ag Growth, AGLP, their successors, assigns and/or affiliates, as well as other corporations, partnerships, trusts and other persons conducting business in the grain handling, storage and conditioning equipment market, and such other investments as the board of directors of AGHI may, in its discretion, determine, and to own, operate and lease assets and property in connection therewith, including the business currently carried on by Ag Growth. The following is a summary of the material attributes and characteristics of the LP Units and certain provisions of the AGHLP limited partnership agreement which is not intended to be complete. Reference is made to the AGHLP limited partnership agreement and the full text of its provisions for a complete description of the LP Units. See ''Material Contracts''.

General Partner

The general partner of AGHLP is AGHI. The directors of AGHI will initially be the persons serving as Trustees from time to time, as described under ''Trustees, Directors and Management''.

Partnership Units

AGHLP will be entitled to issue various classes of partnership interests, for such consideration and on such terms and conditions as may be determined by the general partner. Immediately following the closing of the Offering, AGHLP will have issued and outstanding 6,904,000 Ordinary LP Units (which will be held by AGOT), 800,000 Exchangeable LP Units (which will be held by certain Ag Growth Shareholders) and 1,926,000 Subordinated LP Units (which will be held by certain Ag Growth Shareholders and pledged in favour of AGHLP as described below). The Exchangeable LP Units and Subordinated LP Units will collectively represent a 28% interest in AGHLP (a 23% interest if the Over-Allotment Option is exercised in full).

As described under ''Funding, Acquisition and Related Transactions'', AGHLP will issue Exchangeable LP Units and Subordinated LP Units to certain of the Ag Growth Shareholders as part of the consideration for AGHLP's acquisition of securities in the capital of Ag Growth owned by such Ag Growth Shareholders. These Ag Growth Shareholders will pledge their Subordinated LP Units to AGHLP in support of their indemnity obligations under the Acquisition Agreement for a period of two years following the Closing Date as described under ''Principal Agreements – Acquisition Agreement''. Exchangeable LP Units and Subordinated LP Units (and/or other Exchangeable Securities) may also be issued in respect of other acquisitions made by AGHLP from time to time. The Ordinary LP Units, the Exchangeable LP Units and the Subordinated LP Units will entitle the holder thereof to one vote for each whole unit held at all meetings of the limited partners of AGHLP and will have economic rights that are equivalent in all material respects, except that:

(i) Exchangeable LP Units will be exchangeable for Trust Units at the option of the holder on a one-for-one basis (subject to customary anti-dilution protections) at any time, unless the exchange would jeopardize the Fund's status as a ''mutual fund trust'' or a ''registered investment'' under the Tax Act;

(ii) the Subordinated LP Units will be transferred to AGHLP in exchange for Exchangeable LP Units upon the satisfaction of certain conditions and in certain circumstances. See ''Retained Interest of Ag Growth Shareholders and Exchange Rights'' and ''Description of the Fund – Take-over Bids'';

(iii) Subordinated LP Units may be transferred to AGHLP in exchange for Exchangeable LP Units at the option of the holder after December 31, 2009 but before the Subordination End Date, at the exchange ratio described under ''Retained Interest of Ag Growth Shareholders and Exchange Rights'', unless the exchange would jeopardize the Fund's status as a ''mutual fund trust'' or a ''registered investment'' under the Tax Act;

(iv) AGHLP will be entitled to redeem all of the Exchangeable LP Units in exchange for Trust Units, in certain specified circumstances, including there being outstanding, at any time after the date on which there are no longer any Subordinated LP Units outstanding, fewer than 10% of the aggregate number of Exchangeable LP Units and Subordinated LP Units (in the aggregate) originally outstanding on the Closing Date;

(v) distributions on the Subordinated LP Units shall be subordinated as described below;

(vi) each of the Exchangeable LP Units and Subordinated LP Units will be accompanied by a Special Voting Unit which will entitle the holder of such Special Voting Unit to receive notice of, to attend and to vote at all meetings of Unitholders.

Distributions on the LP Units will be made in the following priority: (i) holders of Ordinary LP Units will be entitled to receive monthly cash distributions in an amount sufficient to provide the Fund with available cash to make cash distributions on the Trust Units of a minimum of $0.1083 per Trust Unit for such month and holders of Exchangeable LP Units will be entitled to receive a distribution per unit equal to the distribution per unit on the Trust Units or, if there is insufficient distributable cash to make distributions in such amount, such lesser amount as is available, on a proportionate basis; (ii) at the end of each fiscal quarter of AGHLP, including the fiscal quarter ending on the fiscal year end, distributable cash shall be distributed in the following order of priority: (a) first, in payment of the monthly cash distribution to the holders of Ordinary LP Units and Exchangeable LP Units as described above, for the month then ended; (b) second, to the holders of Ordinary LP Units and Exchangeable LP Units, to the extent that monthly per unit distributions on the Trust Units and the Exchangeable LP Units in respect of the 12-month period then ended were not made or were made in amounts less than the minimum amounts described above, the amount of any deficiency; (c) third, to holders of Subordinated LP Units in a per unit amount of a minimum of $0.3249 per unit or, if there is insufficient distributable cash to make distributions in such amount, such lesser amount as is available; (d) fourth, proportionately to the holders of Subordinated LP Units, to the extent that per unit distributions on the Subordinated LP Units in respect of any fiscal quarter(s) during the 12-month period then ended were not made or were made in amounts less than a minimum of $0.3249 per Subordinated LP Unit, the amount of such deficiency; and (e) fifth, to the extent of any excess, to the holders of Ordinary LP Units, Exchangeable LP Units and Subordinated LP Units such that aggregate per unit distributions on the Trust Units, Exchangeable LP Units and Subordinated LP Units are the same.

The Subordination End Date is the first date on which both of the following conditions are satisfied:

(i) the Fund has earned EBITDA for the immediately preceding fiscal year (based on audited consolidated financial statements of the Fund) of at least $14.3 million; and

(ii) average monthly cash distributions of at least $0.1083 per Trust Unit have been paid by the Fund on the Trust Units, average monthly cash distributions of at least $0.1083 per Exchangeable LP Unit have been paid by AGHLP on the Exchangeable LP Units and average quarterly cash distributions of at least $0.3249 per Subordinated LP Unit have been paid by AGHLP on the Subordinated LP Units, in each case for the 24 month period ending on the last day of the month immediately preceding such date.

The Subordinated LP Units will be transferred to AGHLP in exchange for Exchangeable LP Units on a one-for-one basis (subject to customary anti-dilution protections) on the Subordination End Date, and may be transferred to AGHLP in exchange for Exchangeable LP Units earlier in certain other specified circumstances (see ''Description of the Fund – Take-over Bids''). If the Subordination End Date does not occur by December 31, 2009, then the holders of the Subordinated LP Units will have the option to transfer their Subordinated LP Units to AGHLP in exchange for Exchangeable LP Units on a proportionately reduced basis. See ''Retained Interest of Ag Growth Shareholders and Exchange Rights''.

AGHLP, AGHI, AGOT, the Fund and the holders of Exchangeable LP Units and Subordinated LP Units will enter into certain agreements to give effect to the foregoing terms of the Exchangeable LP Units and Subordinated LP Units, including the Exchange and Escrow Agreement referenced under ''Retained Interest of Ag Growth Shareholders and Exchange Rights''.

Distributions

AGHLP will distribute its distributable cash to the maximum amount possible. Distributions will be made on the Ordinary LP Units and the Exchangeable LP Units within 30 days of the end of each month and, subject to the subordination arrangements described above, on the Subordinated LP Units within 30 days of the end of each fiscal quarter and are intended to be received by AGOT prior to its related payments and distributions to the Fund. Distributions will be payable to the holders of record of AGHLP units on the last day of the period in respect of which the distribution is to be paid. AGHLP may, in addition, make a distribution at any other time, subject to certain limitations to preserve the subordination arrangements described above.

Distributable cash will represent, in general, all of AGHLP's cash, including, as applicable, such amount of the cash reserves, if any, established and maintained by AGHLP as AGHI may, in its sole discretion, designate in respect of a particular distribution period for purposes of stabilizing, within any year, the monthly distributions to Trust Unitholders, after:

(i) satisfaction of its debt service obligations (principal and interest) under credit facilities or other agreements with third parties, including amounts payable under the Credit Facility;

(ii) satisfaction of its other liabilities and expense obligations;

(iii) amounts that AGHI may reasonably consider to be necessary to provide for the payment of any costs or expenses that have been or are reasonably expected to be incurred in the activities and operations of AGHLP (to the extent that such costs or expenses have not otherwise been taken into account); and

(iv) amounts that AGHI may reasonably consider to be necessary to provide for reasonable reserves, including maintenance capital expenditure reserves and other reserves, including reserves established by AGHI for the purpose of stabilizing, within any year, the monthly distributions to Trust Unitholders.

Allocation of Net Income and Losses

The income or loss of AGHLP for each fiscal year will be allocated to AGHI, as general partner, and to the limited partners as to 0.001% and 99.999%, respectively. The income for tax purposes of AGHLP for a particular fiscal year will be allocated to each limited partner by multiplying the total income of AGHLP allocated to all limited partners by a fraction, the numerator of which is the total sum of the cash distributions received by that limited partner with respect to that fiscal year and the denominator of which is the total amount of the cash distributions made by AGHLP to all limited partners with respect to that fiscal year. The amount of income allocated to a limited partner may exceed or be less than the amount of cash distributed by AGHLP to that limited partner.

Income and loss of AGHLP for accounting purposes is allocated to each partner in the same proportion as income or loss that is allocated for tax purposes.

If, with respect to a given fiscal year, no cash distribution is made by AGHLP to its partners, or AGHLP has a loss for tax purposes, one-twelfth of the income or loss, as the case may be, for tax purposes of AGHLP for that fiscal year will be allocated to AGHI, as general partner, and the limited partners at the end of each month ending in that fiscal year, as to 0.001% and 99.999%, respectively, and to each limited partner in the proportion that the number of partnership units held at each of those dates by that limited partner is of the total number of partnership units issued and outstanding at each of those dates (for such purposes treating all classes of limited partners as one).

The fiscal year end of AGHLP will be December 31.

Functions and Powers of AGHI

In its capacity as general partner of AGHLP, AGHI will have exclusive authority to manage the business and affairs of AGHLP, to make all decisions regarding the business of AGHLP and to bind AGHLP in respect of any such decisions. AGHI will be required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of AGHLP and to exercise the care, diligence and skill of a reasonable prudent person in comparable circumstances.

The authority and power vested in AGHI to manage the business and affairs of AGHLP will include all authority necessary or incidental to carry out the objects, purposes and business of AGHLP, including, without limitation, the ability to engage agents to assist AGHI to carry out its management obligations and administrative functions in respect of AGHLP and its business.

Restrictions on the Authority of AGHI

The authority of AGHI will be limited in certain respects under the AGHLP partnership agreement. AGHI will be prohibited, without the prior approval of the limited partners given by special resolution, from: (i) dissolving, terminating, winding-up or otherwise discontinuing AGHLP; (ii) selling or otherwise disposing of all or substantially all of the assets of AGHLP (otherwise than in conjunction with an internal reorganization that has been approved by the Fund); (iii) issuing or accepting, recognizing or registering the transfer of any units of AGHLP, unless such issuance or transfer has been effected in strict and complete compliance with the AGHLP limited partnership agreement; and (iv) waiving any default on the part of AGHI or releasing AGHI from any claims in respect thereof.

Reimbursement of AGHI

AGHLP will reimburse AGHI for all direct costs and expenses incurred by AGHI in the performance of its duties under the partnership agreement on behalf of AGHLP.

Limited Liability

AGHLP will operate in a manner as to ensure, to the greatest extent possible, the limited liability of the limited partners. Limited partners may lose their limited liability in certain circumstances. If limited liability of the limited partners is lost by reason of the negligence of AGHI in performing its duties and obligations under the partnership agreement, AGHI has agreed to indemnify the limited partners against all claims arising from assertions that their respective liabilities are not limited as intended by the AGHLP partnership agreement. However, since AGHI has no significant assets or financial resources, this indemnity may have nominal value.

Transfer of Partnership Units

Subject to certain conditions including the pledge of Subordinated LP Units contemplated under ''Principal Agreements – Acquisition Agreement'', LP Units will be fully transferable; provided, however, that no LP Units may be transferred to a person who is not ''resident in Canada'' for purposes of the Tax Act. An LP Unit will not be transferable in part, and no transfer of an LP Unit will be accepted by AGHI unless a transfer form, duly completed and signed by the registered holder of the LP Unit, has been remitted to the registrar and transfer agent of AGHLP. A transferee of an LP Unit will become a limited partner and will be subject to the obligations and entitled to the rights of a limited partner under the AGHLP partnership agreement on the date on which the transfer is recorded.

DISTRIBUTION POLICY OF AG GROWTH

The distribution policy of Ag Growth will be to distribute, subject to applicable law, all of Ag Growth's available cash by way of monthly cash dividends, after: (i) satisfaction of its debt service obligations (principal and interest) on indebtedness owed to AGHLP and other indebtedness, if any; (ii) satisfaction of its tax obligations; and (iii) satisfaction of its other expense obligations.

The fiscal year end of Ag Growth will be December 31.

DESCRIPTION OF AGLP

General

AGLP is a limited partnership established under the laws of the Province of Manitoba to invest in, conduct business and own, operate and lease assets and property in the grain handling, storage and conditioning equipment market, including the business currently carried on by Ag Growth, and such other businesses as the board of directors of Ag Growth may determine, including all activities ancillary or incidental thereto.

The fiscal year end of AGLP will be December 31.

General Partner

The general partner of AGLP is Ag Growth.

Partnership Units

AGLP will be entitled to issue various classes of partnership interests. Initially, AGLP will have outstanding Class A limited partnership units and Class B limited participation partnership units.

As described under ''Funding, Acquisition and Related Transactions'', AGLP will issue Class B limited participation partnership units to Ag Growth (having an aggregate value of $88,657,600) as part of the consideration for AGLP's acquisition of the business (net of $12,750,000 of debt which will be retained by Ag Growth) of Ag Growth. AGLP will also issue Class A limited partnership units to AGHLP in consideration for $20,000,000.

