

A copy of this preliminary short form base shelf prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This short form base shelf prospectus has been filed under legislation in all provinces of Canada that permits certain information about these securities to be determined after this short form base shelf prospectus has become final and that permits the omission from this short form base shelf prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

This short form base shelf 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. The medium term notes to be issued hereunder 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, sold, reoffered, resold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an applicable exemption from registration under the U.S. Securities Act. See "Plan of Distribution". This short form prospectus does not constitute an offer to sell or solicitation of an offer to buy any of the securities offered hereby within the United States.

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of Saputo Inc. at 6869 Métropolitain Boulevard East, Montréal, Québec H1P 1X8, telephone: 514-328-6662, and are also available electronically at www.sedar.com.

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS

New Issue

December 3, 2018



SAPUTO INC.

\$2,000,000,000

Medium Term Notes (Unsecured)

Saputo Inc. ("Saputo" or the "Issuer") may offer and issue to the public from time to time (during the 25-month period that this short form base shelf prospectus, including any amendments hereto (this "Prospectus"), remains valid) up to \$2,000,000,000 aggregate principal amount in Canadian currency (or the equivalent thereof in other currencies or currency units at the time of issue) of its guaranteed medium term notes (collectively the "Notes"). Notes issued will have a term to maturity of not less than one year and will be issuable in minimum denominations of \$1,000 and in \$1,000 increments thereafter (or the equivalent thereof in other currencies or currency units at the time of issue) in fully registered definitive or global form, in which case the Notes will be exchangeable only under certain conditions for definitive Notes. Each Note may be subject to redemption at the option of the Issuer, in whole or in part, as set forth therein and specified in the applicable prospectus supplement or pricing supplement. The Notes will be issued under a trust indenture dated November 14, 2014 (as amended, supplemented and restated from time to time, the "Trust Indenture") among the Issuer and Computershare Trust Company of Canada, as trustee ("Computershare" or the "Trustee"), as amended, supplemented and restated from time to time in any number of series or separate issues thereof. The Notes will be direct unsecured obligations of the Issuer ranking equally and *pari passu* with each other and with the Notes of every other series issued under the Trust Indenture (regardless of their actual dates or terms of issue) and, subject to certain statutory preferred exceptions, with all other existing and future unsecured and unsubordinated Indebtedness of the Issuer, except as to sinking fund provisions applicable to different series of Notes and other similar types of obligations of the Issuer. The Notes will be solidarily (jointly and severally) and unconditionally guaranteed, on a senior unsecured basis, as to the payment of principal, interest and premium, if any, and certain other amounts specified in the Trust Indenture, by certain Subsidiaries (as defined herein) of the Issuer (the "Guarantors"), which will initially consist of Saputo Foods Limited, Saputo Dairy Products Canada G.P., Saputo U.S., L.P., Saputo Cheese USA Inc. and Saputo Dairy Foods USA, LLC. See "Description of the Notes". Each of Saputo U.S., L.P., Saputo Cheese USA Inc. and Saputo Dairy Foods USA, LLC is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction and Terry Brockman and Robert Edwards who are signatories to the certificate of the Guarantors reside outside of Canada. Each of them, including Terry Brockman and Robert Edwards, has appointed Saputo Inc. at 6869 Métropolitain Boulevard East, Montréal, Québec H1P 1X8 as its agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any such person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

The Issuer's registered and executive offices are located at 6869 Métropolitain Boulevard East, Montréal, Québec, H1P IX8.

The offering of the Notes hereunder will be made pursuant to a medium term note ("MTN") program of the Issuer (the "MTN Program") as contemplated by National Instrument 44-102 — *Shelf Distributions* of the Canadian Securities Administrators ("NI 44-102"). NI 44-102 permits the omission from this Prospectus of certain variable terms of the Notes, which will be established at the time of the offering and sale of the Notes and will be included in prospectus supplements or pricing supplements incorporated by reference herein, as more particularly described under the heading "Documents Incorporated by Reference". Accordingly, the specific variable terms of any offering of Notes to be offered and sold hereunder pursuant to the MTN Program (including the aggregate principal amount of Notes being offered, the currency or currency unit, the issue and delivery date, the form, the maturity date, the issue price (at par, at a discount or at a premium), the interest rate (either fixed or floating and, if floating, the manner of calculation thereof), the interest payment date(s), any redemption provisions, any repayment provisions, any terms entitling the holder to exchange the Notes into other securities of the Issuer, the names of the dealers, the commission payable to such dealer(s), the method of distribution and the net proceeds to the Issuer) will be established at the time of the offering and sale of the Notes and will be included in the applicable prospectus supplement or pricing supplement delivered to purchasers in conjunction with the sale of the Notes. Specific variable terms that are not within the options and parameters set forth herein may also be set out in a prospectus supplement or pricing supplement.

The Notes will be offered severally by one or more of BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Desjardins Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., Merrill Lynch Canada Inc., MUFG Securities (Canada), Ltd., Rabo Securities Canada, Inc. and such other dealers as may be appointed from time to time (collectively, the "Dealers" or, individually, a "Dealer") utilizing their reasonable best efforts from time to time on behalf of the Issuer to solicit offers to purchase Notes at 100% of the principal amount thereof, unless otherwise specified in the applicable prospectus supplement or pricing supplement. If agreed to between the Issuer and one or more Dealers, such Dealers may purchase the Notes, as principal, from time to time for resale to investors and other purchasers at prices to be negotiated with each purchaser or, if so specified in the applicable prospectus supplement or pricing supplement, for resale at a fixed offering price. The rate of commission payable in connection with the sales by Dealers of Notes shall be as determined by agreement between the Issuer and the Dealers. See "Plan of Distribution".

The offering is subject to approval of certain legal matters on behalf of the Issuer by Stikeman Elliott LLP and on behalf of the Dealers by McCarthy Tétrault LLP.

The Notes are being offered on a continuous basis by the Issuer through the Dealers. **Unless otherwise specified in the applicable prospectus supplement or pricing supplement, the Notes will not be listed on any securities exchange and therefore there will be no market through which these securities may be sold and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of securities, and the extent of issuer regulation. See "Risk Factors".** The Notes may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an applicable exemption from registration under the U.S. Securities Act. The Issuer reserves the right to cancel or modify any offer made hereby without notice. The Issuer or any Dealer, if it solicits the offer on an agency basis, may reject any offer to purchase Notes in whole or in part. See "Plan of Distribution".

BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Desjardins Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., Merrill Lynch Canada Inc., MUFG Securities (Canada), Ltd. and Rabo Securities Canada, Inc. are affiliates of banks that are members of a syndicate of lenders that have made the Credit Facilities (as defined herein) available to the Issuer and its Subsidiaries. Accordingly, pursuant to applicable securities legislations, the Issuer may be considered a "connected issuer" of these Dealers for the purposes of securities regulations in certain provinces of Canada. See "Plan of Distribution" and "Relationship between the Dealers and the Issuer".

