



November 26, 2018

Mayor Al Strathdee  
Mayor of St. Marys  
175 Queen Street East  
St. Marys, ON N4X 1B6

### **Creating a World Class Value-Added Fresh Poultry Network**

Dear Mayor Strathdee,

Today, Maple Leaf Foods announced plans to build a scale value-added poultry processing facility in London, Ontario. This \$660 million facility will be the largest single site investment ever in the history of the Canadian food industry and will enable Maple Leaf to meet the steadily growing consumer demand for premium, value-added poultry products, benefiting Ontario poultry farmers and strengthening Canada's food system.

Funding for the project includes a capital investment of approximately \$605.5 million from Maple Leaf Foods, in addition to one-time costs of \$140 million; an investment of \$34.5 million from the Government of Ontario; and a \$20 million investment from the Government of Canada under the Strategic Innovation Fund. In addition, the Company is receiving an \$8 million loan from the AgriInnovate Fund. As part of the federal funding agreement, Maple Leaf will invest a further \$5 million over the next five years on projects that accelerate adoption of advanced manufacturing and production technologies and support the Company's goal to reduce its environmental footprint by 50% by 2025.

The new 640,000 sq. ft. facility will be one of the most technologically advanced poultry-processing plants in the world, with leading-edge food safety, environmental, and animal welfare processes and technologies. It will support over 1,450 direct full time and part-time jobs, with additional job creation as production increases.

As a result, Maple Leaf's current Ontario fresh poultry plants located in St. Marys, Brampton and Toronto, that employ approximately 1,600 people, will transition production to the new facility starting in late 2021. This will result in the closure of these three plants in late 2021 and mid-late 2022. We deeply regret the impact on the affected employees and communities. Although these closures are years away, Maple Leaf is providing significant early notice so that we can support our people fully through the transition. We will encourage our people to seek opportunities at the new facility and other regional Maple Leaf plants, where they will be given priority for jobs. We will also actively work with local governments and communities to find alternative uses for the plants.

**Raise the Good in Food**

Maple Leaf Foods Inc., 6985 Financial Drive, Mississauga (Ontario), Canada L5N 0A1 Tel.: 905 285-5000 Fax: 905 285-6000

This historic investment reinforces our commitment to a strong, sustainable and competitive Canadian poultry industry and advances our vision to be the most sustainable protein company on earth.

Should you have any questions or require additional information, please contact me at 905-285-5743.

Sincerely,

A handwritten signature in black ink, reading "Rory A. McAlpine". The signature is written in a cursive, flowing style.

Rory A. McAlpine  
Senior Vice-President  
Government & Industry Relations

c.c. Brent Kittmer, Chief Administrative Officer/Clerk