The Class B limited participation partnership units of AGLP will have the following attributes:

(i) each Class B limited participation partnership unit will entitle the holder thereof to receive cash distributions, paid monthly, calculated at the rate of 10.5% per annum on the issue price of the unit, in priority to Class A limited partnership units and no further distributions;

(ii) Class B limited participation partnership units will be redeemable at their issue price at the option of either AGLP or the holder thereof; and

(iii) each Class B limited participation partnership unit will entitle the holder thereof to cast one vote at all meetings of limited partners.

Each Class B limited participation partnership unit will be allocated income (including for purposes of the Tax Act) equal to the cash distributions paid on the unit.

The Class A limited partnership units will entitle the holders thereof to receive all other cash distributions and income allocations (including for purposes of the Tax Act) by AGLP. See ''Description of AGLP – Distributions''. The amount of income allocated to holders of Class A limited partnership units may exceed or be less than the amount of cash distributed by AGLP to that partner. Losses will be allocated solely to holders of Class A limited partnership units. Each Class A limited partnership unit will entitle the holder thereof to cast one vote at all meetings of limited partners.

Distributions

Distributable cash will represent, in general, all of AGLP's cash, including, as applicable, such amount of the cash reserves, if any, established and maintained by AGLP as Ag Growth, as general partner, may, in its sole discretion, designate in respect of a particular distribution period for purposes of stabilizing, within any year, the monthly distributions to Trust Unitholders, after:

(i) satisfaction of its debt service obligations (principal and interest) under credit facilities or other agreements with third parties, including amounts payable under the Credit Facility;

(ii) satisfaction of its other liabilities and expense obligations, including expenses relating to paying awards under the LTIP or other incentive or compensation plans to management and other personnel when cash distributions to Trust Unitholders exceed certain specified thresholds;

(iii) deduction of amounts that Ag Growth may reasonably consider to be necessary to provide for the payment of any costs or expenses that have been or are reasonably expected to be incurred in the activities and operations of AGLP (to the extent that such costs or expenses have not otherwise been taken into account); and

(iv) deduction of amounts that Ag Growth may reasonably consider to be necessary to provide for reasonable reserves, including working capital reserves for contingencies, maintenance capital expenditure reserves and other reserves, including reserves established by Ag Growth for the purpose of stabilizing, within any year, the monthly distributions to Trust Unitholders.

AGLP's distributable cash will firstly be utilized to satisfy its obligations described above in relation to the Class B limited participation partnership units. Thereafter, AGLP will distribute to holders of Class A partnership units (listed on the record) on the last day of each month, their pro rata portions of AGLP's remaining distributable cash. Distributions will be made within 30 days of the end of each month and are intended to be received by AGHLP prior to its related distributions to its limited partners. AGLP may, in addition, make a distribution at any other time in its sole discretion.

Functions and Powers of Ag Growth, in its capacity as General Partner of AGLP

Ag Growth, in its capacity as general partner of AGLP, will have exclusive authority to manage the business and affairs of AGLP, to make all decisions regarding the business of AGLP and to bind AGLP in respect of any such decision. Ag Growth will be required to exercise its powers and discharge its duties honestly, in good faith and in the best interests of AGLP and to exercise the care, diligence and skill of a reasonable prudent person in comparable circumstances.

The authority and power vested in Ag Growth to manage the business and affairs of AGLP will include all authority necessary or incidental to carry out the objects, purposes and business of AGLP, including, without limitation, the ability to engage agents to assist Ag Growth to carry out its management obligations or substantially administrative functions in respect of AGLP and its business.

Restrictions on the Authority of Ag Growth

The authority of Ag Growth will be limited in certain respects under the AGLP partnership agreement. Ag Growth will be prohibited, without the prior approval of the limited partners given by special resolution, from dissolving AGLP or selling or otherwise disposing of all or substantially all of the assets of AGLP (otherwise than in conjunction with an internal reorganization that has been approved by the Fund).

Reimbursement of Ag Growth

AGLP will reimburse Ag Growth for all direct costs and expenses incurred by Ag Growth in the performance of its duties under the AGLP partnership agreement.

Limited Liability

AGLP will operate in a manner as to ensure, to the greatest extent possible, the limited liability of the limited partners. Limited partners may lose their limited liability in certain circumstances. If limited liability of the limited partners is lost by reason of the negligence of Ag Growth in performing its duties and obligations under the AGLP partnership agreement, Ag Growth has agreed to indemnify the limited partners against all claims arising from assertions that their respective liabilities are not limited as intended by the AGLP partnership agreement.

USE OF PROCEEDS

The estimated net proceeds of the Offering, after deducting the Underwriters' fee of $4,142,400 and the expenses of the Offering, estimated to be $3,500,000 (which expenses, together with the Underwriters' fee, will be paid by AGHLP from the proceeds of the Offering), will be $61,397,600 (assuming no exercise of the Over-Allotment Option). The Fund will use the proceeds of the Offering (together with the $20,000,000 in term debt that AGHLP and/or its affiliates will receive under the Credit Facility) to acquire, indirectly, all of the securities and assets of Ag Growth and to repay approximately $32,750,000 of existing indebtedness originally incurred by Ag Growth in connection with the acquisition of Westfield. See ''Relationship Between the Fund and Certain of the Underwriters''.

The aggregate purchase price to be paid to the Ag Growth Shareholders in connection with the Fund's indirect acquisition of Ag Growth from the Ag Growth Shareholders is approximately $59,607,600, of which approximately 54% is to be paid in cash and 46% is to be paid through the issuance of Exchangeable LP Units and Subordinated LP Units. The issued and outstanding Class D redeemable preferred voting shares in the capital of Ag Growth will be redeemed by Ag Growth for approximately $16,000,000, plus accrued dividends of approximately $300,000. The purchase price for the securities of Ag Growth was determined by negotiation between the Underwriters and the Ag Growth Shareholders.

DETAILS OF THE OFFERING

The Offering consists of 6,904,000 Trust Units. See ''Description of the Fund'' for a description of the attributes of the Trust Units.

Book Entry Form and Depository Service

Except as otherwise provided below, the Trust Units will be issued in ''book entry only'' form and must be purchased or transferred through CDS Participants, which includes securities brokers and dealers, banks and trust companies. On Closing, the Fund will cause a global certificate or certificates representing the Trust Units to be delivered to, and registered in the name of, CDS or its nominee. Except as described below, no Trust Unitholder will be entitled to a certificate or other instrument from the Fund or CDS evidencing that Trust Unitholder's ownership thereof, and no Trust Unitholder will be shown on the records maintained by CDS except through a book entry account of a CDS Participant acting on behalf of such Trust Unitholder. Each Trust Unitholder will receive a customer confirmation of purchase from the registered dealer from or through which the Trust Unit is purchased in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS will be responsible for establishing and maintaining book entry accounts for its CDS Participants having interests in the Trust Units.

If: (i) the Fund determines that CDS is no longer willing or able to discharge properly its responsibilities as depository with respect to the Trust Units and the Fund is unable to locate a qualified successor, or (ii) the Fund at its option elects, or is required by law, to terminate the book entry system, then Trust Units will be issued in fully registered form to Trust Unitholders or their nominees.

Transfer of Trust Units

Transfers of ownership in the Trust Units will be effected only through records maintained by CDS or its nominee for such Trust Units with respect to interests of CDS Participants, and on the records of CDS Participants with respect to interests of persons other than CDS Participants. Trust Unitholders who are not CDS Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interest in the Trust Units, may do so only through CDS Participants.

The ability of a Trust Unitholder to pledge a Trust Unit or otherwise take action with respect to such Trust Unitholder's interest in a Trust Unit (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

Payments of Distributions

Payments of distributions on each Trust Unit will be made by the Fund to CDS or its nominee, as the case may be, as the registered holder of the Trust Units and the Fund understands that such payments will be forwarded by CDS or its nominee, as the case may be, to CDS Participants. As long as CDS or its nominee is the registered owner of the Trust Units, CDS or its nominee, as the case may be, will be considered the sole owner of the Trust Units for the purposes of receiving payments on the Trust Units. The responsibility and liability of the Fund in respect of the Trust Units is limited to making payment of any distribution in respect of the Trust Units to CDS or its nominee.

PLAN OF DISTRIBUTION

Underwriting Agreement

Under the Underwriting Agreement, the Fund has agreed to sell and Scotia Capital Inc., CIBC World Markets Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc. and HSBC Securities (Canada) Inc. have severally agreed in the proportions set out in the Underwriting Agreement to purchase on the Closing Date, being May 18, 2004 or such later date as may be agreed between the parties, but not later than June 15, 2004, subject to the terms and conditions stated therein, an aggregate of 6,904,000 Trust Units at a purchase price of \$10.00 per Trust Unit, for aggregate consideration of \$69,040,000, payable in cash to the Fund against delivery of a global certificate representing the Trust Units offered hereunder. AGHLP has agreed to pay the Underwriters a fee of \$0.60 per Trust Unit purchased by the Underwriters, being an aggregate of \$4,142,400.

The obligations of the Underwriters under the Underwriting Agreement are conditional and may be terminated at their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events and are conditional upon the completion of certain transactions. The Underwriters are, however, obligated to take up and pay for all of the Trust Units if any Trust Units are purchased under the Underwriting Agreement.

The Fund has granted the Underwriters an option, exercisable in whole or in part for a period of 30 days from the closing of this Offering, to purchase up to an additional 500,000 Trust Units on the same terms as set out above, solely to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' fee and net proceeds to the Fund will be $74,040,000, $4,442,400 and $69,597,600, respectively. In the event that the Over-Allotment Option is exercised, the Fund will indirectly subscribe for additional Ordinary LP Units and AGHLP will use the proceeds of such issuance to redeem a number of the Exchangeable LP Units issued to certain of the Ag Growth Shareholders. This prospectus qualifies the distribution of the Over-Allotment Option and the distribution of Trust Units issuable on the exercise of the Over-Allotment Option.

The Fund, the Ag Growth Entities and certain of the Ag Growth Shareholders have agreed to indemnify the Underwriters and their affiliates, directors, officers, employees and agents against certain liabilities, including, without restriction, civil liabilities under Canadian provincial securities legislation, or to contribute to any payments the Underwriters may be required to make in respect thereof.

Pursuant to policy statements of the relevant securities commissions, the Underwriters may not, throughout the period of distribution, bid for or purchase any Trust Units. The policy statements allow certain exceptions to the foregoing prohibitions. The Underwriters may only avail themselves of such exceptions on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Trust Units. These exceptions include a bid or purchase permitted under the by-laws and rules of the TSX relating to market completion and passive market-making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing and applicable laws, the Underwriters may, in connection with the Offering over-allot or effect transactions that stabilize or maintain the market price of the Trust Units at levels other than those which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

The Trust Units have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the ''U.S. Securities Act''), or the securities laws of any state in the United States. These securities may not be offered or sold or otherwise transferred or disposed of within the United States without registration unless an exemption from registration is available. The Underwriters have agreed not to offer or sell the Trust Units in the United States without registration under the U.S. Securities Act and applicable state securities laws except to certain institutional purchasers in transactions that comply with the exemption from registration set forth in Rule 144A under the U.S. Securities Act. In addition, until 40 days after the date of this prospectus, any offer or sale of the Trust Units in the United States by any dealer, whether or not participating in the Offering, may violate the registration provisions of the U.S. Securities Act unless made in compliance with Rule 144A thereunder.

There is currently no market through which the Trust Units may be sold and purchasers may not be able to resell securities purchased under the prospectus. Accordingly, the terms of the distribution, including the offering price of the Trust Units, were determined by negotiation between the Fund, the Ag Growth Shareholders and the Underwriters. The TSX has conditionally approved the listing of the Trust Units under the symbol ''AFN.UN''. Listing is subject to the Fund fulfilling all the requirements of the TSX on or before July 21, 2004, including the distribution of the Trust Units to a minimum number of public Trust Unitholders.

The Fund has agreed that, other than pursuant to the Over-Allotment Option, it will not, directly or indirectly, without the prior consent of the Underwriters, offer, sell, issue or otherwise dispose of any Trust Units or any securities convertible into or exchangeable or exercisable for Trust Units (other than the Trust Units offered hereby and Exchangeable LP Units and Subordinated LP Units described herein) for a period of 180 days following Closing or agree to do so or publicly announce any intention to do so. In addition, subject to certain exceptions, each of the Ag Growth Shareholders has agreed with the Underwriters not to transfer any of the Exchangeable LP Units, Subordinated LP Units or Trust Units beneficially owned by such holder for a period of 180 days following Closing.