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DOCUMENTS INCORPORATED BY REFERENCE

The following documents of the Issuer, which have been filed with the securities commissions or other similar authorities in Canada, are specifically incorporated by reference into and form an integral part of this Prospectus:

- the annual information form of the Issuer dated June 7, 2018;
- the Issuer's audited consolidated annual financial statements, as at and for the years ended March 31, 2018 and March 31, 2017, together with the notes thereto and the independent auditor's report thereon;
- the Issuer's unaudited consolidated summary of financial information, as at and for the years ended March 31, 2018 and March 31, 2017, filed on SEDAR under the document type "Other";
- management's discussion and analysis of the Issuer for the year ended March 31, 2018 (the "2018 Management's Discussion and Analysis");
- the management proxy circular of the Issuer dated June 7, 2018 for the annual meeting of shareholders held on August 7, 2018;
- the Issuer's condensed interim consolidated financial statements (unaudited), as at September 30, 2018 and March 31, 2018 and for the three-month and six-month periods ended September 30, 2018 and September 30, 2017, together with the notes thereto;
- the Issuer's unaudited consolidated summary of financial information, as at and for the six-month periods ended September 30, 2018 and September 30, 2017, filed on SEDAR under the document type "Other";
- management's discussion and analysis of the Issuer for the quarter ended September 30, 2018; and
- the Issuer's business acquisition report dated July 13, 2018 relating to the acquisition (the "MG Acquisition") of the activities of Murray Goulburn Co-Operative Co. Limited ("MG") completed on May 1, 2018 (the "BAR").

Any documents of the types referred to in the preceding paragraph (excluding confidential material change reports, if any), or required to be incorporated by reference herein pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions*, filed by the Issuer with the securities regulatory authorities in Canada after the date of this Prospectus and during the currency of this Prospectus shall be deemed to be incorporated by reference into this Prospectus. Upon a new annual information form and the related annual financial statements and accompanying management's discussion and analysis and unaudited consolidated summary of financial information being filed by the Issuer with, and where required, accepted by, the applicable securities regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous annual financial statements and accompanying management's discussion and analysis and unaudited consolidated summary of financial information, and all interim financial statements and accompanying management's discussion and analysis and unaudited consolidated summary of financial information, material change reports, and business acquisition reports filed prior to the commencement of the Issuer's financial year in which the new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Notes hereunder. Upon new condensed interim consolidated financial statements and accompanying management's discussion and analysis and unaudited consolidated summary of financial information being filed by the Issuer with, and where required, accepted by, the applicable securities regulatory authorities during the currency of this Prospectus, all condensed interim consolidated financial statements and accompanying management's discussion and analysis and unaudited consolidated summary of financial information filed prior to the commencement of the interim period in which the new condensed interim consolidated financial statements are filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Notes hereunder. In addition, upon a new management proxy circular for an annual meeting of shareholders being filed by the Issuer with the applicable securities regulatory authorities during the currency of this Prospectus, the previous management proxy circular filed in respect of the prior annual meeting of shareholders shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Notes hereunder.

Updated earnings coverage ratios, as required, will be filed quarterly with the appropriate securities regulatory authorities either as prospectus supplements or as exhibits to the Issuer's unaudited condensed interim and audited annual

consolidated financial statements and will be deemed to be incorporated by reference into this Prospectus for the purposes of the offering of Notes hereunder.

A prospectus supplement or pricing supplement containing the specific variable terms for an issue of Notes will be delivered to purchasers of such Notes together with this Prospectus and will be deemed to be incorporated by reference into this Prospectus as of the date of the prospectus supplement or pricing supplement, solely for the purposes of the Notes issued under that prospectus supplement or pricing supplement. Any template version of marketing materials for an issue of Notes filed by the Issuer with the securities regulatory authorities in Canada after the date of the prospectus supplement or pricing supplement in respect of such Notes and before the termination of the distribution of such Notes will be deemed to be incorporated by reference into that prospectus supplement or pricing supplement.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such prior statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded.

You should rely only on the information contained in or incorporated by reference in this Prospectus. Neither the Issuer nor the Dealers have authorized any other person to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information in this Prospectus, including the information in any document incorporated by reference herein, is accurate only as of its respective date.

FORWARD LOOKING STATEMENTS

This Prospectus (including the documents incorporated by reference herein) contains forward-looking statements within the meaning of securities laws. These statements are based, among other things, on Saputo's assumptions, expectations, estimates, objectives, plans and intentions as of the date hereof regarding projected revenues and expenses, the economic, industry, competitive and regulatory environments in which the Issuer operates or which could affect its activities, its ability to attract and retain customers and consumers, as well as the availability and cost of milk and other raw materials and energy supplies, its operating costs and the pricing of its finished products on the various markets in which it carries on business.

These forward-looking statements include, among others, statements with respect to the Issuer's short and medium term objectives, outlook, business projects and strategies to achieve those objectives, as well as statements with respect to the Issuer's beliefs, plans, objectives and expectations. The words "may", "should", "will", "would", "believe", "plan", "expect", "intend", "anticipate", "estimate", "foresee", "objective", "continue", "propose" or "target", or the negative of these terms or variations of them, the use of conditional or future tense or words and expressions of similar nature, are intended to identify forward-looking statements.

By their nature, forward-looking statements are subject to a number of inherent risks and uncertainties. Actual results could differ materially from the conclusion, forecast or projection stated in such forward-looking statements. As a result, the Issuer cannot guarantee that any forward-looking statements will materialize. Assumptions, expectations and estimates made in the preparation of forward-looking statements and risks that could cause actual results to differ materially from current expectations are discussed herein under "Risk Factors" and in the Issuer's materials filed with the Canadian securities regulatory authorities from time to time, including the "Risk and Uncertainties" section of the 2018 Management's Discussion and Analysis.

Forward-looking statements are based on management's estimates, expectations and assumptions, which management believes are reasonable (i) for such forward-looking statements contained in this Prospectus, as of the date hereof, and (ii) for such forward-looking statements contained in the documents incorporated by reference herein, as of the date of such documents, unless otherwise specified in such documents, and, accordingly, are subject to changes after such

relevant date. Prospective purchasers should not place undue importance on forward-looking statements and should not rely upon this information as of any other date.

To the extent any forward-looking statement in this document constitutes financial outlook, within the meaning of applicable securities laws, such information is intended to provide investors with information regarding the Issuer, including its assessment of future financial plans, and may not be appropriate for other purposes. Financial outlook, as with forward-looking information generally, is based on current estimates, expectations and assumptions and is subject to inherent risks and uncertainties and other factors.

Except as required under applicable securities legislation, Saputo does not undertake to update or revise these forward-looking statements, whether written or verbal, that may be made from time to time by itself or on its behalf, whether as a result of new information, future events or otherwise.

