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SunOpta Inc. Announces Exit from Flexible Re-Sealable Pouch Products and Sale of Its Allentown Pouch Equipment

TORONTO--(BUSINESS WIRE)-- SunOpta Inc. (Nasdaq:STKL) (TSX:SOY), a leading global company focused on organic, non-genetically modified and specialty foods, announced today that it has signed a definitive agreement to sell equipment used in the production of flexible, re-sealable pouches from its Allentown, PA facility to Skjodt-Barrett for \$2.0 million. The asset sale is in conjunction with the Company's decision to discontinue flexible, re-sealable pouch products as part of its ongoing portfolio optimization strategy and Value Creation Plan.

"This asset sale, and discontinuation of the flexible re-sealable pouch business aligns with our stated portfolio optimization strategy of exiting product lines where the Company is not effectively positioned," said Dave Colo, CEO of SunOpta. "We anticipate the discontinuation of contract manufacturing pouched baby food products to be profit neutral and allow for the redeployment of capital and resources for investment in more profitable segments of our business where we have enhanced strategic positioning."

Flexible re-sealable pouch products accounted for \$46 million of revenues in fiscal 2016, and \$10 million of revenues in the first quarter of 2017, and were part of the healthy snacks platform within the consumer products segment. SunOpta will continue to produce aseptic beverages from its Allentown, PA facility, which were not part of the sale. The sale of equipment is expected to close during the fourth quarter of 2017.

"I want to thank all of our employees involved in the flexible re-sealable pouch operations for their hard work and dedication," Colo said. "Each employee has contributed to our goal of bringing well-being to life in their own way and has had a meaningful impact at SunOpta."

About SunOpta Inc.

SunOpta Inc. is a leading global company focused on organic, non-genetically modified ("non-GMO") and specialty foods. SunOpta specializes in the sourcing, processing and packaging of organic and non-GMO food products, integrated from seed through packaged products; with a focus on strategic vertically integrated business models. SunOpta's organic and non-GMO food operations revolve around value-added grain, seed, fruit and vegetable based product offerings, supported by a global sourcing and supply infrastructure.

Forward-Looking Statements

Certain statements included in this press release may be considered "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation, which are based on information available to us on the date of this release. These forward-looking statements include, but are not limited to, the anticipated impact of our exit from flexible re-sealable pouch products on profits, the expected time to close the sale of equipment, and anticipated benefits from the sale of the pouch equipment. Terms and phrases such as "expect", "anticipate", "will", "continue", and other similar terms and phrases are intended to identify these forward-looking statements. Forward looking statements are based on information available to us on the date of this release and are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments as well as other factors the Company believes are appropriate in the circumstances including the relatively modest contribution from flexible re-sealable pouch products to our consolidated revenues and profits historically. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. Whether actual timing and results will agree with expectations and predications of the Company is subject to many risks and uncertainties including that all conditions of closing the sale of the pouch equipment are satisfied, the inability or failure of the purchaser to satisfy the purchase price for the pouch equipment, changes in the level of capital investment and various other risks and uncertainties as described from time to time under "Risk Factors" in the Company's Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q (available at www.sec.gov). Consequently, all forward-looking statements made herein are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by the Company will be realized.

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