RELATIONSHIP BETWEEN THE FUND AND CERTAIN OF THE UNDERWRITERS

In connection with the Offering, the Fund may be considered a ''connected issuer'' to Scotia Capital Inc. and TD Securities Inc. under applicable securities laws. A Canadian chartered bank which is an affiliate of Scotia Capital Inc. and a Canadian chartered bank which is an affiliate of TD Securities Inc. (the ''Affiliated Banks'') are lenders to Ag Growth under its current credit facility (the ''Current Facility''), which is secured by substantially all of the assets of Ag Growth. Under the terms of the Current Facility, the consent of the Affiliated Banks is a prerequisite to the completion of the transactions set out under ''Funding, Acquisition and Related Transactions''. As at December 31, 2003, a total of approximately $36 million was outstanding under the Current Facility. As at the date of this prospectus, Ag Growth is in compliance with the terms and conditions of the Current Facility. The Current Facility is expected to be repaid and replaced by the Credit Facilities, which one of the Affiliated Banks is expected to provide. See ''Principal Agreements – Credit Facility''. The decision of Scotia Capital Inc. and TD Securities Inc. to participate in the Offering was made independently of the Affiliated Banks, and the Offering was not required or suggested by the Affiliated Banks. The terms, structuring and pricing of the Offering were determined solely by negotiation among the Fund, the Ag Growth Shareholders and the Underwriters. The Affiliated Banks did not play any role in those determinations or decisions. Roydolco Inc., one of the Ag Growth Shareholders who will receive a portion of the purchase price payable by AGHLP for the shares of Ag Growth, is an affiliate of Scotia Capital Inc., and HCCA (I) Ag Growth Holdings Limited Partnership, HCCA (II) Ag Growth Holdings Limited Partnership, HCCA (IV) Ag Growth Holdings Limited Partnership and HCCA (V) Ag Growth Holdings Limited Partnership, each of which is an Ag Growth Shareholder who will receive a portion of the purchase price payable by AGHLP for the shares of Ag Growth, are affiliates of HSBC Securities (Canada) Inc. Other than as described above, none of the Underwriters or their affiliates will receive any benefit from the Offering, except for the Underwriters' respective portions of the underwriting commissions payable by the Fund.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel to the Fund, and Ag Growth and Blake, Cassels & Graydon LLP, counsel to the Underwriters, (together, ''Tax Counsel''), the following summary describes, as of the date of this prospectus, the principal Canadian federal income tax considerations pursuant to the Tax Act generally applicable to a prospective purchaser of Trust Units pursuant to this prospectus who, for the purposes of the Tax Act, is resident in Canada, holds the Trust Units as capital property and deals at arm's length with the Fund. Generally, Trust Units will be considered to be capital property to a Trust Unitholder provided the Trust Unitholder does not hold the Trust Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain Trust Unitholders who might not otherwise be considered to hold their Trust Units as capital property may, in certain circumstances, be entitled to have them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act.

This summary is not applicable to a Trust Unitholder that is a ''financial institution'' for purposes of the mark-to-market rules, to a Trust Unitholder an interest in which is a ''tax shelter investment'' or to a Trust Unitholder that is a ''specified financial institution'', all within the meaning of the Tax Act.

This summary is based upon the facts set out in the prospectus, the current provisions of the Tax Act, Tax Counsel's understanding of the administrative and assessing practices of the CCRA publicly available prior to the date hereof and the specific proposals to amend the Tax Act announced by the Minister of Finance (Canada) prior to the date hereof (the ''Proposed Amendments''). This summary is not exhaustive of all possible Canadian federal income tax consequences and, except for the Proposed Amendments, does not take into account or anticipate any changes in the law or in the administrative or assessing policies of the CCRA, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. No assurance can be given that the Proposed Amendments will be enacted as currently proposed or at all.

This summary is not intended to be, nor should it be construed to be, legal or tax advice to any prospective purchaser of Trust Units. Consequently, prospective purchasers of Trust Units should consult their own tax advisors for advice with respect to the tax consequences to them of an investment in Trust Units based on their particular circumstances.

Qualification as a Mutual Fund Trust

The Fund qualifies as a ''unit trust'' as defined in the Tax Act. This summary assumes that the Fund will also qualify as a ''mutual fund trust'' as defined in the Tax Act on completion of the Offering, and will thereafter continuously qualify as a mutual fund trust. In order for the Fund to qualify as a mutual fund trust at a particular time, in addition to being a unit trust resident in Canada, it must meet certain prescribed conditions (''minimum distribution requirement'') relating to the number of Unitholders, the dispersal of ownership of Trust Units and public distribution of Trust Units at such time; its only undertaking must be the investing of its funds in property (other than real property); and it must not be established or maintained primarily for the benefit of non-residents. In the opinion of Tax Counsel, the sole undertaking of the Fund as described in this prospectus is the investing of its funds in property (other than real property) and this summary assumes that this will continue to be the case at all relevant times. This summary assumes that the Fund will satisfy the minimum distribution requirement on completion of the Offering, so that it may elect to be deemed to be a mutual fund trust from the date it was established until such time, and it so elects, and that it will continuously satisfy the minimum distribution requirement thereafter. This summary also assumes that the Fund is not established or maintained primarily for the benefit of non-residents, and Tax Counsel is of the view that such assumption is reasonable in light of the restriction on the ownership of Units by non-residents, which is contained in the Declaration of Trust. If the Fund were not to qualify as a mutual fund trust, the income tax considerations described below would, in some respects, be materially different.

Taxation of the Fund

In general, the Fund is treated as an individual for tax purposes and is taxable on its income determined under the Tax Act from sources inside or outside Canada. The Fund is subject to tax in each taxation year (which will be the calendar year) on its taxable income for the year which will include all interest on the AGOT Notes that accrues to the Fund to the end of the year or that becomes receivable or is received by it before the end of the year (except to the extent such interest was included in computing income for a preceding year), such amount of AGOT's income as became payable in the year to the Fund as a distribution on the AGOT Units and net realized taxable capital gains. The Fund will not be subject to tax on any payments of principal on the Series 1 AGOT Notes nor on any amount received as a return of capital (and not income) on the AGOT Units to the extent such amount does not exceed the adjusted cost base of the AGOT Units immediately prior to the payment. The Fund may deduct in computing income for a taxation year amounts paid or payable or deemed to be paid or payable in such year to the Trust Unitholders.

In computing its income, the Fund will generally be entitled to deduct reasonable expenses incurred for the purpose of earning such income. The Fund may deduct in computing its income for a year a portion of the reasonable expenses incurred by it in connection with the issuance of the Trust Units. The portion of such issue expenses deductible by the Fund in a taxation year is 20% of such issue expenses, pro-rated where the Fund's taxation year is less than 365 days.

Under the Declaration of Trust, an amount equal to all of the income of the Fund for each year, together with the non-taxable portion of any net capital gains realized by the Fund in the year, but excluding capital gains which may be realized by the Fund upon a distribution *in specie* of assets of the Fund in connection with a redemption of a Trust Unit (or the disposition of any assets of the Fund that are exchanged for assets so distributed) and excluding capital gains in respect of which the Fund is entitled to a Capital Gains Refund (as defined below), which are payable and designated to the redeeming Trust Unitholders, will be payable in the year to the holders of the Trust Units by way of cash distributions, subject to the exceptions described below. Under the Declaration of Trust, income of the Fund may be used to finance cash redemptions of Trust Units and such income will not be payable to holders of the Trust Units by way of cash distributions but rather, to the extent not treated as paid to a redeeming Trust Unitholder, will be payable in the form of additional Trust Units.

A distribution by the Fund to a Trust Unitholder of assets of the Fund upon a redemption of Trust Units (or the exchange of assets of the Fund for assets so distributed) will be treated as a disposition of such assets by the Fund for proceeds equal to their fair market value. The Fund's proceeds from the disposition of Series 1 AGOT Notes will be reduced by any accrued but unpaid interest in respect thereof, which interest will generally be included in the Fund's income in the year of disposition to the extent it was not included in the Fund's income in a previous year. The Fund will realize a capital gain (or loss) to the extent that such proceeds exceed (or are exceeded by) the cost amount to the Fund of such assets and reasonable costs of disposition.

The Fund will be entitled for each taxation year to reduce (or receive a refund in respect of) its liability, if any, for tax on its net realized taxable capital gains by an amount determined under the Tax Act based on the redemption of Trust Units during the year (the ''Capital Gains Refund''). In certain circumstances, the Capital Gains Refund, in a particular taxation year, may not completely offset the Fund's tax liability for such taxation year arising as a result of the distribution of assets of the Fund on the redemption of Trust Units. The Declaration of Trust provides that any capital gain of the Fund attributable to an *in specie* distribution of assets of the Fund may be treated as being paid to redeeming Trust Unitholders and the taxable portion thereof designated as a taxable capital gain of the redeeming Trust Unitholder and any amount so designated will be deductible by the Fund.

Tax Counsel has been advised that the Fund intends to make sufficient distributions in each year of its net income for tax purposes and net realized capital gains so that the Fund would generally not be liable in such year for income tax under Part I of the Tax Act.

The Fund has advised Tax Counsel that it will apply to be a ''registered investment'' from inception under the Tax Act. Assuming that the Fund becomes a registered investment, the Fund may be subject to a special tax under Part XI of the Tax Act if it acquires or holds foreign property in excess of the limits provided in the Tax Act or enters into certain agreements to acquire shares of a corporation at a price that may differ from the fair market value of the shares at the time of acquisition. The Fund is required by the Declaration of Trust to restrict its investments so that it will not become liable for such tax.

Taxation of AGOT, AGHLP, AGLP and Ag Growth

AGOT will be taxable on its income determined under the Tax Act for each taxation year (which will be the calendar year), which will include its allocated share of the income of AGHLP. Similar to the Fund, income that is paid or payable or deemed to be paid or payable in a year to its unitholders may be deducted by AGOT in computing its income for tax purposes for such year. Under the AGOT Declaration of Trust, an amount equal to all of the income of AGOT for each year, together with the non-taxable portion of any net capital gains realized by AGOT in the year, will generally be payable in the year to holders of AGOT Units. Tax Counsel has been advised that AGOT intends to make sufficient distributions in each year of its net income for tax purposes and net realized capital gains so that AGOT would generally not be liable in such year for any material amount of tax under Part I of the Tax Act.

AGHLP and AGLP are not subject to income tax under the Tax Act. Each partner of AGHLP, including AGOT and the Ag Growth Shareholders, and each partner of AGLP, including AGHLP and Ag Growth, is required to include in computing the partner's income the partner's share of the income or loss of AGHLP or AGLP for its fiscal year ending in the partner's taxation year end, whether or not any such income is distributed to the partner in the taxation year. Thus, AGHLP will include in computing its income dividends and interest received from Ag Growth and its share of the income or loss allocated to it by AGLP. For this purpose, the income or loss of each of AGHLP and AGLP will be computed for each fiscal year as it were a separate person resident in Canada. In computing the income or loss of each of AGHLP and AGLP, deductions will be claimed in respect of its administrative and other expenses and available capital cost allowance. The cost of depreciable properties acquired from Ag Growth eligible for capital cost allowance claims will be less than their fair market value because they will be transferred to AGLP on a tax-deferred basis. The income or loss of each of AGHLP and AGLP for a fiscal year will be allocated to its partners on the basis of the partner's share of such income or loss subject to the detailed rules in the Tax Act in that regard.

Ag Growth will be subject to tax on its taxable income determined under the Tax Act for each taxation year, including its share of the income or loss of AGLP, whether or not any such income is distributed to Ag Growth.

Taxable Trust Unitholders

A Trust Unitholder is generally required to include in computing income for a taxation year, the portion of the income of the Fund for the year, including net realized taxable capital gains, determined for purposes of the Tax Act, that is paid or payable to the Trust Unitholder in the year, whether such amount is be paid in cash or additional Trust Units. Provided that appropriate designations are made by the Fund, such portions of its net taxable capital gains, taxable dividends from taxable Canadian corporations and foreign source income, if any, as are paid or payable to a Trust Unitholder will effectively retain their character and be treated as such in the hands of the Trust Unitholder for the purposes of the Tax Act. Accordingly, such amounts, if any, will be taken into account in determining a Trust Unitholder's capital gains, a Trust Unitholder's entitlement to the dividend tax credit and/or a Trust Unitholder's foreign tax credits. Such amounts will also be taken into account in determining the Trust Unitholder's liability, if any, for alternative minimum tax under the Tax Act.

Any amount in excess of the income of the Fund that is paid or payable by the Fund to a Trust Unitholder in a year should not generally be included in the Trust Unitholder's income for the year. However, where such an amount is paid or becomes payable to a Trust Unitholder, other than as proceeds of disposition of Trust Units or any part thereof, the amount will generally reduce the adjusted cost base of the Trust Units held by such Trust Unitholder, except to the extent that the amount represents the Trust Unitholder's share of the non-taxable portion of the net capital gains of the Fund for the year, the taxable portion of which was designated by the Fund in respect of the Trust Unitholder.

The adjusted cost base of a Trust Unit to a Trust Unitholder will include all amounts paid or payable by the Trust Unitholder for the Trust Unit, with certain adjustments. Trust Units issued to a Trust Unitholder in lieu of a cash distribution will have a cost equal to the amount distributed by the issue of such Trust Units. For the purpose of determining the adjusted cost base to a Trust Unitholder of Trust Units, when a Trust Unit is acquired, the cost of a newly acquired Trust Unit will be averaged with the adjusted cost base of all other Trust Units owned by the Trust Unitholder as capital property immediately before such acquisition.

Upon the disposition or deemed disposition by a Trust Unitholder of a Trust Unit, whether on redemption or otherwise, the Trust Unitholder will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition (excluding any amount payable by the Fund which represents an amount that must otherwise be included in the Trust Unitholder's income or that is the non-taxable portion of net realized capital gains of the Fund paid or payable to the Unitholder) exceed (or are less than) the aggregate of the Unitholder's adjusted cost base of the Trust Unit and any reasonable costs of disposition.

Where Trust Units are redeemed and any assets, including Series 2 Exchange Notes and Series 3 Exchange Notes, of the Fund are distributed *in specie* to the Trust Unitholder, the proceeds of disposition to the Trust Unitholder of the Trust Units will be equal to the fair market value of the assets so distributed (less the amount of any capital gain or income realized by the Fund as a result of the redemption of those Trust Units which has been designated and made payable by the Fund to the Trust Unitholder). Where income or a capital gain realized by the Fund as a result of the distribution of Series 2 Exchange Notes and Series 3 Exchange Notes on the redemption of Trust Units (or the exchange of any assets of the Fund for the assets so distributed) has been made payable and, in the case of capital gains, designated by the Fund to a redeeming Trust Unitholder, the Trust Unitholder will be required to include in income the income or taxable portion of the capital gain so payable.

The cost amount to a Trust Unitholder, immediately after a redemption of Trust Units of the Unitholder, of the Series 2 Exchange Notes and Series 3 Exchange Notes distributed to the Trust Unitholder by the Fund upon such redemption will be equal to the fair market value of such assets at the time of the distribution. The redeeming Unitholder will be required to include in income interest on any Series 2 Exchange Notes and Series 3 Exchange Notes acquired in accordance with the provisions of the Tax Act.