THE ISSUER

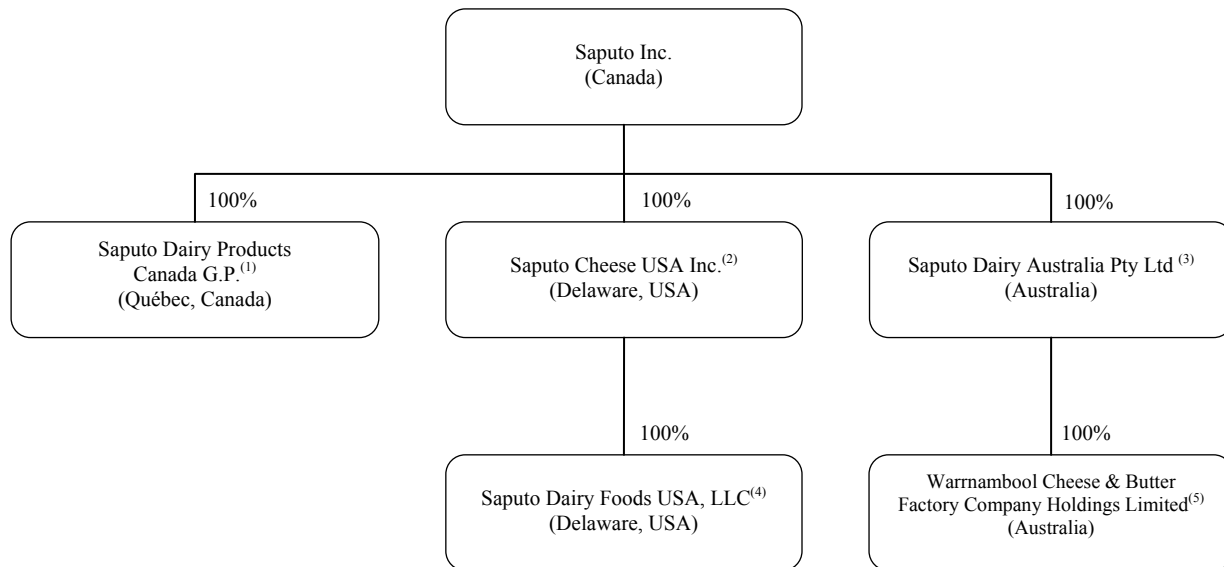
Incorporation and Office

Saputo was constituted by a Certificate of Amalgamation issued pursuant to the provisions of the *Canada Business Corporations Act* on July 1, 1992, which was amended on August 25, 1997, in order to, among other things, change the provisions attached to its authorized share capital. The Certificate was further amended on August 3, 2000 to, among other things, enable the directors to appoint additional directors between shareholders' meetings and on August 1, 2017 to delete the preferred shares from the share capital of the Issuer.

The head and registered office and principal place of business of the Issuer is located at 6869 Métropolitain Boulevard East, Montréal, Québec, H1P 1X8.

Intercorporate Relationships

The following organizational chart illustrates the corporate structure of Saputo and its significant Subsidiaries, and their respective jurisdictions of incorporation. For simplification purposes, this chart omits certain wholly-owned Subsidiaries. All of the Guarantors are direct or indirect wholly owned Subsidiaries of Saputo.



- (1) Production, sale and distribution of dairy products, namely a variety of cheese, fluid milk, cream products, dairy ingredients, yogurt, sour cream, cottage cheese, soft serve dairy mixes and other food products.
- (2) Production, sale and distribution of dairy products, namely cheese and dairy ingredients.
- (3) Production, sale and distribution of dairy foods, including fluid milk, milk powder, cheese, butter and dairy beverages, as well as a range of dairy ingredient and nutritional products, such as infant formula. On May 1, 2018, Saputo Dairy Australia Pty Ltd acquired the activities of MG.
- (4) Production, sale and distribution of dairy and non-dairy extended shelf-life products, including cream and creamers, ice cream mixes, half and half and value-added milks, as well as cultured products, such as sour cream and cottage cheese.
- (5) Production, sale and distribution of dairy products, namely cheese, butter and butter blends, fluid milk, cream and dairy ingredients.

BUSINESS OF THE ISSUER

Saputo is one of the top ten dairy processors in the world, the largest cheese manufacturer and the leading fluid milk and cream processor in Canada, the top dairy processor in Australia and the second largest in Argentina. In the USA, Saputo ranks among the top three cheese producers and is one of the largest producers of extended shelf-life and cultured dairy products. The Issuer operates its business through three sectors, the Canada Sector, the USA Sector and the International Sector, which represented, respectively, 35.3%, 53.1% and 11.6% of the Issuer's total revenues for fiscal 2018.

Canada Sector

The Canada Sector consists of the Dairy Division (Canada). In fiscal 2018, the Canada Sector represented 35.3% of the Issuer's total revenues.

Through its Dairy Division (Canada), Saputo produces, markets and distributes in Canada a variety of cheeses, including mozzarella and cheddar, specialty cheeses, such as ricotta, provolone, parmesan, goat cheese, feta and havarti, fine cheeses, such as brie and camembert, and other cheeses, including brick, colby, farmer, munster, monterey jack, fresh curd and processed cheeses. Saputo's cheese products are sold under various brand names, such as *Saputo*, *Armstrong*, *Alexis de Portneuf*, *Bari*, *Cheese Heads*, *Chevrai*, *Cogruet*, *DuVillage 1860*, *Kingsey*, *Stella* and *Woolwich Dairy*, as well as under customer brand names. Through the Issuer's cheese distribution network, Saputo distributes fine imported cheeses to specialty stores, as well as certain dairy and non-dairy products manufactured by third parties. Furthermore, Saputo produces, markets and distributes in Canada and on the international market a number of dairy ingredients, including milk powder, whey powder, lactose and whey protein concentrates.

Saputo also produces, markets and distributes in Canada fluid milk, cream, yogurt, sour cream, cottage cheese, as well as ice cream mixes. Fluid milk is sold under the *Dairyland* brand in Western Canada, the *Neilson* brand in Ontario, the *Nutrilait* brand in Québec and the *Baxter* and *Scotsburn** brands in Atlantic Canada. Value-added milk is marketed under the *Trutaste* brand, as well as under the brand names *Milk2Go/Lait's Go*. In addition, within its fluid milk operations, Saputo also produces, markets and distributes certain other dairy and non-dairy products. Other dairy products include butter under the *Dairyland*, *Neilson*, *Saputo*, *Baxter* and *Scotsburn** brand names, flavoured cream under the *Baileys** brand and dips under the *Heluva Good** brand. Non-dairy products include flavoured coffee whitener under the International *Delight** brand.

USA Sector

The USA Sector includes the Cheese Division (USA) and the Dairy Foods Division (USA). In fiscal 2018, revenues from the USA Sector represented 53.1% of the Issuer's total revenues.

Through its Cheese Division (USA), Saputo produces, markets and distributes in the USA a variety of cheeses, including a broad line of mozzarella, American-style and specialty cheeses, such as ricotta, provolone, blue, parmesan, goat cheese and romano, which are sold under a variety of the Issuer's brand names, including *Black Creek*, *Chevrai*, *Dragone*, *Frigo Cheese Heads*, *Gardenia*, *Great Midwest*, *King's Choice*, *Lorraine*, *Lugano*, *Montchevre*, *Organic Creamery*, *Salemville*, *Saputo*, *Stella*, *Treasure Cave* and *Woolwich Dairy* as well as under customer brand names. The Issuer also converts, markets and sells a broad range of specialty cheeses and, moreover, holds an important portfolio of import licences for specialty cheeses manufactured abroad. As well, Saputo produces, markets and distributes in the USA and on the international market dairy ingredients, including whey powder, whey protein concentrates, lactose and dairy ingredient blends.

Through its Dairy Foods Division (USA), the Issuer produces, markets and distributes in the USA a variety of dairy and non-dairy extended shelf-life products, including cream and creamers, ice cream mixes, whipping cream, aerosol whipped toppings, iced coffee, half and half and value-added milks, as well as cultured products, such as sour cream and cottage cheese. These products are manufactured under customer brand names, as well as under the Issuer's own brands, such as *DairyStar* and *Friendship Dairies*.