One-half of any capital gain realized by a Trust Unitholder on the disposition of a Trust Unit and the amount of any net taxable capital gains designated by the Fund in respect of a Trust Unitholder will be included in the Trust Unitholder's income under the Tax Act in the taxation year in which the disposition occurs or in respect of which a net taxable capital gains designation is made by the Fund. To the extent that the adjusted cost base of a Trust Unit would otherwise be less than zero in any taxation year of a Trust Unitholder, the negative amount will be deemed to be a capital gain realized by the Trust Unitholder in such taxation year from the disposition of the Trust Unit and the amount of such capital gain will be added to the adjusted cost base of the Trust Unit. Subject to certain specific rules in the Tax Act, one-half of any capital loss realized on the disposition of a Trust Unit may be deducted against one-half of any capital gains realized by the Trust Unitholder in the year of disposition, in the three preceding taxation years or in any subsequent taxation year.

Taxable capital gains realized by a Trust Unitholder who is an individual may give rise to alternative minimum tax depending on the Trust Unitholder's circumstances. **Trust Unitholders are advised to consult their own tax advisors prior to exercising their redemption rights.**

Tax-Exempt Trust Unitholders

Provided that the Fund qualifies as a ''mutual fund trust'' or is a ''registered investment'' for purposes of the Tax Act at a particular time, the Trust Units will be qualified investments for trusts governed by registered retirement savings plans (''RRSPs''), registered retirement income funds (''RRIFs'') and deferred profit sharing plans (''DPSPs'' and together with RRSPs and RRIFs, ''Plans'') and registered education savings plans (''RESPs'') at such time. Plans and RESPs will generally not be liable for tax in respect of any distributions received from the Fund or any capital gain arising on the disposition of Trust Units.

Provided the Fund is a ''mutual fund trust'' and restricts its holdings of foreign property within the limits provided under the Tax Act, or the Fund is a ''registered investment'' within the meaning of the Tax Act (see ''Taxation of the Fund''), the Trust Units will not constitute foreign property for Plans, registered pension funds or plans or other persons subject to tax under Part XI of the Tax Act.

On March 23, 2004, the Minister of Finance (Canada) proposed amendments to the Tax Act to restrict direct and indirect holdings by registered pension plans and tax-exempt registered pension plan corporations in certain ''business income trusts'' (as defined in the proposals). Under the proposals, such tax-exempt entities will be subject to a 1% per month tax on the excess of the total of the cost amounts to such entity at the end of a month of certain direct and indirect investments in business income trusts over 1% of the total cost amount of all property held by such entity at the end of the month. Further, under the proposals, an additional 1% per month tax will be imposed on the ''excess investment'' in business income trusts by such tax-exempt entities. An excess investment will exist where the total fair market value of units of a particular class of a particular business income trust at the end of a month held by such entity together with entities that do not deal at arm's length with such entity exceeds 5% of the total fair market value of all the issued units of that class of the business income trust. These monthly taxes are proposed to be effective for months that end after 2004. Transitional relief will be available in respect of such investments acquired before March 23, 2004. Based on the proposed amendments, the Fund will be a business income trust for this purpose. Accordingly, such tax-exempt entities should consult their tax advisors with respect to an investment in Trust Units.

RISK FACTORS

An investment in the Trust Units involves a number of risks. In addition to the other information contained in this Prospectus, prospective purchasers should give careful consideration to the following factors, which are qualified in their entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this prospectus. Any of the matters highlighted in these risk factors could have a material adverse effect on Ag Growth's results of operations, business prospects or financial condition or on the distributions of cash to Trust Unitholders.

Risks Related to the Structure of the Fund and the Offering

Dependence on AGLP

The Fund is a limited purpose trust that will be entirely dependent on the operations and assets currently owned by Ag Growth through its indirect ownership of AGLP. Accordingly, the cash distributions to the Trust Unitholders will be dependent on the ability of AGLP to make distributions which are ultimately paid to the Fund. The ability of AGLP to pay distributions or make other payments or advances to the Fund will be subject to applicable laws and contractual restrictions contained in the instruments governing any indebtedness (including the Credit Facility) and certain risks and uncertainties related to Ag Growth's business. See also ''Risks Related to Ag Growth's Business''.

Leverage, Restrictive Covenants

At Closing or as soon as practicable thereafter, AGLP, AGHLP (and/or their affiliates) expect to enter into the Credit Facility. See ''Principal Agreements – Credit Facility''. The degree to which AGLP, AGHLP (and/or their affiliates) are leveraged could have important consequences to the holders of the Units, including: (i) the ability of AGLP, AGHLP (and/or their affiliates) to obtain additional financing for working capital, capital expenditures or acquisitions in the future may be limited; (ii) a material portion of AGLP's, AGHLP's (and/or their affiliates') cash flow from operations may need to be dedicated to payment of the principal of and interest on indebtedness, thereby reducing funds available for future operations and to pay distributions; (iii) certain of the borrowings under the Credit Facility may be at variable rates of interest, which exposes AGLP, AGHLP (and/or their affiliates) to the risk of increased interest rates; and (iv) AGLP, AGHLP (and/or their affiliates) may be more vulnerable to economic downturns and be limited in their ability to withstand competitive pressures. AGLP's, AGHLP's (and/or their affiliates') ability to make scheduled payments of principal and interest on, or to refinance, their indebtedness will depend on their future operating performance and cash flow, which are subject to prevailing economic conditions, prevailing interest rate levels, and financial, competitive, business and other factors, many of which are beyond their control.

The ability of AGOT, AGLP and AGHLP to make distributions or make other payments or advances will be subject to applicable laws and contractual restrictions contained in the instruments governing any indebtedness of those entities (including the proposed Credit Facility). The Credit Facility will likely contain restrictive covenants customary for credit facilities of this nature, including covenants that limit the discretion of management with respect to certain business matters. These covenants will likely place restrictions on, among other things, the ability of AGLP, AGHLP (and/or their affiliates) to incur additional indebtedness, to pay distributions or make certain other payments and to sell or otherwise dispose of material assets. In addition, the Credit Facility will likely contain a number of financial covenants that will require AGLP, AGHLP (and/or their affiliates) to meet certain financial ratios and financial tests. A failure to comply with the obligations in the proposed Credit Facility could result in an event of default which, if not cured or waived, could permit acceleration of the relevant indebtedness. If the indebtedness under the Credit Facility were to be accelerated, there can be no assurance that the assets of AGLP, AGHLP (and/or their affiliates) would be sufficient to repay in full that indebtedness. There can also be no assurance that the Credit Facility or any other credit facility will be able to be refinanced.

Cash Distributions are not Guaranteed and Will Fluctuate with AGLP's Performance

Although the Fund intends to distribute the interest and other income earned by the Fund less amounts, if any, paid by the Fund in connection with the redemption of Trust Units, there can be no assurance regarding the amounts of income to be generated by AGLP and paid to the Fund. The actual amount distributed in respect of the Trust Units will depend upon numerous factors, including profitability, fluctuations in working capital, the sustainability of margins and capital expenditures.

Nature of Trust Units

Securities such as the Trust Units are hybrids in that they share certain attributes common to both equity securities and debt instruments. The Trust Units do not represent a direct investment in the business of Ag Growth/AGLP and should not be viewed by investors as shares or debt of Ag Growth/AGLP. As holders of Trust Units, Unitholders will not have the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring ''oppression'' or ''derivative'' actions. The Trust Units represent a fractional interest in the Fund. The Fund's primary asset will be its interests in AGOT. The price per Trust Unit is a function of anticipated distributable cash.

Absence of Prior Public Market

Prior to this Offering there has been no public market for the Trust Units. The initial public offering price has been determined by negotiation between the Fund, the Ag Growth Shareholders and the Underwriters based on several factors and may bear no relationship to the price at which the Trust Units will trade in the public market subsequent to the Offering. See ''Plan of Distribution''.

Distribution of Securities on Redemption or Termination of the Fund

Upon a redemption of Trust Units or termination of the Fund, the Trustees may distribute Series 2 Exchange Notes and Series 3 Exchange Notes or other securities directly to the Trust Unitholders, subject to obtaining all required regulatory approvals. There is currently no market for the Series 2 Exchange Notes or the Series 3 Exchange Notes. In addition, the Series 2 Exchange Notes and Series 3 Exchange Notes or other securities will not be freely tradeable and will not be currently listed on any stock exchange. While the Series 2 Exchange Notes and Series 3 Exchange Notes would be qualified investments for Plans on the date hereof, there can be no assurance that assets so distributed will be qualified investments for Plans at the time of their distribution.

Potential Dilution

The Declaration of Trust authorizes the Fund to issue an unlimited number of Units for such consideration and on such terms and conditions as shall be established by the Trustees without the approval of Unitholders. See ''Description of the Fund – Units''. Additional Trust Units will be issued by the Fund upon the exchange of the Exchangeable LP Units.

Restrictions on Potential Growth

The payout by each of AGLP and AGHLP of substantially all of their operating cash flow will make additional capital and operating expenditures dependent on increased cash flow or additional financing in the future. Lack of such funds could limit the future growth of AGLP and/or AGHLP and the related cash flow to the Fund.

Unitholder Liability

The Declaration of Trust provides that no Unitholder will be subject to any liability whatsoever to any person in connection with a holding of Units. However, there remains a risk, which is considered by the Fund to be remote in the circumstances, that a Unitholder could be personally liable despite such statement in the Declaration of Trust for the obligations of the Fund (including liabilities arising from the activities of AGHLP and AGLP) to the extent that claims are not satisfied out of the assets of the Fund. It is intended that the affairs of the Fund will be conducted to seek to minimize such risk wherever possible.

Under limited partnership legislation, a limited partner taking part in the management of a limited partnership is potentially responsible for partnership liabilities as a general partner. In light of the fact that the investment of the Fund in AGHLP is being held through AGOT and the management of AGHLP is being conducted through AGHI, a corporate entity, management believes that the possibility of any such liability to Unitholders is remote.

Undiversified and Illiquid Holding in AGOT

The Fund's holding of AGOT Units and AGOT Notes will be undiversified, and such securities will be illiquid, as they are not expected to be listed or quoted on any stock exchange or other market.

Investment Eligibility and Foreign Property

There can be no assurance that the Trust Units will continue to be qualified investments for registered retirement savings plans, deferred profit sharing plans, registered retirement income funds and registered education savings plans or that the Trust Units will not be foreign property under the Tax Act. The Tax Act imposes penalties for the acquisition or holding of non-qualified or ineligible investments and on excess holdings of foreign property.

Effect of Market Interest Rates on Price of Trust Units

One of the factors that may influence the price of the Trust Units in public trading will be the annual return from distributions by the Fund on the Trust Units as compared to returns on other financial instruments. An increase in market interest rates will result in higher returns on other financial instruments, which could adversely affect the market price of the Trust Units.

Income Tax Matters

There can be no assurance that Canadian or United States federal income tax laws or the judicial interpretation thereof or the administrative and/or assessing practices of either or both of the CCRA or the United States Internal Revenue Service and/or the treatment of mutual fund trusts will not be changed in a manner which adversely affects the holders of Trust Units. If the Fund ceases to qualify as a ''mutual fund trust'' under the Tax Act, the income tax considerations described above under the heading ''Certain Canadian Federal Income Tax Considerations'' would be materially and adversely different in certain respects.

Interest on the Series 1 AGOT Notes accrues at the Fund level for income tax purposes whether or not actually paid. The Declaration of Trust provides that an amount equal to the taxable income of the Fund will be distributed each year to Trust Unitholders in order to reduce the Fund's net income tax liability to zero. If sufficient cash is not available, such distributions will be in the form of Trust Units. Trust Unitholders will generally be required to include an amount equal to the fair market value of those Trust Units into their taxable income, in circumstances when they do not directly receive a cash distribution.

The agreement under which Ag Growth will transfer its business operations to AGLP described above under ''Principal Agreements – Asset Purchase Agreement'' will provide that AGLP and Ag Growth will make elections under the Tax Act to transfer such assets on a tax-deferred basis. The adjusted cost base to AGLP of the assets that are the subject of those elections will be less than fair market value, such that AGLP may realize a gain on the future disposition of those assets. Similarly, the undepreciated capital cost of depreciable assets that are the subject of those elections will be less than fair market value, such that capital cost allowance claimed by AGLP will be lower than if no elections were made.

Income fund structures generally involve a significant amount of inter-company or similar debt, generating substantial interest expense, which reduces earnings and therefore income tax payable. There can be no assurance that the CCRA will not seek to challenge the amount of interest expenses deducted. If such a challenge were to succeed against Ag Growth, it could adversely affect the distributable cash available. Management believes the interest expense inherent in the structure of the Fund is supportable and reasonable in light of the terms of the indebtedness.

Further, there can be no assurance that the CCRA will not seek to challenge the allocation of income or loss from AGLP to its partners or the value of the Class B limited participation units. If such a challenge were to succeed, it could adversely affect the distributable cash available or the allocation of income by the Fund. Management believes that the provisions regarding allocation of income or loss of AGLP and the value of the Class B limited participation units are supportable and reasonable in light of the attributes of the partnership interests and the other circumstances.

On October 31, 2003, the Department of Finance released for public comment, proposed amendments to the Tax Act that relate to the deductibility of interest and other expenses for income tax purposes for taxation years commencing after 2004. In general, the proposals may deny the realization of losses in respect of a business or property in the year if it is not reasonable to expect that the taxpayer will realize a cumulative profit from that business or property for the period the taxpayer has carried on or held and can reasonably be expected to carry on or hold that business or property. Management believes that it is reasonable to expect that the Fund, AGOT, AGHLP, Ag Growth and AGLP will realize a cumulative profit from their respective businesses and properties.

Risks Related to Ag Growth's Business

For purposes of this section, references to Ag Growth are to the entity and business historically existing as and conducted by Ag Growth (and by its affiliates) to be existing as and conducted post-Closing by AGLP.

Industry Cyclicality

The performance of the farm equipment industry is cyclical, with sales depending on the performance of the agricultural sector. To the extent that the agricultural sector declines or experiences a downturn, this is likely to have a negative impact on the farm equipment industry.

Seasonality of Business

The seasonality of the demand for Ag Growth's products results in lower cash flow in the first three quarters of each calendar year and may impact the ability of the Fund to make cash distributions to Unitholders, or the quantum of such distributions, if any. Although Ag Growth expects to enter into the Credit Facility to mitigate the impact of the seasonality of the demand for Ag Growth's products, no assurance can be given that the Credit Facility will be sufficient to offset the seasonal variations in Ag Growth's cash flow.

Risk of Decreased Crop Yields

Decreased crop yields due to poor weather conditions and other factors are a significant risk affecting Ag Growth. Demand for grain handling equipment can be negatively impacted by both reduced crop volumes and the accompanying decline in farm incomes. In 2002, the North American agricultural industry experienced an almost unprecedented drought. While conditions have improved significantly, certain areas of North America are still experiencing drought conditions that are impacting farm production and demand for grain handling equipment. There can be no assurance that this trend will not continue, or will not worsen, in the future.

Potential Volatility of Production Costs

Various materials and components are purchased in connection with Ag Growth's manufacturing process, some or all of which may be subject to wide price variation. In particular, steel purchases represented 23% of 2003 production costs and other major components such as drivelines, gear boxes, hydraulic motors, valves, winches, gasoline engines and belting represented 31% of 2003 production costs. Consistent with past and current practices within the industry, Ag Growth manages its exposure to material and component price volatility by planning and negotiating purchases on an annual basis, and passing through to customers, most, if not all, of the price volatility. There can be no assurance that industry dynamics will allow Ag Growth to continue to reduce its exposure to volatility of production costs by passing through price increases to its customers.

Commodity Prices, International Trade and Political Uncertainty

Prices of commodities are influenced by a variety of unpredictable factors which are beyond the control of Ag Growth, including weather, government (Canadian, United States and other) farm programs and policies and changes in global demand or other economic factors. The world grain market is subject to numerous risks and uncertainties, including risks and uncertainties related to international trade and global political conditions.

Competition

Ag Growth experiences competition in the markets in which it operates. Certain of Ag Growth's competitors may have greater financial and capital resources than Ag Growth. Ag Growth could face increased competition from newly formed or emerging entities, as well as from established entities that choose to focus (or increase their existing focus) on Ag Growth's primary markets. As the grain handling equipment sector is fragmented, there is also a risk that a larger, formidable competitor may be created through a combination of one or more smaller competitors. Ag Growth may also face potential competition from the emergence of new products or technology.

Business Interruption

The operation of the manufacturing facilities of Ag Growth are subject to a number of business interruption risks, including delays in obtaining production materials, plant shutdowns, labour disruptions and weather conditions/natural disasters. Ag Growth may suffer damages associated with such events that it cannot insure against or which it may elect not to insure against because of high premium costs or other reasons. For instance, Ag Growth's Rosenort facility is located in an area that was affected by widespread floods experienced in Manitoba in 1997, and insurance coverage for this type of business interruption is limited. Ag Growth is not able to predict the occurrence of business interruptions.

Litigation

In the ordinary course of its business, Ag Growth may be party to various legal actions, the outcome of which cannot be predicted with certainty. One category of potential legal actions is product liability claims. Farming is an inherently dangerous occupation. Grain handling equipment used on farms may result in product liability claims that require not only proper insuring of risk, but management of the legal process as well.

Dependence on Key Personnel

Ag Growth's future business, financial condition and operating results depend on the continued contributions of certain of Ag Growth's executive officers and other key management and personnel, certain of whom would be difficult to replace.

Distribution, Sales Representative and Supply Contracts

Ag Growth typically does not enter into written agreements with its dealers, distributors or suppliers. As a result, such parties may, without notice or penalty, terminate their relationship with Ag Growth at any time. In addition, even if such parties should decide to continue their relationship with Ag Growth, there can be no guarantee that the consideration or other terms of such contracts will continue on the same basis as is currently the case.

Foreign Exchange Risk

Ag Growth generates a majority (approximately 61% in 2003) of its sales in US dollars, but a materially smaller proportion of its expenses are denominated in US dollars. To the extent that the Canadian dollar strengthens significantly against the US dollar, US dollar sales revenue will negatively impact returns. To mitigate the effects of exchange rate fluctuation, management has implemented a hedging strategy of purchasing forward foreign exchange contracts. In March 2004, Ag Growth entered into a new series of hedging arrangements at exchange rates ranging from C$1.3252 = US$1.00 to C$1.3517 = US$1.00, to mitigate the potential effect of fluctuating exchange rates through December 2006. To the extent that Ag Growth does not adequately hedge its foreign exchange risk, changes in the exchange rate between the Canadian dollar and the US dollar may have a material adverse effect on Ag Growth's results of operations, business, prospects and financial condition.

Acquisitions and Integration of Additional Businesses

As part of its business strategy, Ag Growth may pursue select strategic acquisitions. While Ag Growth has historically acquired businesses and successfully integrated their operations into its existing corporate structure, there can be no assurance that Ag Growth will find additional attractive acquisition candidates or succeed at effectively managing the integration of any businesses acquired in the future.

Potential Undisclosed Liabilities Associated with Acquisitions

To the extent that prior owners of businesses acquired by Ag Growth failed to comply with or otherwise violated applicable laws, Ag Growth, as a successor owner, may be financially responsible for these violations. In particular, to the extent that businesses acquired by Ag Growth have failed to make all necessary filings with applicable governmental, regulatory or tax authorities prior to the date of their acquisition by Ag Growth, Ag Growth may be subject to certain penalties and/or liabilities. Management does not believe any such penalties and/or liabilities will be material in nature, but there can be no assurance of this.

Absence of Operating History as a Public Company

Although management has experience in the industry, it has limited experience operating Ag Growth as a public company. To operate effectively, Ag Growth will be required to continue to implement changes in certain aspects of its business, improve and expand its information systems and develop, manage and train management level and other employees to comply with on-going public company requirements. Failure to take such actions, or delay in the implementation thereof, could adversely affect Ag Growth's and the Fund's financial condition and results of operations.

Uninsured and Underinsured Losses

Ag Growth will use its discretion in determining amounts, coverage limits and deductibility provisions of insurance, with a view to maintaining appropriate insurance coverage on its assets and operations at a commercially reasonable cost and on suitable terms. This may result in insurance coverage that, in the event of a substantial loss, would not be sufficient to pay the full current market value or current replacement cost of its assets or cover the cost of a particular claim.

PROMOTER AND INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Tricor Pacific Capital Partners (Fund II), Limited Partnership has taken the initiative in organizing the business and affairs of the Fund, and, accordingly, may be considered to be a promoter of the Fund within the meaning of applicable securities legislation.

Certain of the Ag Growth Shareholders, including certain Trustees of the Fund and members of management of Ag Growth, will receive (or are officers of entities that will receive) proceeds of the Offering and Exchangeable LP Units and Subordinated LP Units, which will be exchangeable into Trust Units. See ''Funding, Acquisition and Related Transactions'' and ''Principal Agreements – Acquisition Agreement''.

PRINCIPAL UNITHOLDER

The following table shows the name and information about the securities of the Fund directly or indirectly beneficially owned by each person or company who, as at the Closing Date, will own of record, or who, to the knowledge of the Fund, will own beneficially, directly or indirectly, more than 10% of any class or series of voting securities of the Fund. The information set forth in the following table is presented on a pro forma basis assuming the indirect exchange of Exchangeable LP Units and Subordinated LP Units beneficially owned by Tricor Pacific Capital Partners (Fund II), Limited Partnership (through Tricor (Ag Growth EXU) Holdings Ltd.) for Trust Units of the Fund.

Name	Number of Trust Units of the Fund Owned(1)	Type of Ownership	Percentage of the Trust Units of the Fund Owned
Tricor Pacific Capital Partners (Fund II), Limited Partnership	1,362,866	Indirect	14%

(1) After the closing of the Offering, Tricor Pacific Capital Partners (Fund II), Limited Partnership (through Tricor (Ag Growth EXU) Holdings Ltd.) will own a total of 339,986 Exchangeable LP Units and 1,022,880 Subordinated LP Units which are indirectly exchangeable for Trust Units. See ''Retained Interest of Ag Growth Shareholders and Exchange Rights''.

LEGAL PROCEEDINGS

Management of Ag Growth is not aware of any litigation outstanding, threatened or pending as of the date hereof by or against the Fund, AGOT, AGHLP, AGLP or Ag Growth or relating to its business which would be material to Ag Growth's financial condition or results of operations.

LEGAL MATTERS

The matters referred to under ''Eligibility for Investment'' and ''Certain Canadian Federal Income Tax Considerations'' and certain other legal matters relating to the Trust Units offered by this prospectus will be passed upon at the Closing Date on behalf of the Fund by Stikeman Elliott LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The current auditors of Ag Growth and the Fund are Ernst & Young LLP, Chartered Accountants, Commodity Exchange Tower, Suite 2700, 360 Main Street, Winnipeg, Canada, R3C 4G9. The transfer agent and registrar for the Trust Units is Computershare Trust Company of Canada at its principal offices in Toronto, Ontario.

MATERIAL CONTRACTS

The only material contracts entered into by any of the Fund or Ag Growth during the past two years or to which any of them will become a party on or prior to the Closing, other than in the ordinary course of business, are as follows:

(i) the Acquisition Agreement referred to under ''Principal Agreements'';

(ii) the Administration Agreement referred to under ''Principal Agreements'';

(iii) the AGOT Declaration of Trust referred to under ''Description of AGOT'';

(iv) the AGOT Note Indenture referred to under ''Principal Agreements'';

(v) the Declaration of Trust referred to under ''Description of the Fund'';

(vi) the Exchange and Escrow Agreement referred to under ''Principal Agreements'';

(vii) the limited partnership agreement establishing AGHLP referred to under ''Description of AGHLP'';

(viii) the limited partnership agreement establishing AGLP referred to under ‘‘Description of AGLP’’; and

(ix) the Underwriting Agreement referred to under ‘‘Plan of Distribution’’.

Copies of the foregoing documents may be examined during normal business hours at the office of the Fund, during the period of distribution of the Trust Units.

PURCHASERS’ STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province for the particulars of these rights or consult with a legal adviser.

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Notice Regarding Arthur Andersen LLP

This prospectus includes financial statements audited by Arthur Andersen LLP (''Andersen Canada''). The consent of Andersen Canada to the use of its audit report was not obtained by the Fund. Andersen Canada's consent was not obtained because Andersen Canada has ceased to practice public accounting. Because Andersen Canada has not provided this consent, purchasers of Trust Units will not have the statutory right of action for damages against Andersen Canada prescribed by applicable securities legislation. Andersen Canada may not have sufficient assets available to satisfy any judgments against it.

AUDITORS' CONSENT

We have read the prospectus of Ag Growth Income Fund (the ''Fund'') dated, May 5, 2004 relating to the sale and distribution of Trust Units of the Fund.

We have complied with Canadian generally accepted standards for the auditors' involvement with offering documents.

We consent to the use in the above-mentioned prospectus of: (i) our report to the Directors of Ag Growth Industries Inc. on the consolidated balance sheets of Ag Growth Industries Inc. as at December 31, 2003 and 2002 and the consolidated statements of income and retained earnings and cash flows for each of the years in the two-year period ended December 31, 2003; (ii) our report to the Trustees of the Fund on the balance sheet of the Fund as at March 26, 2004; and (iii) our compilation report to the Trustees of the Fund on the unaudited consolidated pro forma balance sheet as at December 31, 2003 and the unaudited consolidated pro forma statement of income for the year ended December 31, 2003. Our reports thereon are dated February 19, 2004 (except as to note 23 which is as of May 5, 2004), May 5, 2004 and May 5, 2004 respectively.

Winnipeg, Canada,
May 5, 2004

(Signed) Ernst & Young LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Trustees of
Ag Growth Income Fund

We have audited the balance sheet of Ag Growth Income Fund as at March 26, 2004. This balance sheet is the responsibility of the management of Ag Growth Income Fund. Our responsibility is to express an opinion on this balance sheet based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the balance sheet is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the balance sheet. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall balance sheet presentation.

In our opinion, this balance sheet presents fairly, in all material respects, the financial position of the Fund as at March 26, 2004 in accordance with Canadian generally accepted accounting principles.

Winnipeg, Canada,
May 5, 2004

(Signed) Ernst & Young LLP
Chartered Accountants

Ag Growth Income Fund

BALANCE SHEET

As at March 26, 2004

	$
ASSETS	
Cash	30
UNITHOLDERS' EQUITY	30

On behalf of Ag Growth Income Fund, by its Attorney, Ag Growth Industries Inc.:

By: (Signed) ROB STENSON
Director

By: (Signed) RODERICK R. SENFT
Director

See accompanying note

Ag Growth Income Fund

NOTE TO BALANCE SHEET

March 26, 2004

1. FORMATION OF THE FUND

Ag Growth Income Fund (the ''Fund'') is an unincorporated open-ended, limited purpose trust established under the laws of the Province of Ontario by a Declaration of Trust made as at March 24, 2004. The Fund has been established to hold, indirectly, approximately 72% of the partnership units of AGX Holdings Limited Partnership which, in turn, will acquire and hold, indirectly, all of the securities and assets of Ag Growth Industries Inc. (''Ag Growth'') and other investments in entities conducting business in the grain handling, storage and conditioning equipment market. The Fund intends to issue 6,904,000 trust units pursuant to a public offering for net proceeds of $61,397,600, after deducting estimated underwriters' fees and expenses of this offering of $7,642,400. The net proceeds of the offering will be used to indirectly acquire all of the securities of Ag Growth and to repay certain existing indebtedness of Ag Growth.

The Fund is an unincorporated trust with each unitholder participating pro rata in distributions of net earnings and, in the event of termination of the Fund, participating pro rata in the net assets remaining after satisfaction of all liabilities. Income tax obligations related to the distribution of net earnings by the Fund are the obligations of the unitholders.

The balance sheet of the Fund as at March 26, 2004 reflects the issuance of 3 units for $30 (''initial units''). It is the intention of the Fund to redeem for cash the initial units shortly following the closing of the offering.