The product offerings and manufacturing and distribution footprints of the Cheese and Dairy Foods Divisions (USA) are complementary.

* Trademark used under licence.

International Sector

The International Sector includes the Dairy Division (Argentina) and the Dairy Division (Australia). In fiscal 2018, revenues from the International Sector represented 11.6% of the Issuer's total revenues.

Through its Dairy Division (Argentina), Saputo produces, markets and distributes in Argentina and on the international market a variety of cheeses, as well as butter and cream. These products are sold under recognized brand names, such as *La Paulina*, *Molfino*, *Saputo*, *Stella* and *Ricrem*. The Issuer also produces, markets and distributes dairy ingredients, including milk powder, casein and whey protein.

Through its Dairy Division (Australia) and further to completion of the MG Acquisition on May 1, 2018, the Issuer produces, markets and distributes in Australia and on the international market a variety of dairy foods, including fluid milk, milk powder, cheese, butter and dairy beverages, as well as a range of dairy ingredients and nutritional products. These products are sold under various brand names, such as *COON*, *Cracker Barrel*^{*}, *Devondale*, *Fred Walker*, *Lidells*, *Mil Lel*, *Murray Goulburn Ingredients*, *Warrnambool*, *Sungold* and *Great Ocean Road*, as well as under customer brand names.

Treasury Management Orientation

The Issuer's treasury management orientation is to (i) allocate cash generated to capital expenditures, (ii) aim to return 30% to 35% of the Issuer's net earnings to shareholders in form of dividends, (iii) reimburse debt obligations and (iv) effect acquisitions. To effectively manage excess cash, the Issuer could also consider purchasing back its own shares through a normal course issuer bid. The Issuer's dividend policy is reviewed from time to time, but at least once annually, by the board of directors and depends on the Issuer's financial condition, financial performance, capital requirements and such other factors as the board of directors, in its sole discretion, deems relevant.

USE OF PROCEEDS

The Notes will be issued from time to time at the discretion of the Issuer in an aggregate principal amount of up to \$2 billion in Canadian currency, or the equivalent thereof in other currencies or currency units, during the 25-month period from the date of this Prospectus. The use of proceeds from the sale of any Notes will be described in a prospectus supplement or pricing supplement relating to the specific issuance of Notes. The Issuer may use proceeds from the sale of Notes hereunder for the repayment of indebtedness, acquisitions and for other general corporate purposes. All expenses relating to an offering of Notes, including any compensation paid to the Dealers, will be paid out of the proceeds from the sale of Notes and/or out of the Issuer's general funds. The net proceeds cannot be estimated as the amount thereof will depend on the extent to which Notes are issued hereunder. The Issuer may in the future issue debt instruments and incur additional indebtedness otherwise than through the issue of Notes pursuant to this Prospectus.

^{*} Trademark used under licence.

CONSOLIDATED CAPITALIZATION

There have been no material changes in the share and loan capital of the Issuer since September 30, 2018, the date of the most recently filed condensed interim consolidated financial statements of Saputo. Any material change in the share and loan capital of the Issuer, on a consolidated basis, that will result from the issuance of Notes will be described in a prospectus supplement or pricing supplement relating to the specific issuance of Notes.

EARNINGS COVERAGE RATIOS

The following earnings coverage ratios are calculated for the 12-month periods ended March 31, 2018 and September 30, 2018. Such earnings coverage ratios have been adjusted to give effect to the issuance or repayment of financial liabilities of the Issuer, as defined in accordance with GAAP, since the beginning of the relevant period, including, for the 12-month period ended March 31, 2018, the issuance of the \$350 million aggregate principal amount of Series 5 Notes on August 14, 2018 (collectively, the "**Financial Liabilities Adjustments**"). A third earnings coverage ratio has been included that gives pro forma effect to the MG Acquisition on the same basis as in the Issuer's unaudited pro forma consolidated financial statements for the year ended March 31, 2018 included in the BAR.

Earnings coverage ratio ⁽¹⁾	<i>Giving pro forma effect to the MG Acquisition ⁽²⁾</i>		
	<u>March 31, 2018</u>	<u>March 31, 2018</u>	<u>September 30, 2018⁽³⁾</u>
	8.59 times	12.87 times	12.80 times

- (1) The earnings coverage ratio is equal to net earnings (before interest on long-term debt and other financial charges and income taxes) for the applicable period divided by interest on long-term debt and other financial charges for the applicable period.
- (2) The earnings coverage ratio for the applicable period was calculated using the Issuer's financial results prepared in accordance with GAAP and, with respect to the earnings coverage ratio giving pro forma effect to the MG Acquisition, the Issuer's unaudited pro forma financial statements giving effect to the MG Acquisition included in the BAR.
- (3) The earnings coverage ratio for the applicable period was calculated using the Issuer's financial results for the six-month period ended September 30, 2018, which were added to the financial results for the year ended March 31, 2018, and subtracting the financial results for the six-month period ended September 30, 2017.

The Issuer's interest on long-term debt and other financial charges amounted to \$47.9 million for the 12-month period ended March 31, 2018, and \$67.2 million for the 12-month period ended September 30, 2018. After giving effect to the Financial Liabilities Adjustments, the Issuer's interest on long-term debt and other financial charges amounted to \$77.5 million for the 12-month period ended March 31, 2018, and \$66.0 million for the 12-month period ended September 30, 2018.

The Issuer's net earnings before interest on long-term debt and other financial charges and income taxes for the 12-month period ended March 31, 2018 and the 12-month period ended September 30, 2018 were \$997.8 million and \$844.5 million, respectively, which is 20.83 times and 12.57 times the Issuer's interest on long-term debt and other financial charges for such periods. After giving effect to the Financial Liabilities Adjustments, the Issuer's net earnings before interest on long-term debt and other financial charges and income taxes for the 12-month period ended March 31, 2018 and the 12-month period ended September 30, 2018 were \$997.8 million and \$844.5 million, respectively, which is 12.87 times and 12.80 times the Issuer's interest on long-term debt and other financial charges for such periods.

The Issuer's pro forma interest on long-term debt and other financial charges, after giving effect to the Financial Liabilities Adjustments and the MG Acquisition, amounted to \$77.7 million for the 12-month period ended March 31, 2018. The Issuer's pro forma net earnings before interest on long-term debt and other financial charges and income taxes for the 12-month period ended March 31, 2018 were \$667.0 million, which is 8.59 times the Issuer's interest on long-term debt and other financial charges for such period after giving effect to Financial Liabilities Adjustments and the MG Acquisition.

The earnings coverage ratios and associated financial information presented above (i) do not give effect to the issuance of Notes that may be issued pursuant to any prospectus supplement or pricing supplement since the aggregate principal amounts and the terms of such debt securities are not presently known, and (ii) do not purport to be indicative of earnings coverage ratios for any future periods.

DESCRIPTION OF THE NOTES

The following is a summary only of the material attributes and characteristics of the Notes and the Trust Indenture, and does not purport to be complete and is qualified in its entirety by reference to the Notes and the detailed provisions of the Trust Indenture. The Trust Indenture is available for inspection without charge at reasonable times at the head office of the Issuer at 6869 Métropolitain Boulevard East, Montréal, Québec, H1P 1X8 during the distribution of the Notes being offered under this Prospectus. The Trust Indenture is also available electronically at www.sedar.com. All terms not defined in this summary have the meanings ascribed to them elsewhere in this Prospectus, including under "Description of the Notes – Certain Definitions".

The terms and conditions set forth in this section "Description of the Notes" will apply to each Note unless otherwise specified in the applicable prospectus supplement or pricing supplement. The Issuer reserves the right to set forth in a prospectus supplement or pricing supplement specific variable terms of, or amendments to, the Notes which are not within the options and parameters set forth in this Prospectus. References in this section "Description of the Notes" refer to all medium term notes of the Issuer which are to be issued under the Trust Indenture.

The Notes are offered pursuant to the MTN Program as contemplated by NI 44-102. This Prospectus qualifies the distribution of up to \$2 billion aggregate principal amount of Notes in Canadian currency (or the equivalent thereof in other currencies or currency units at the time of issue) which will be issued pursuant to the Trust Indenture. NI 44-102 permits omission from this Prospectus of certain variable terms of the Notes, which will be established at the time of offering and sale of the Notes and will be included in prospectus supplements or pricing supplements which are incorporated by reference into this Prospectus solely for the purpose of the Notes issued thereunder.

Neither the aggregate principal amount of Notes which will be issued and sold or the issue price to the public of the Notes has been established, as the Notes will be issued at such times, in such amounts and at such prices as the Issuer determines from time to time. Notes issued hereunder will be offered and sold during the 25 months from the date the receipt was issued for the Prospectus at prices negotiated with the purchasers, and the prices at which the Notes will be offered and sold may vary as between purchasers and during the distribution period.

Trust Indenture

The Notes will be issued under the Trust Indenture. The Trust Indenture permits the issuance from time to time of unsecured medium term notes without limitation as to the aggregate principal amount, subject to compliance with the terms of the Trust Indenture.

Ranking

All Notes to be issued will be direct unsecured obligations of the Issuer and will rank equally and *pari passu* with each other and with the Notes of every other series issued under the Trust Indenture (regardless of their actual dates or terms of issue) and, subject to statutory preferred exceptions, with all other existing and future unsecured and unsubordinated Indebtedness of the Issuer, except as to sinking fund provisions applicable to different series of Notes and other similar types of obligations of the Issuer. All Notes will rank senior in right of payment to all future obligations of the Issuer that are, by their terms, expressly subordinated in right of payment to the Notes and equal in right of payment with all existing and future obligations of the Issuer that are not so subordinated.

Each guarantee of the Notes will be unsecured and rank equally with the existing and future unsecured and unsubordinated Indebtedness of each Guarantor. The Notes will be structurally subordinated to all Indebtedness and other obligations (including trade payables) of the Issuer's non-guarantor Subsidiaries.

Guarantees

The Notes will be solidarily (jointly and severally) and unconditionally guaranteed, on a senior unsecured basis, as to the payment of principal, interest and Premium, if any, and certain other amounts specified in the Trust Indenture, by the Guarantors, the combined unconsolidated EBITDA of which (when aggregated with the unconsolidated EBITDA of the Issuer) shall represent at all relevant times at least the EBITDA Threshold, which is, as of the date hereof, 80% of the Consolidated EBITDA (which is the requirement currently applicable under the Main Credit Facility); provided that such threshold shall be deemed to be amended or varied for the purposes of the Trust Indenture upon and to the extent of any amendment or variation to the Main Credit Facility in respect of such percentage for the purposes of the Main Credit Facility.

For purposes of the Trust Indenture, calculations with regard to the EBITDA Threshold is made as at each Calculation Date for the most recently completed Calculation Period.

The guarantee of each Guarantor will, until released pursuant to the Trust Indenture, be binding upon its successors and will enure to the benefit of the Trustee and the holders of the Notes and their respective successors and assigns. See "Description of the Notes — Guarantors".

Guarantors

Saputo Foods Limited, Saputo Dairy Products Canada G.P., Saputo U.S., L.P., Saputo Cheese USA Inc. and Saputo Dairy Foods USA, LLC will each provide a guarantee of the Notes and will initially be the only Guarantors. The combined unconsolidated EBITDA of the Guarantors and the Issuer represented approximately 84% of the consolidated EBITDA of the Issuer for the four fiscal quarters ended September 30, 2018. Under the terms of the Trust Indenture, the Issuer may, from time to time and in certain circumstances, release certain Guarantors or designate other Subsidiary(ies) to be Guarantor(s).

So long as any Notes issued under the Trust Indenture remain outstanding and the Main Credit Facility is in full force and effect, all of the Subsidiaries that are guarantors from time to time in respect of Indebtedness under the Main Credit Facility will be Guarantors in respect of the Notes. As of the date hereof, Saputo Foods Limited, Saputo Dairy Products Canada G.P., Saputo U.S., L.P., Saputo Cheese USA Inc. and Saputo Dairy Foods USA, LLC each provide a guarantee and are the only guarantors, with the Issuer, of the obligations under the Main Credit Facility. See "Description of the Notes — Release of Guarantors".

Additional Guarantors

If the combined unconsolidated EBITDA of the Issuer and all Guarantors does not represent at least the EBITDA Threshold as at any Calculation Date, then the Issuer will within 90 days after such Calculation Date (or within 150 days where the Calculation Date occurs at the end of a fiscal year), cause one or more Subsidiaries that it designates to become Guarantor(s) under the Trust Indenture such that the combined unconsolidated EBITDA of the Issuer and all Guarantors (including such newly designated Guarantor(s)) represents at least the EBITDA Threshold.

If a Subsidiary that is not a Guarantor under the Trust Indenture becomes a guarantor under the Main Credit Facility, then the Issuer will concurrently cause the relevant Subsidiary to be designated as a Guarantor.

Release of Guarantors

The Trust Indenture provides that the Issuer may cause a Guarantor to be released from its guarantee of the Notes, if, as and when: (a) (i) the combined unconsolidated EBITDA of the Issuer and all Guarantors (other than each Guarantor to be released from its guarantee of the Notes) represents at least the EBITDA Threshold, or (ii) one or more replacement Guarantor(s) are designated by the Issuer for the Guarantor(s) to be released from its guarantee of the Notes, provided that the combined unconsolidated EBITDA of the Issuer, all existing Guarantors (other than each Guarantor to be released from its guarantee of the Notes) and the replacement Guarantor(s) represents at least the EBITDA Threshold; (b) so long as the Main Credit Facility is in full force and effect, each Guarantor being released from its guarantee of the Notes is not a guarantor, or is concurrently being released as a guarantor, in respect of the Main Credit Facility; and (c) no Event of Default exists and is continuing at such time (as confirmed by an officer's certificate of the Issuer).

Based on the foregoing, it is possible that any Guarantor identified herein may in the future cease to be a Guarantor. See "Risk Factors — Risk that the Guarantors may Cease to Guarantee the Notes".

Issuance in Series

The Issuer may from time to time authorize the creation of one or more series of Notes by resolution of its board of directors. Each interest-bearing Note may bear interest at a fixed rate (a "Fixed Rate Note") or a floating rate (a "Floating Rate Note"). Notes will be issued from time to time in such aggregate principal amount, at such rates of interest and at par, at a premium or at a discount, may be subject to redemption or repayment prior to maturity, and may include terms entitling the holder to exchange or convert the Notes into other securities issued by the Issuer or, subject to appropriate regulatory approval, by another corporation, partnership, unincorporated syndicate, unincorporated organization, trust or other entity, or to extend the maturity dates of the Notes, which terms shall not be inconsistent with the terms of the Trust Indenture, and provided in a resolution of the board of directors of the Issuer and set forth in a terms schedule or supplemental indenture.