COMPILATION REPORT ON PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

To the Trustees of
Ag Growth Income Fund

We have read the accompanying unaudited pro forma consolidated balance sheet of **Ag Growth Income Fund** (the ''Fund'') as at December 31, 2003 and the unaudited pro forma consolidated statement of income for the year then ended, and have performed the following procedures:

1. Compared the figures in the columns captioned ''Ag Growth Industries Inc.'' to the audited consolidated financial statements of the company as at December 31, 2003 and for the year then ended, and found them to be in agreement.

2. Compared the figures in the column captioned ''The Fund'' to the audited balance sheet of the Fund as at March 26, 2004, and found them to be in agreement.

3. Made enquiries of certain officials of the Fund (''Officials'') who have responsibility for financial and accounting matters about:

   (a) the basis for determination of the pro forma adjustments; and

   (b) whether the pro forma consolidated financial statements comply as to form in all material respects with securities legislation in Canada.

   The Officials:

   (a) described to us the basis for determination of the pro forma adjustments; and

   (b) stated that the unaudited pro forma consolidated financial statements comply as to form in all material respects with securities legislation in Canada.

4. Read the notes to the unaudited pro forma consolidated financial statements, and found them to be consistent with the basis described to us for determination of the pro forma adjustments.

5. Recalculated the application of the pro forma adjustments to the aggregate of the amounts in the columns captioned ''Ag Growth Industries Inc.'' and ''The Fund'' as at December 31, 2003 and for the year then ended, and found the amounts in the column captioned ''Pro forma consolidated'' to be arithmetically correct.

A pro forma financial statement is based on management assumptions and adjustments which are inherently subjective. The foregoing procedures are substantially less than either an audit or a review, the objective of which is the expression of assurance with respect to management's assumptions, the pro forma adjustments, and the application of the adjustments to the historical financial information. Accordingly, we express no such assurance. The foregoing procedures would not necessarily reveal matters of significance to the unaudited pro forma consolidated financial statements, and we therefore make no representation about the sufficiency of the procedures for the purposes of a reader of such statements.

Winnipeg, Canada,
May 5, 2004

(Signed) Ernst & Young LLP
CHARTERED ACCOUNTANTS

Ag Growth Income Fund

UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET

As at December 31, 2003

	Ag Growth Industries Inc. $[000's]	The Fund $[000's]	*Pro forma* Adjustments $[000's]	Notes	*Pro forma* consolidated $[000's]
ASSETS					
Current					
Cash	1,442	—	61,398	3[a]	
			20,000	3[b]	
			(31,970)	3[c]	
			(16,000)	3[c]	
			(810)	3[c]	
			(20,000)	3[d]	
			(14,060)	3[d]	—
Accounts receivable	5,920	—			5,920
Inventory	12,524	—			12,524
Prepaid expenses and other assets	255	—			255
Total current assets	20,141	—	(1,442)		18,699
Property, plant and equipment	5,411	—			5,411
Intangible assets	—	—	54,000	3[c]	54,000
Goodwill	75,822	—	(75,822)	3[c]	
			36,904	3[c]	36,904
Deferred financing costs	387	—	(387)	3[c]	—
Future income taxes	800	—	—	3[c]	800
	82,420	—	14,695		97,115
	102,561	—	13,253		115,814
LIABILITIES AND UNITHOLDERS' EQUITY					
Current					
Bank indebtedness	—	—	2,032	3[d]	2,032
Accounts payable and accrued liabilities	3,973	—	—		3,973
Income taxes payable	941	—	—		941
Dividends payable	810	—	(810)	3[c]	—
Current portion of long-term debt	6,605	—	(6,605)	3[d]	—
Total current liabilities	12,329	—	(5,383)		6,946
Long-term debt	29,487	—	20,000	3[b]	
			(20,000)	3[d]	
			(9,487)	3[d]	20,000
Redeemable preferred shares	16,000	—	(16,000)	3[c]	—
Future income taxes	210	—	—		210
Non-controlling interest	—	—	27,260	3[c]	27,260
Total liabilities	58,026	—	(3,610)		54,416
Unitholders' equity					
Trust units	—	—	61,398	3[a]	61,398
Share capital	32,012	—	(32,012)	3[c]	—
Retained earnings	12,523	—	(12,523)	3[c]	—
Total unitholders' equity	44,535	—	16,863		61,398
	102,561	—	13,253		115,814

See accompanying notes

Ag Growth Income Fund

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF INCOME

Year ended December 31, 2003

	Ag Growth Industries Inc. $[000's]	The Fund $[000's]	*Pro forma* Adjustments $[000's]	Notes	*Pro forma* consolidated $[000's]
Sales	56,969	—			56,969
Cost of goods sold	28,880	—			28,880
Gross margin	28,089	—			28,089
Expenses					
General and administration	9,337	—	500	4[b]	9,837
Capital taxes	747	—	(341)	4[e]	406
Research and development	657	—			657
Professional fees	196	—			196
Other income	(9)	—			(9)
	10,928	—	159		11,087
Income before the following	17,161	—	(159)		17,002
Interest expense					
Short-term	448	—	(448)	4[c]	
			86	4[d]	86
Long-term	3,210	—	(3,210)	4[c]	
			900	4[d]	900
Dividends on redeemable preferred shares	810	—	(810)	4[c]	—
	4,468	—	(3,482)		986
Income before depreciation and amortization, write-off of deferred financing costs, management fees and income taxes	12,693	—	3,323		16,016
Depreciation of property, plant and equipment	719	—			719
Amortization of deferred financing costs	853	—	(853)	4[c]	—
Write-off of deferred financing costs	1,749	—	(1,749)	4[c]	—
Amortization of definite-lived intangible asset	—	—	1,400	4[f]	1,400
Income before management fees and income taxes	9,372	—	4,525		13,897
Management fees	716	—	(716)	4[a]	—
Income before income taxes	8,656	—	5,241		13,897
Income tax expense (recovery)					
Current	4,780	—	(4,780)	4[e]	—
Future	(189)	—	189	4[e]	—
	4,591	—	(4,591)		—
Income before non-controlling interest	4,065	—	9,832		13,897
Non-controlling interest	—	—	3,891	4[g]	3,891
Net income for the year	4,065	—	5,941		10,006
Basic and diluted income per unit					$ 1.45

See accompanying notes

Ag Growth Income Fund

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS December 31, 2003

1. The Fund

Ag Growth Income Fund (the ''Fund'') is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario by a Declaration of Trust made as at March 24, 2004. The Fund has been established to hold, indirectly, approximately 72% of the partnership units of AGX Holdings Limited Partnership (''AGHLP'') which, in turn, will acquire and hold, indirectly, all of the securities and assets of Ag Growth Industries Inc. (''Ag Growth'') and other investments in entities conducting business in the grain handling, storage and conditioning equipment market. The Fund intends to issue 6,904,000 trust units pursuant to a public offering for net proceeds of $61.398 million, after deducting estimated underwriters' fees and expenses of this offering estimated at $7.642 million. The net proceeds of the offering will be used to indirectly acquire all of the securities of Ag Growth and to repay certain existing indebtedness of Ag Growth.

Each unitholder of the Fund participates pro rata in the distribution of net earnings from the Fund and, in the event of termination of the Fund, participates pro rata in the net assets remaining after satisfaction of all liabilities of the Fund. Income tax obligations related to the distribution of net earnings by the Fund are the obligations of the unitholders.

2. Basis of Presentation

The accompanying pro forma consolidated balance sheet and the pro forma consolidated statement of income of the Fund have been prepared by management of Ag Growth on behalf of the Fund in accordance with Canadian generally accepted accounting principles and in the opinion of management, include all adjustments necessary for the fair presentation of the proposed transactions.

The unaudited pro forma consolidated balance sheet of the Fund as at December 31, 2003 has been prepared from information derived from the audited consolidated balance sheet of Ag Growth as at December 31, 2003, the audited balance sheet of the Fund as at March 26, 2004 and the adjustments and assumptions outlined below. The unaudited pro forma consolidated statement of income for the year ended December 31, 2003 has been prepared from information derived from the audited consolidated statement of income of Ag Growth for the year ended December 31, 2003 and the adjustments and assumptions outlined below.

The pro forma consolidated financial statements may not be indicative of the financial position and results of operations that would have occurred if the transactions had been completed on the dates indicated or of the financial position or operating results that may be obtained in the future.

The pro forma consolidated financial statements should be read in conjunction with the description of the transactions in the prospectus, the audited balance sheet of the Fund as at March 26, 2004 and the audited consolidated financial statements of Ag Growth, including the notes thereto, as at and for the year ended December 31, 2003 included elsewhere in the prospectus.

These pro forma consolidated financial statements only reflect the adjustments and transactions stated below and do not reflect any adjustments to reflect potential cost savings or synergies resulting from the acquisition of Ag Growth by the Fund.

3. *Pro Forma* Consolidated Balance Sheet of the Fund

The unaudited pro forma consolidated balance sheet of the Fund as at December 31, 2003 is based on the balance sheet of the Fund as at March 26, 2004 and has been prepared assuming that the Fund was formed on December 31, 2003 and as if the following proposed transactions had been completed as at December 31, 2003:

[a] The Fund will issue 6,904,000 units, redeemable at any time on demand by the holders, pursuant to the offering for net proceeds of $61.398 million on closing of the offering after deducting estimated expenses of the offering and the underwriters' fees in the amount of $7.642 million.

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
December 31, 2003

[b] The Fund, through its indirectly controlled partnership, AGHLP, will borrow funds of $20 million under the new Credit Facility. As described in the prospectus, this two-year secured term loan bears interest at prime plus 1.25% and will be repayable in full at maturity.

[c] The Fund, through its indirectly controlled partnership, AGHLP, will acquire directly or indirectly all of the outstanding Class B and C preferred shares, and common shares of Ag Growth in exchange for cash of $31,970,000, Class B Exchangeable Units of AGHLP with an aggregate value of $8,000,000 and, Class C Exchangeable Subordinated Units of AGHLP with an aggregate value of $19,260,000. The Class B Exchangeable Units of AGHLP are exchangeable for Trust Units of the Fund at the option of the holder on a one-for-one basis (subject to customary anti-dilution protections) at any time and AGHLP will be entitled to redeem all of the Class B Exchangeable Units of AGHLP in exchange for Trust Units of the Fund, in certain specified circumstances, including there being outstanding, at any time after the date on which there are no longer any Class C Exchangeable Subordinated Units of AGHLP outstanding, fewer than 10% of the aggregate number of Class B Exchangeable Units and Class C Exchangeable Subordinate Units of AGHLP (in aggregate) originally outstanding on the Closing date. The Class C Exchangeable Subordinated Units of AGHLP are exchangeable for Class B Exchangeable Units of AGHLP on a one-for-one basis (subject to customary anti-dilution protections) on the subordination end date, and may be exchangeable for Class B Exchangeable Units earlier in certain specified circumstances. The Class C Exchangeable Subordinated Units of AGHLP are also exchangeable for Class B Exchangeable Units of AGHLP at the option of the holder after December 31, 2009, but before the subordination end date, at the exchange ratio described under ''Retained Interest of Ag Growth Shareholders and Exchange Rights'' in the prospectus. Concurrently, the Fund will redeem, for cash, the issued and outstanding Class D redeemable preferred voting shares of Ag Growth for $16,000,000 and pay the outstanding dividend payable of $810,000. As a result, the Fund will have, approximately, a 72% indirect ownership interest in Ag Growth.

The acquisition will be accounted for using the purchase method of accounting. The allocation of the purchase price is based on the estimated fair value of the net identifiable assets of Ag Growth. The excess of the purchase price over the fair value of net assets acquired has been accounted for as goodwill. Accordingly, the estimated purchase price has been allocated on a preliminary basis to Ag Growth's net identifiable assets as follows:

	$[000's]
Net assets acquired	
Net working capital	14,417
Property, plant and equipment	5,411
Future income tax asset	800
Intangible assets	54,000
Goodwill	36,904
Long-term debt	(36,092)
Redeemable preferred shares	(16,000)
Future income tax liability	(210)
	59,230
Consideration given:	
Cash	31,970
Class B Exchangeable Units of AGHLP	8,000
Class C Exchangeable Subordinated Units of AGHLP	19,260
	59,230

The above purchase price and allocation of the purchase price is preliminary. The actual calculation and allocation of the purchase price that will be reported in the consolidated financial statements of the Fund after the acquisition of Ag Growth by the Fund will be based on the fair value, at the acquisition date, of the assets acquired and liabilities assumed. Accordingly, the final purchase price and allocation of the purchase price may differ from the preliminary purchase price and allocation reflected herein.

Goodwill and indefinite life intangible assets will be assessed for impairment at least annually.

[d] Long-term debt of Ag Growth Industries Limited Partnership (''AGLP'') in the amount of $20,000,000 and long-term debt of Ag Growth in the amount of $9,487,000 and $6,605,000 will be repaid utilizing $14,202,000 of cash obtained through the issuance of trust units and on the acquisition of Ag Growth and the new $20,000,000 two-year secured term loan, and a draw of $2,032,000 on the revolving credit facility as outlined under the new Credit Facility. The revolving credit facility as described in the prospectus bears interest at prime plus 1.25% and matures two years from the Closing date. The credit facility is subject to certain financial covenants.

4. *Pro Forma* Consolidated Statement of Income of the Fund

The unaudited pro forma consolidated statement of income of the Fund for the year ended December 31, 2003 has been prepared as if the proposed transactions had been completed as at January 1, 2003:

[a] Reversal of non-recurring management fees of $716,000, which will be discontinued under the new structure.

[b] Provision of $500,000 for additional administrative costs to be incurred by the Fund and fees in respect of the Administration Agreement.

[c] Elimination of interest expense of $448,000 related to short-term debt and $3,210,000 related to long-term debt, and dividends on Class D preferred shares of $810,000, all of which will not have been incurred as a result of the settlement of the debt instruments and preferred shares upon acquisition of Ag Growth by the Fund.