Term and Denomination

Notes issued under the Trust Indenture will have a term to maturity of not less than one year and will be issuable in minimum denominations of \$1,000 and in \$1,000 increments thereafter (or the equivalent thereof in other currencies or currency units at the time of issue) in fully registered definitive or global form, in which case the Notes will be exchangeable only under certain conditions for definitive Notes. See "Description of the Notes — Form of Notes".

Fixed Rate Notes

Each Fixed Rate Note will bear interest from its original issue date at the rate per annum on the face thereof until the principal amount thereof is paid or made available for payment. Interest on a Fixed Rate Note will be calculated and payable monthly, quarterly, semi-annually or annually in arrears on the dates specified in such Fixed Rate Note, or other such dates as may be agreed to between the purchaser of the Note and the Issuer and at maturity or upon earlier redemption or repayment. Interest payment dates will be set forth in the applicable prospectus supplement or pricing supplement for the Fixed Rate Note. Each payment of interest in respect of an interest payment date will include interest accrued to but excluding such interest payment date.

Floating Rate Notes

Each Floating Rate Note will bear interest from its original issue date at rates described in the Floating Rate Note and specified in the applicable prospectus supplement or pricing supplement. The rate of interest on each Floating Rate Note will be reset monthly or quarterly, as specified in the applicable prospectus supplement or pricing supplement. Interest on each Floating Rate Note will be payable monthly or quarterly. Unless otherwise specified in the applicable prospectus supplement or pricing supplement, the Issuer will be the calculation agent with respect to the Floating Rate Notes.

Optional Redemption or Purchase for Cancellation

The Issuer may, at its option, redeem, at any time and from time to time, in whole or in part, upon not less than 30 days' and not more than 60 days' notice to the holders of the Notes to be redeemed, any series of Notes that by their terms, are made so redeemable as specified in the applicable Notes, terms schedule or supplemental indenture (which right will also be specified in the applicable prospectus supplement or pricing supplement), provided that immediately before and after giving effect to such redemption, no Event of Default or event that with the passing of time or the giving of notice, or both, would constitute an Event of Default shall have occurred and be continuing. In the event that less than all of any applicable series of outstanding Notes are to be redeemed, the Trustee shall select the Notes to be redeemed from the applicable series on a pro rata basis according to the principal amount of the Notes registered in the respective name of each holder of the Notes or in such other manner as the Trustee may deem equitable.

Subject to applicable law and provision of any series of Notes, the Issuer may also, at its option, at any time and from time to time, purchase Notes for cancellation (which may include purchases from or through an investment dealer or a firm holding membership on a recognized stock exchange or by tender, open market purchases, or by private contract, in each case, at any price), provided that immediately before and after giving effect to such purchase, no Event of Default or event that with the passing of time or the giving of notice, or both, would constitute an Event of Default shall have occurred and be continuing.

Notes so redeemed or purchased by the Issuer will be cancelled and may not be reissued.

Negative Pledge

The Issuer covenants in the Trust Indenture that so long as any of the Notes are outstanding, the Issuer will not and will not permit any Guarantor to create, incur or assume or permit to subsist, any Lien upon any part of its Property, whether now owned or hereafter acquired, to secure Indebtedness, unless at the same time, or as soon as reasonably practicable thereafter, the Issuer secures all the Notes then outstanding on an equal basis, provided that for greater certainty, and notwithstanding the foregoing, this covenant shall not apply to:

- (a) the giving of security (except on fixed assets, land and shares of Guarantors) to any bank or other lending institution or others to secure Indebtedness incurred in the ordinary course of business that is not a Funded Obligation;

- (b) the giving by the Issuer or any Guarantor of any security to the Issuer or any Guarantor to secure Indebtedness of the Issuer or such Guarantor;
- (c) the giving by the Issuer or any Guarantor of any security to any Subsidiary to secure Indebtedness of the Issuer, any Guarantor or any Subsidiary, provided, however, that any such Lien(s) shall not in the aggregate exceed \$50,000,000 at any time, unless in the opinion of the Trustee, acting reasonably, any Lien(s) in excess of \$50,000,000 will not be prejudicial to the interests of holders of the Notes (for the purposes of this paragraph (c));
- (d) the creation, incurrence, assumption or the permitting to subsist of Permitted Liens by the Issuer or a Guarantor;
- (e) a Permitted Accounts Receivable Transaction or a Permitted Sale Leaseback Transaction;
- (f) the Issuer or a Guarantor extending, renewing or refunding any security permitted under paragraph (a), (b), (c) or (d) above, provided that the principal amount of Indebtedness secured thereby is not in excess of the principal amount thereof on the date of such extension, renewal or refunding, the security does not extend to any additional Property of the Issuer or such Guarantor, and immediately after such extension, renewal or refunding, no Event of Default would exist; or
- (g) the creation or assumption of Liens not otherwise permitted to be incurred pursuant to the provisions in paragraphs (a) through (e) (inclusive) above and not exceeding 15%, in the aggregate, of Shareholders' Equity, as determined as of the last day of the most recent Calculation Date.

Merger, Consolidation and Sale of Assets

So long as any Notes issued under the Trust Indenture remain outstanding, the Issuer and any Guarantor will not enter into any transaction in which all or substantially all of the aggregate Property of the Issuer and the Subsidiaries, considered as a whole, would become the property of any other Person, whether by way of reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, unless:

- (a) (i) the Issuer or a Subsidiary, as the case may be, shall be the surviving Person; or (ii) the surviving Person formed by the reorganization, consolidation, amalgamation or arrangement or into which the Issuer or the Guarantor, as the case may be, is merged or that acquires by disposition all or substantially all of the Property of the Issuer and the Subsidiaries, considered as a whole, is a Third Party that is organized and validly existing under the federal laws of Canada or any of its provinces or territories and expressly assumes, by a supplemental indenture executed and delivered to the Trustee in form satisfactory to the Trustee, all of the obligations under the Trust Indenture of the Issuer or the Guarantor, as the case may be; and
- (b) immediately before and after giving effect to the transaction contemplated in (a)(i) or (a)(ii) above, (i) no Event of Default or event that with the passing of time or the giving of notice, or both, would constitute an Event of Default shall have occurred and be continuing, and (ii) the Trustee shall be satisfied that the rights and powers under the Trust Indenture of the Trustee and the holders of Notes would not be materially adversely affected by such transaction.

Notwithstanding the foregoing, the Issuer or any Guarantor may enter into a Permitted Accounts Receivable Transaction or a Permitted Sale Leaseback Transaction.

Events of Default

Except as otherwise provided in any terms schedule or supplemental indenture, each of the following events shall be an "Event of Default" in respect of each series of Notes:

- (a) if the Issuer fails to pay any principal or Premium, if any, on any Notes when due, at maturity, upon redemption, purchase or otherwise;
- (b) if the Issuer defaults in the due and punctual payment of any instalment of interest on any Note when due and any such default shall have continued for a period of 30 days;
- (c) if the Issuer defaults in the performance or observance of any other covenant, agreement or condition in the Trust Indenture, in any terms schedule or in any supplemental indenture or in the Notes, or if any Guarantor defaults in the performance or observance of any other covenant, agreement or condition in the guarantee thereof, and, after written notice to the Issuer by the Trustee specifying such default and requiring it to be remedied and stating that such a notice is a "Notice of Default" under the Trust Indenture, which Notice of Default may be given by the Trustee, in its discretion, and shall be given by the Trustee upon receipt of written notice by the Issuer and by the Trustee from the holders of not less than 25% in aggregate principal amount of Notes at the time outstanding (except that in respect of such notice, Notes not entitled to the benefits of such covenant, agreement or condition shall be excluded), the Issuer or a Guarantor, as the case may be, shall fail to remedy such default within a period of 60 days;
- (d) if any Indebtedness of the Issuer or a Guarantor in excess of the greater of (i) 2% of Shareholders' Equity or (ii) \$50,000,000 in the aggregate is accelerated as a result of the failure of the Issuer or any Guarantor to perform any covenant or agreement applicable to such Indebtedness;
- (e) if the Issuer or a Guarantor makes an assignment for the benefit of creditors, or files a petition in bankruptcy; or if the Issuer or a Guarantor be adjudicated insolvent or bankrupt, or petitions or applies to any court having jurisdiction in the premises for the appointment of a receiver, trustee, liquidator or sequestrator or a receiver and manager or any other officer with similar powers shall be appointed, or an encumbrancer takes possession of the Property of the Issuer or any Guarantor or any substantial part thereof, and any such decree or order continues unstayed and in effect for a period of 60 days; or
- (f) if a resolution be passed for the dissolution, winding up or liquidation of the Issuer or a Guarantor, except in the course of carrying out, or pursuant to, a transaction in respect of which the conditions of the Trust Indenture are duly observed and performed, or if the Issuer or a Guarantor institutes proceedings to be adjudicated bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it under the Bankruptcy and Insolvency Act (Canada) or the Companies' Creditors Arrangement Act (Canada) or any other laws or statutes of any jurisdiction relating to bankruptcy, insolvency, reorganization, arrangement, adjustment of debt, dissolution, liquidation, winding-up or compromise or moratorium of debt or analogous laws, or consents to the filing of any petition under any such laws or to the appointment of a receiver of the Property or of any substantial part of the Property of the Issuer or a Guarantor or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due or declares a moratorium on the payment of creditors generally, or is adjudicated insolvent or bankrupt or takes any corporate action in furtherance of any of the aforesaid purposes.

The Trust Indenture provides that if an Event of Default shall occur and is continuing, the Trustee shall, within 45 days of the occurrence of such Event of Default, give notice of such Event of Default to the holders of Notes in the manner provided in the Trust Indenture provided that, notwithstanding the foregoing, the Trustee shall not be required to give such notice if the Trustee in good faith shall have determined that the withholding of such notice is in the best interests of the holders of Notes and shall have so advised the Issuer in writing.

Acceleration and Waiver of Default

If any Event of Default occurs, the Trustee may, at its discretion, and shall upon a request made by not less than holders of at least 25% of the aggregate principal amount of the Notes then outstanding, declare the principal and interest on all Notes then outstanding and other monies payable thereunder to be due and payable. The holders of Notes have the power exercisable by Extraordinary Resolution to instruct the Trustee to waive an Event of Default or cancel a declaration made by

the Trustee or both, and the Trustee shall thereupon comply with such instructions. In addition, the Trustee has the power to waive any default if, in the Trustee's opinion, the default has been cured or adequate satisfaction has been made therefor, and the Trustee has the power to cancel any declaration.

Modification

The rights of the holders of Notes under the Trust Indenture may be modified or waived. For that purpose, among others, the Trust Indenture contains provisions making binding upon all holders of Notes resolutions passed at meetings of such holders by the favourable votes of the holders of not less than 66 ⅔% of the aggregate principal amount of Notes represented at such a meeting and voted on a poll upon such resolution (an "Extraordinary Resolution"), provided that the holders of not less than 50% of the aggregate principal amount of the then outstanding Notes were present in person or by proxy. The Trust Indenture also contains provisions allowing for an Extraordinary Resolution to be passed in writing by the holders of not less than 66 ⅔% of the aggregate principal amount of Notes. Reference is made to the Trust Indenture for detailed provisions relating to voting and meetings of holders of Notes.

The Trustee may also, without the consent or concurrence of the holders of Notes, by supplemental indenture or otherwise, concur with the Issuer in making any changes or corrections in the Trust Indenture that it shall have been advised by Counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provision or clerical omission or mistake or manifest error contained in the Trust Indenture, a terms schedule or in any supplemental indenture, provided that the rights under the Trust Indenture of the holders of Notes are not materially adversely affected thereby.

Defeasance

The Trust Indenture requires the Trustee to release the Issuer from its obligations under the Trust Indenture provided that specified conditions are satisfied. Among other things, the Issuer must irrevocably deposit money or securities in trust with the Trustee solely for the benefit of the holders of Notes for the payment of all principal, interest and Premium, if any, and any other amounts due or to become due on the Notes as well as for the payment of the expenses and remuneration of the Trustee and taxes arising with respect to all the deposited funds. The deposited money or securities must be denominated in the currency in which principal of the Notes is payable and, in the case of deposited securities, must constitute direct obligations of Canada or an agency or instrumentality of Canada or a province of Canada whose securities are rated at least AA(low) by DBRS, Aa3 by Moody's or AA- by S&P.

Reporting

The filing of the Issuer's financial statements, whether annual or quarterly, and any report of the auditors thereon on SEDAR in accordance with applicable securities laws will satisfy the Issuer's obligation to furnish the Trustee with copies of the same. In addition, within 120 days after the end of each fiscal year of the Issuer, the Issuer will furnish the Trustee with a certificate of the Chief Financial Officer of the Issuer certifying that the Issuer has complied with all of the covenants, conditions and other requirements contained in the Trust Indenture setting out with reasonable particulars the circumstances of any failure to comply.

Governing Law

The Trust Indenture and the Notes will be governed by the laws of the Province of Québec and the federal laws of Canada applicable therein.

Duties of the Trustee

In the exercise of the rights, powers and duties prescribed or conferred by the terms of the Trust Indenture, the Trustee will be required to act honestly and in good faith and exercise that degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances, to act in a commercially reasonable manner, and to duly observe and comply with the provisions of any legislation and regulations which relate to the functions or role of the Trustee as a fiduciary under the Trust Indenture.

Form of Notes

Unless otherwise provided in the applicable prospectus supplement or pricing supplement or other prospectus supplement, the Notes will be issued in the form of one or more fully registered global notes ("Global Notes") held by, or on behalf of, CDS Clearing and Depository Services Inc. or another corporation performing similar services that is acceptable to the Trustee (the "Depository") as custodian of the Global Notes and, in such event, Notes will be registered in the name of the Depository or its nominee (a "Nominee"). Purchasers of Notes represented by Global Notes will not receive Notes in definitive form ("Definitive Notes"). Instead, ownership of such Notes will be evidenced through beneficial interests in the Global Notes, and will be represented through book-entry accounts of institutions (including the Dealers), as direct and indirect participants of the Depository ("Participants"), acting on behalf of the beneficial owners of such Notes. Each purchaser of a Note represented by a Global Note is expected to receive a customer confirmation of purchase from the Dealer from whom the Note is purchased in accordance with the practices and procedures of the selling Dealer. The Depository will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in Global Notes.