Elimination of amortization expense and write-off of deferred financing fees of $853,000 and $1,749,000 respectively to reflect the settlement of long-term debt upon acquisition of Ag Growth by the Fund.

[d] Provision for long term interest expense of $900,000 and short term interest expense of $86,000 on the amounts outstanding for the fiscal year under the new Credit Facility represented respectively by a $20 million two-year secured term loan, bearing interest at prime plus 1.25% which is 4.25% at closing and an $18 million operating facility, with an amount drawn of $2.032 million, bearing interest at prime plus 1.25% which is 4.25% at closing.

[e] Reduction of income tax and capital tax provisions to reflect the fact that the Fund intends to reduce its taxable income by distributing all of its income to its unitholders and Class B Exchangeable Unitholders and to reflect the new capital and tax structure of the Fund.

[f] Amortization of definite-lived intangible asset acquired of $1,400,000.

[g] Reflect the non-controlling interest's of approximately 28% share of the net income of $3,891,000.

AUDITORS' REPORT

To the Directors of
Ag Growth Industries Inc.

We have audited the consolidated balance sheets of **Ag Growth Industries Inc.** as at December 31, 2003 and 2002 and the consolidated statements of income and retained earnings and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2003 and 2002 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Canada,
February 19, 2004 [except as to note 23
which is as of May 5, 2004]

(Signed) Ernst & Young LLP
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Shareholders of
Ag Growth Industries Inc.

We have audited the consolidated balance sheet of **Ag Growth Industries Inc.** as at December 31, 2001 and the consolidated statements of income and retained earnings and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2001 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
March 8, 2002

(Signed) Arthur Andersen LLP
CHARTERED ACCOUNTANTS

Ag Growth Industries Inc.
Incorporated under the laws of Saskatchewan

CONSOLIDATED BALANCE SHEETS

As at December 31

	2003 $[000's]	2002 $[000's]	2001 $[000's]
ASSETS [notes 12 and 13]			
Current			
Cash	1,442	853	2,882
Accounts receivable	5,920	6,280	4,155
Inventory **[note 4]**	12,524	13,189	12,465
Prepaid expenses and other assets	255	380	409
Total current assets	20,141	20,702	19,911
Property, plant and equipment **[note 5]**	5,411	5,401	5,275
Other assets			
Goodwill **[notes 3 and 6]**	75,822	75,822	79,822
Deferred financing costs **[note 7]**	387	2,550	3,616
Future income taxes **[note 10]**	800	521	232
	82,420	84,294	88,945
	102,561	104,996	108,856
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts payable and accrued liabilities	3,973	5,870	2,811
Income taxes payable	941	612	303
Dividends payable	810	810	1,050
Current portion of note payable **[note 11]**	—	71	72
Current portion of long-term debt **[note 12]**	6,605	8,019	7,018
Current portion of obligations under capital lease **[note 14]**	—	—	11
Total current liabilities	12,329	15,382	11,265
Note payable **[note 11]**	—	—	72
Long-term debt **[note 12]**	29,487	13,024	21,043
Subordinated debt **[note 13]**	—	20,000	20,000
Redeemable preferred shares **[note 15]**	16,000	16,000	20,000
Obligations under capital lease **[note 14]**	—	—	9
Future income taxes **[note 10]**	210	120	331
Total liabilities	58,026	64,526	72,720
Commitments **[notes 18 and 20]**			
Shareholders' equity			
Share capital **[note 16]**	32,012	32,012	32,012
Retained earnings	12,523	8,458	4,124
Total shareholders' equity	44,535	40,470	36,136
	102,561	104,996	108,856

On behalf of the Board:

By: (Signed) ROB STENSON
Director

By: (Signed) RODERICK R. SENFT
Director

See accompanying notes

Ag Growth Industries Inc.

CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS

Year ended December 31

	2003 $[000's] except per share data	2002 $[000's] except per share data	2001 $[000's] except per share data
Sales	56,969	55,185	60,383
Cost of goods sold	28,880	27,022	30,121
Gross margin	28,089	28,163	30,262
Expenses (income)			
General and administration	9,337	8,334	9,675
Capital taxes	747	512	—
Research and development	657	703	650
Professional fees	196	1,060	264
Transaction costs **[note 8]**	—	1,784	—
Other	(9)	(176)	204
	10,928	12,217	10,793
Income before the following	17,161	15,946	19,469
Interest expense			
Short-term	448	368	522
Long-term	3,210	3,693	4,930
Dividends on redeemable preferred shares **[note 15]**	810	890	1,050
	4,468	4,951	6,502
Income before depreciation and amortization, write-off of deferred financing costs, management fees and income taxes	12,693	10,995	12,967
Depreciation of property, plant and equipment	719	707	658
Amortization of goodwill **[notes 3 and 6]**	—	—	2,121
Amortization of deferred financing costs	853	1,066	1,066
Write-off of deferred financing costs **[note 7]**	1,749	—	—
Income before management fees and income taxes	9,372	9,222	9,122
Management fees **[note 17]**	716	771	816
Income before income taxes	8,656	8,451	8,306
Income tax expense (recovery)			
Current	4,780	4,617	4,317
Future	(189)	(500)	184
	4,591	4,117	4,501
Net income for the year	4,065	4,334	3,805
Retained earnings, beginning of year	8,458	4,124	319
Retained earnings, end of year	12,523	8,458	4,124
Basic and diluted loss per share [note 19]	0.34	0.28	0.15

See accompanying notes

Ag Growth Industries Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended December 31

	2003 $[000's]	2002 $[000's]	2001 $[000's]
OPERATING ACTIVITIES			
Net income for the year	4,065	4,334	3,805
Add charges (deduct credits) to operations not requiring a current cash payment			
Depreciation and amortization	1,572	1,773	3,845
Future income taxes (recovery)	(189)	(500)	184
Gain on sale of property, plant and equipment	(34)	(163)	(53)
Write-off of deferred financing costs	1,749	—	—
	7,163	5,444	7,781
Net change in non-cash working capital balances related to operations			
Accounts receivable	360	(2,125)	117
Inventory	665	(724)	(2,344)
Prepaid expenses and other assets	125	29	184
Investment tax credits	—	—	120
Accounts payable and accrued liabilities	(1,897)	3,058	72
Income taxes payable	329	309	(2,172)
Dividends payable	—	(240)	408
	(418)	307	(3,615)
Cash provided by operating activities	6,745	5,751	4,166
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	(770)	(978)	(1,179)
Proceeds from sale of property, plant and equipment	75	308	113
Cash used in investing activities	(695)	(670)	(1,066)
FINANCING ACTIVITIES			
Proceeds from long-term debt	37,568	—	—
Repayment of long-term debt	(22,519)	(7,018)	(2,479)
Increase in deferred financing costs	(439)	—	—
Repayment of subordinated debt	(20,000)	—	—
Repayment of note payable	(71)	(72)	(43)
Payment of obligations under capital lease	—	(20)	(13)
Cash used in financing activities	(5,461)	(7,110)	(2,535)
Net increase (decrease) in cash during the year	589	(2,029)	565
Cash, beginning of year	853	2,882	2,317
Cash, end of year	1,442	853	2,882

Supplemental cash flow information **[note 21]**

See accompanying notes

Ag Growth Industries Inc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2003, 2002, 2001

1. Nature of the Business and Basis of Presentation

Ag Growth Industries Inc. **[the ''Company'']**, is in the business of manufacturing and distributing portable grain handling equipment.

These consolidated financial statements include the accounts of Ag Growth Industries Inc. and its wholly-owned subsidiaries: Batco Manufacturing Ltd., Wheatheart Manufacturing Ltd., Westfield Industries Ltd., Westfield Distributing Ltd., Westfield Distributing (North Dakota) Inc. All inter-company balances and transactions have been eliminated on consolidation.

2. Significant Accounting Policies

The significant accounting policies are summarized below:

Inventory

Inventory is comprised of raw material and finished goods. Raw material is recorded at the lower of cost and replacement cost. Finished goods are recorded at the lower of cost, which includes direct costs and an allocation of direct manufacturing overhead, and net realizable value. Cost is determined on a first in, first out basis.

Property, plant and equipment

Property, plant and equipment are recorded at cost, net of investment tax credits. Depreciation is provided over the estimated useful lives of the assets using the following annual rates and methods:

Buildings	4%-10%	declining balance
Leasehold improvements	20%	straight-line
Furniture and fixtures	20%	declining balance
Automotive equipment	20%-30%	declining balance
Computer equipment	30%	declining balance
Manufacturing equipment	20%-30%	declining balance

Goodwill

Goodwill represents the difference between the purchase price, including acquisition costs, over the fair value of the identifiable net assets acquired through business acquisitions.

For the year ended December 31, 2001, goodwill was amortized on a straight-line basis over a range of between 10 and 40 years. Management assessed the carrying value of goodwill using its best estimate of undiscounted future cash flows and recognized any impairment in carrying value when it was identified.

Effective January 1, 2002, the Company prospectively adopted the new standard of The Canadian Institute of Chartered Accountants' recommendations for accounting for goodwill and other intangible assets, and as a consequence, ceased amortizing goodwill as at that date and adopted the goodwill impairment model which requires the assessment for goodwill impairment on at least an annual basis.

Deferred financing costs

Deferred financing costs are amortized on a straight-line basis over the term of the related debt financing.

Income taxes

The Company uses the liability method of accounting for income taxes. Under this method, assets or liabilities are recognized for the future income tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Future income taxes are measured using the substantively enacted tax rates expected to be in effect in the years in which those temporary differences are expected to reverse. Future income tax assets are recognized when realization is considered more likely than not.

Foreign currency

The Company follows the temporal method of accounting for the translation of its integrated foreign subsidiary and foreign currency transactions. Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the exchange rates in effect at the consolidated balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at their historical exchange rates. Revenue and expenses denominated in foreign currencies are translated to Canadian dollars at the average monthly rates of exchange. Gains and losses on translation are reflected in net income for the period.

Foreign exchange rate contracts

The Company enters into exchange rate contracts to manage its exposure on U.S. dollar cash flows on future sales transactions. Unrealized gains and losses on foreign exchange contracts which are designated as hedges against identified future revenue streams are recognized in income on a basis consistent with the recognition of the underlying hedge transactions. Unrealized gains and losses on non-hedged foreign exchange contracts are recognized upon the termination of the contract.

Revenue recognition

The Company recognizes revenue when the risks and rewards of ownership in the products have transferred to its customer and collection is reasonably assured. Subject to the terms of the contract, these criteria are generally met when the products are shipped, freight on board shipping point. For products on consignment, revenue is recognized upon the sale of the product by the consignee. Provision is made at the time revenue is recognized for estimated product returns and warranties.

Research and development

Research expenses are charged to income in the year they are incurred, net of related tax credits. Development expenses are charged to income unless the Company believes the costs meet generally accepted criteria for deferral and amortization.

Financial instruments

The Company has the following financial instruments: cash, accounts receivable, accounts payable and accrued liabilities, dividends payable, note payable, long-term debt, obligations under capital lease, subordinated debt and foreign exchange rate contracts. Unless otherwise stated, it is management's opinion that the Company is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise stated, the carrying value of financial instruments approximates their fair value.

Leases

Leases are classified as either capital or operating. Leases which transfer substantially all the benefits and risks of ownership of the property to the Company are accounted for as capital leases. Capital lease obligations reflect the present value of future lease payments, discounted at the appropriate interest rate. All other leases are accounted for as operating leases wherein rental payments are expensed as incurred.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Investment tax credits

The benefits of investment tax credits for scientific research and development expenditures are recognized in the year the qualifying expenditure is made providing there is reasonable assurance of recoverability. The investment tax credit reduces the carrying cost of expenditures for property, plant and equipment and research and development expenses to which they relate.

3. Change in Accounting Policy

Goodwill

Effective January 1, 2002, the Company prospectively adopted the new recommendations of The Canadian Institute of Chartered Accountants relating to goodwill and other intangible assets. Under the new accounting standard, goodwill and other intangible assets with indefinite lives are no longer amortized, but are tested for impairment upon adoption of the new standard and at least annually thereafter. The Company determined that there had been no goodwill impairment as at January 1, 2002. The Company does not have any intangible assets with indefinite lives.

The following is a reconciliation of net income to reflect the impact of no longer amortizing goodwill effective January 1, 2002:

	2003 $[000's] except per share data	2002 $[000's] except per share data	2001 $[000's] except per share data
Net income as reported	4,065	4,334	3,805
Goodwill amortization	—	—	2,121
	4,065	4,334	5,926
Basic and diluted loss per share	0.34	0.28	0.09

4. Inventory

Inventories are comprised of the following:

	2003 $[000's]	2002 $[000's]	2001 $[000's]
Raw materials	3,304	3,544	3,956
Finished goods	9,220	9,645	8,509
	12,524	13,189	12,465

5. Property, Plant and Equipment

	2003			2002			2001		
	Cost $[000's]	Accumulated depreciation $[000's]	Net book value $[000's]	Cost $[000's]	Accumulated depreciation $[000's]	Net book value $[000's]	Cost $[000's]	Accumulated depreciation $[000's]	Net book value $[000's]
Land	611	—	611	573	—	573	639	—	639
Buildings	3,282	437	2,845	3,184	308	2,876	2,806	186	2,620
Leasehold improvements	37	31	6	36	22	14	37	14	23
Furniture and fixtures	148	69	79	157	54	103	119	27	92
Automotive equipment	1,302	618	684	1,088	480	608	894	270	624
Computer equipment	460	205	255	339	121	218	250	64	186
Manufacturing equipment	1,900	969	931	1,708	699	1,009	1,515	424	1,091
	7,740	2,329	5,411	7,085	1,684	5,401	6,260	985	5,275

6. Goodwill

	Cost $[000's]	Accumulated depreciation $[000's]	Net book value $[000's]
December 31, 2003	79,184	3,362	75,822
December 31, 2002	79,184	3,362	75,822
December 31, 2001	83,184	3,362	79,822

During 2002, the Company and the vendors agreed to a settlement with respect to a purchase price dispute relating to a business acquisition made by the Company in 2000. Under the agreement, the vendors returned 80 Class D preferred shares to the Company for cancellation. Accordingly, the Company recorded a $4,000,000 reduction in its Class D preferred shares and a corresponding reduction to goodwill.

7. Deferred Financing Costs

	Cost $[000's]	Accumulated amortization $[000's]	Net book value $[000's]
December 31, 2003	440	53	387
December 31, 2002	5,336	2,786	2,550
December 31, 2001	5,336	1,720	3,616

During 2003, the Company extinguished its subordinated debt and term loan and replaced them with a new term loan. As a result, the unamortized balance of deferred financing costs in the amount of $1,749,000 was written-off and new costs in the amount of $440,000 have been deferred.

8. Transaction Costs

During fiscal 2002, the Company incurred $1,784,000 of legal, accounting and other direct costs related to a planned public offering of trust units in the newly formed Ag Growth Income Fund **[''Income Fund'']**. The Income Fund intended to use the proceeds raised from its initial public offering to indirectly acquire the assets and operations of the Company. Subsequent to December 31, 2002, management determined that the public offering would be delayed until a later date. Consequently, the Company expensed the costs incurred related to the Income Fund in 2002.

9. Bank Indebtedness

The Company has an operating facility to a maximum of $11 million bearing interest at prime plus 1.50% per annum **[2002 – 1.25% per annum; 2001 – 2.5% per annum]**. The effective interest rate during the period was 6.01% **[2002 – 5.45%; 2001 – 7.26%]**. No amount was outstanding as at December 31, 2003, December 31, 2002 and December 31, 2001. Collateral for the operating facility is set out in note 12.

10. Income Taxes

The reconciliation of the statutory tax rate to the Company's effective income tax rate is as follows:

	2003 %	2002 %	2001 %
Combined statutory federal and provincial tax rate	45.4	45.8	46.9
Tax effect of expenses that are not deductible for income tax purposes and other amounts	13.8	9.5	14.3
Manufacturing and processing tax reduction	(7.3)	(7.6)	(7.8)
Large corporation capital tax	1.1	1.0	0.8
	53.0	48.7	54.2

Significant components of the Company's future tax assets and liabilities are shown below:

	2003 $[000's]	2002 $[000's]	2001 $[000's]
Future tax assets			
Net operating loss carryforwards	—	—	84
Reserves	75	80	148
Eligible capital property	725	441	—
Total future tax assets	800	521	232
Future tax liabilities			
Property, plant and equipment	(105)	—	—
Goodwill	(105)	(120)	(331)
Total future tax liabilities	(210)	(120)	(331)

11. Note Payable

The note payable was non-interest bearing, unsecured and was repaid in full on July 1, 2003.

12. Long-Term Debt

	2003 $[000's]	2002 $[000's]	2001 $[000's]
Term loan, matures May 2005, bearing interest at prime plus 1.25% in 2002 per annum **[2001 – prime plus 2.5%]**, payable monthly Prime interest rate was 4.5% in 2002 **[2001 – 4%]**. Principal repayable in quarterly instalments, refinanced in 2003 with the term loan below	—	21,000	27,300
Term loan, matures October 2005, extendible to August 2008 at the lender's option, bearing interest at prime plus 1.50% per annum payable monthly. Prime interest rate was 4.50% as at December 31, 2003. Principal repayable in quarterly instalments	36,000	—	—
Term loan, matured May 2002, bore interest at 8.75% per annum payable monthly	—	—	700
GMAC loans, mature in 2006, bearing Nil% interest per annum **[2002, 2001 – 8.4%]**, repayable in monthly instalments of $2,551 **[2002, 2001 – $1,832]**. Vehicles financed are pledged as collateral	92	43	61
	36,092	21,043	28,061
Less current portion	6,605	8,019	7,018
	29,487	13,024	21,043

Under the agreements for the term loans, the Company is required to maintain certain financial covenants. As at December 31, 2003, the Company is in compliance with the applicable covenant terms.

In addition to the quarterly instalments, the term loan agreement requires repayments as follows:

[a] 100% of the proceeds from asset sales greater than $500,000 in aggregate, other than those in the ordinary course of business.

[b] 100% of debt or new equity issues.

[c] A cash flow sweep based on:

- 50% of Excess Cash Flows (as defined by the agreement) if the debt leverage as at year-end is equal to or exceeds 2:1; or
- 25% of Excess Cash Flows if the debt leverage as at year-end is less than 2:1.

The additional principal repayment was determined to be $75,000 for fiscal 2003, which is due in two equal instalments on September 30, 2004 and December 31, 2004.

Principal repayments due within the next three fiscal years are as follows:

	$[000's]
2004	6,605
2005	29,456
2006	31
	36,092

Collateral for the term loan and operating facility includes a general security agreement and first position collateral mortgages on land and buildings.

13. Subordinated Debt

	2003 $[000's]	2002 $[000's]	2001 $[000's]
Term loan, MG Stratum II Limited, interest at 12% per annum payable monthly, principal due November 23, 2005	—	15,000	15,000
Term loan, RoyNat Capital Inc., interest at 12% per annum payable monthly, principal due November 23, 2005	—	5,000	5,000
	—	20,000	20,000

For 2002 and 2001, collateral for the subordinated debt ranks second to the term loan, is on a pari passu basis between MG Stratum II Limited and RoyNat Capital Inc. and includes:

[a] general security agreement

[b] mortgage charge on real property.

The fair market value of the subordinated debt as at December 31, 2002 was calculated using a market interest rate of 9% **[2001 – 8.5%]** as estimated by management and is determined to be $21,279,000 **[2001 – $21,824,000]**.

During 2003, the subordinated debt was repaid in full.

14. Obligations Under Capital Lease

The Company has the following minimum lease payments under capital leases

	2001 $[000's]
2002	13
2003	7
2004	4
2005	2
	26
Less amount representing interest	(6)
	20
Less current portion	(11)
	9

During 2002, the obligations under capital lease were repaid in full.

15. Redeemable Preferred Shares

The Company presents and discloses its financial instruments in accordance with the substance of their contractual arrangement. Accordingly, the Company's redeemable class D preferred shares have been classified as liabilities since the Company is obligated to pay cash to redeem these preferred shares. Additionally, dividends related to the class D preferred shares have been classified as an expense on the consolidated income statement.

	2003 $[000's]	2002 $[000's]	2001 $[000's]
Authorized			
400 Class D preferred shares as a class are entitled to 10.40% of the total votes and, in addition, are entitled to elect one director, cumulative dividend entitlement of 5.00% on the first 300 shares and 6.00% on the next 100 shares of the sum of $50,000 per annum plus any unpaid dividends accrued. The preferred shares are redeemable at $50,000 per share any time at the Company's option and are retractable at $50,000 per share at the option of the holder in 2005. In the event of a sale of all or substantially all of the Company's assets or share capital, these preferred shares are automatically redeemed			
Issued			
320 Class D preferred shares **[2001 – 400]**	16,000	16,000	20,000

As described in note 6, 80 Class D preferred shares were returned and cancelled by the Company during 2002.

16. Share Capital

	2003 $	2002 $	2001 $
Authorized			
Unlimited number of Class A common shares, entitled to one vote per share			
Unlimited number of Class B preferred shares, non-voting, redeemable at $1,000 per share at the option of the Company and only if an equal number of Class C preferred shares are also redeemed, cumulative dividend entitlement of 25.00% per annum of the sum of $1,000 plus any unpaid dividends accrued			
Unlimited number of Class C preferred shares, non-voting, redeemable at $1,000 per share at the option of the Company, cumulative dividend entitlement of 25.00% per annum of the sum of $1,000 plus any unpaid dividends accrued			
Issued			
36,760 Class A common shares	367	367	367
32,899 Class B preferred shares	32,899,000	32,899,000	32,899,000
3,860 Class C preferred shares	39	39	39
	32,899,406	32,899,406	32,899,406
Share issuance costs	(887,872)	(887,872)	(887,872)
	32,011,534	32,011,534	32,011,534

Cumulative dividends in arrears not accrued in the financial statements as at year end are approximately:

	2003 $[000's]	2002 $[000's]	2001 $[000's]
Class B preferred shares	41,171	26,357	13,250
Class C preferred shares	4,832	3,093	1,555
	46,003	29,450	14,805

17. Related Party Transactions

Included in management fees are fees paid to Tricor Pacific Agrico Holdings Inc., the controlling shareholder of the Company, in the amount of $655,000 **[2002 – $680,000; 2001 – $702,000]**. These related party transactions are considered to be in the normal course of business and have been recorded at the exchange amount.

18. Foreign Exchange Contracts

The Company has entered into exchange rate contracts to manage its exposure on U.S. dollar cash flows on future sales transactions. The Company has not applied hedge accounting to contracts outstanding at December 31, 2003, 2002 and 2001. The contracts outstanding at December 31, 2003 have settlement dates of August 2004 to November 2004 and August 2005 to October 2005 and a face value totalling U.S. $12,700,000 **[2004]** and U.S. $5,250,000 **[2005]**. The Company has deferred recognition of the unrealized gain (loss) on these contracts in the amount $5,670,000 **[2002 – $782,000; 2001 – ($466,000)]**.

Subsequent to year end, management decided to sell the exchange rate contracts and received proceeds of approximately $5,000,000.

19. Basic and Diluted Loss Per Share

	2003 $	2002 $	2001 $
	[000's – except share-related data]		
Net income	$ 4,065	$ 4,335	$ 3,805
Deduct dividends earned, not accrued on Class B and C preferred shares	$ 16,553	$ 14,645	$ 9,190
Net loss available to common shareholders	$ 12,488	$ 10,310	$ 5,385
Weighted average number of common shares outstanding	36,760	36,760	36,760
Basic and diluted loss per share	$ 0.34	$ 0.28	$ 0.15

20. Commitments

The Company has entered into various operating leases for office equipment and vehicles. Minimum annual lease payments required over the next five fiscal years are as follows

	$[000's]
2004	193
2005	154
2006	69
2007	16
2008	3
	435

21. Supplemental Cash Flow Information

	2003 $[000's]	2002 $[000's]	2001 $[000's]
Interest paid	3,654	4,061	5,448
Dividends paid on redeemable preferred shares	810	1,130	642
Income taxes paid	4,451	4,191	7,101

22. Segmented Disclosure

The Company operates in one business segment related to the manufacturing and distributing of portable grain handling equipment. Geographic information about the Company's revenue is based on the product shipment destination. Assets are based on their physical location as at the respective year ends:

	2003		2002		2001	
	Revenue $[000's]	Property, plant and equipment and goodwill $[000's]	Revenue $[000's]	Property, plant and equipment and goodwill $[000's]	Revenue $[000's]	Property, plant and equipment and goodwill $[000's]
Canada	16,266	81,001	16,389	80,978	16,672	84,839
United States	37,973	232	36,830	245	42,025	258
International	2,730	—	1,966	—	1,686	—
	56,969	81,233	55,185	81,223	60,383	85,097

23. Subsequent Event

On May 5, 2004, Ag Growth Income Fund filed a prospectus for the purpose of qualifying the distribution of 6,904,000 trust units (and up to 7,404,000 if the Over-Allotment Option granted to the Underwriters is exercised in full). The Fund was created on March 24, 2004 and, following the completion of the Offering it will acquire, indirectly, all of the securities and assets of the Company.

CERTIFICATE OF THE FUND AND THE PROMOTER

Dated: May 5, 2004

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia), by Part 9 of the *Securities Act* (Alberta), by Part XI of *The Securities Act, 1988* (Saskatchewan), by Part VII of *The Securities Act* (Manitoba), by Part XV of the *Securities Act* (Ontario), by Section 63 of the *Securities Act* (Nova Scotia), by Section 13 of the *Security Frauds Prevention Act* (New Brunswick), by Part II of the *Securities Act* (Prince Edward Island), by Part XIV of the *Securities Act* (Newfoundland and Labrador), and the respective regulations thereunder. This prospectus, as required by the *Securities Act* (Quebec) and the regulations thereunder, does not contain any misrepresentation that is likely to affect the value or the market price of the securities to be distributed.

AG GROWTH INCOME FUND
by its Attorney, Ag Growth Industries Inc.

By: (Signed) ROB STENSON
Chief Executive Officer

By: (Signed) STEVE SOMMERFELD
Chief Financial Officer

By: (Signed) RODERICK R. SENFT
Director

By: (Signed) J. TREVOR JOHNSTONE
Director

THE PROMOTER
TRICOR PACIFIC CAPITAL PARTNERS (FUND II), LIMITED PARTNERSHIP
by its General Partner, Tricor Pacific Capital Partners (Fund II), Inc.

By: (Signed) RODERICK R. SENFT
Director

By: (Signed) J. TREVOR JOHNSTONE
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: May 5, 2004

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part 9 of the *Securities Act* (British Columbia), by Part 9 of the *Securities Act* (Alberta), by Part XI of *The Securities Act, 1988* (Saskatchewan), by Part VII of *The Securities Act* (Manitoba), by Part XV of the *Securities Act* (Ontario), by Section 64 of the *Securities Act* (Nova Scotia), by Section 13 of the *Security Frauds Prevention Act* (New Brunswick), by Part II of the *Securities Act* (Prince Edward Island), by Part XIV of the *Securities Act* (Newfoundland and Labrador), and the respective regulations thereunder. To the best of our knowledge, this prospectus, as required by the *Securities Act* (Quebec) and the regulations thereunder, does not contain any misrepresentation that is likely to affect the value or the market price of the securities to be distributed.

SCOTIA CAPITAL INC.

By: (Signed) J. PAUL ROLLINSON

CIBC WORLD MARKETS INC.

By: (Signed) ALAN C. WALLACE

TD SECURITIES INC.

By: (Signed) PETER GIACOMELLI

BMO NESBITT BURNS INC.

By: (Signed) BRADLEY J. HARDIE

NATIONAL BANK FINANCIAL INC.

By: (Signed) WILLIAM M. CROSSLAND

HSBC SECURITIES (CANADA) INC.

By: (Signed) JEFFREY B. ALLSOP

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