Currently, the Depository only allows depository eligibility for securities denominated in Canadian or United States dollars. Any Notes denominated in a currency other than Canadian or United States dollars will be represented by Definitive Notes until such time as the Depository allows depository eligibility for issues of securities denominated in such currencies.

If Global Note(s) are issued and the Depository notifies the Issuer that it is unwilling or unable to continue as Depository in connection with the Global Notes, or if at any time the Depository ceases to be a clearing agency or otherwise ceases to be Depository and the Issuer and the Trustee are unable to locate a qualified replacement, or if the Issuer elects to terminate the book-entry system, beneficial owners of Notes represented by Global Notes will receive Definitive Notes.

If the Depository ceases to be a clearing agency or otherwise ceases to be eligible to be a depository, and the Issuer is unable to locate a qualified successor, the Issuer and the Trustee, acting reasonably, will each exercise commercially reasonable efforts to agree upon alternative arrangements whereby the Notes can be traded through an alternative book-entry system.

The specific variable terms of any offering of Notes, including, in the case of Floating Rate Notes, the information necessary for the calculation of interest thereon, will be set forth in a prospectus supplement or pricing supplement to this Prospectus and in the respective Note.

Transfer and Exchange of Notes

Transfers of beneficial ownership in Notes represented by Global Notes will be effected through records maintained by the Depository for such Global Notes or the Nominee (with respect to the interests of Participants) and on the records of Participants (with respect to the interests of beneficial owners other than Participants). Beneficial owners of an interest in a Note represented by a Global Note who are not Participants in the Depository's book-entry system, but who desire to purchase, sell or otherwise transfer ownership of or other interests in Global Notes, may do so only through Participants in the Depository's book-entry system. A purchaser's interest in a Note represented by a Global Note will only be exchangeable for Definitive Notes in the limited circumstances set forth under the subheading "Form of Notes" above and in accordance with the procedures established by the Depository or the Nominee.

The ability of a beneficial owner of an interest in a Note represented by a Global Note to pledge the Note or otherwise take action with respect to such owner's interest therein other than through a Participant may be limited due to the lack of a physical certificate.

No transfer or exchange of a Note will be registered during the ten business days immediately preceding any date fixed for payment of interest on such Note or payment of the principal or Premium, if any, on such Note. No exchange of a Note will be registered during the ten business days immediately preceding any date selected for any Note to be redeemed.

Payment of Interest and Principal

If Definitive Notes are issued instead of or in place of Global Notes, payments of principal, interest or Premium, if any, on each Definitive Note will be made at the places and in the manner specified in the applicable prospectus supplement or pricing supplement. Payments of interest on each interest bearing Definitive Note will be made by cheque dated the interest payment date and mailed to the address of the holder, or if so agreed by the Trustee and the Issuer, funds representing the interest payable will be forwarded by electronic funds transfer or wire transfer on the interest payment date to the account

of the holder, appearing on the registers maintained by Computershare Trust Company of Canada, as registrar and transfer agent (the "Transfer Agent", which term shall include such other registrar or transfer agent as may from time to time be appointed by the Issuer) at the close of business in the City of Montréal on the tenth (10th) business day prior to the interest payment date.

Payment of interest, principal and Premium, if any, on each Global Note will be made to the Depository or the Nominee, as the case may be, as the registered holder of the Global Note. Interest payments on Global Notes will be made by electronic funds transfer or wire transfer (or other payment method as agreed between the Trustee and the Issuer) on the date interest is payable and delivered to the Depository or the Nominee, as the case may be, on the date interest is payable. Principal payments on Global Notes will be made by electronic funds transfer or wire transfer (or other payment method as agreed between the Trustee and the Issuer) delivered to the Depository or the Nominee, as the case may be, at maturity against receipt of the Global Note. As long as the Depository or the Nominee is the registered owner of a Global Note, the Depository or the Nominee, as the case may be, will be considered the sole owner of the Global Note for the purposes of receiving payments of interest, principal and Premium, if any, on the Notes and for all other purposes under the Trust Indenture and the Notes, except as required by law. The record date for the payment of interest will be that day which is the tenth (10th) business day prior to the applicable interest payment date.

The Issuer understands that the Depository or the Nominee, upon receipt of any payment of principal, interest or Premium, if any, in respect of a Global Note, will credit Participants' accounts, on the date principal, interest or Premium, if any, is payable, with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Note as shown on the records of the Depository or the Nominee. The Issuer also understands that such payments of principal, interest or Premium, if any, by Participants to the owners of beneficial interests in such Global Notes held through such Participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participants. The responsibility and liability of the Issuer and the Trustee in respect of Notes represented by Global Notes is limited to making payment of any principal, interest or Premium, if any, due on such Global Notes to the Depository or the Nominee. The forwarding of any such payments of interest, principal or Premium, if any, to the Depository or the Nominee shall satisfy and discharge the liability of the Issuer in respect of such amounts on such Note to the extent of the sum represented thereby (plus the amount of any tax, assessment or other government charge required by law to be deducted or withheld). Payments of interest, principal, or Premium, if any, will be made in the currency in which the Note is denominated unless otherwise specified in the applicable prospectus supplement or pricing supplement.

If the payment date for any amount of principal, interest or Premium, if any, on any Note is not, at the place of payment, a business day, then payment will be made on the next business day at such place and the holder of such Note shall not be entitled to any additional interest or other payment in respect of such delay, except as otherwise provided in a prospectus supplement or pricing supplement.

Certain Definitions

The following terms are defined in the Trust Indenture:

"Calculation Date" means (a) the final day of each fiscal quarter or fiscal year, as applicable, of the Issuer or (b) with respect to the issue of the Notes, the date of such issue;

"Calculation Period" means (a) the period of four fiscal quarters of the Issuer ending on a Calculation Date or (b) with respect to the issue of the Notes only, the period of the four most recently completed fiscal quarters of the Issuer for which financial statements have been filed with the applicable securities regulatory authorities prior to the issue of the Notes, as the case may be;

"Consolidated EBITDA" means the consolidated EBITDA of the Issuer and all Subsidiaries;

"Counsel" means legal counsel to the Issuer or any Guarantor, as the case may be, acceptable to the Trustee, acting reasonably;

"DBRS" means DBRS Limited and its successors;

"Definitive Notes" has the meaning given to such term under "Description of the Notes — Form of Notes";

"Depository" has the meaning given to such term under "Description of the Notes — Form of Notes";

"Derivative Financial Instrument Agreement" means any agreement with respect to any swap, forward, future or derivative

transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Issuer or the Subsidiaries shall be a Derivative Financial Instrument Agreement;

"EBITDA" means, the net earnings of the applicable Person for the rolling four-quarter period ending on the date EBITDA is determined, plus Interest Expense, income taxes, depreciation and amortization, to the extent such items have been deducted in calculating net earnings, provided that net earnings shall be calculated excluding extraordinary, non-recurrent or unusual items that would give rise to separate disclosure of income and expense as per GAAP;

"EBITDA Threshold" means the minimum percentage of Consolidated EBITDA to be represented by the combined unconsolidated EBITDA of the Issuer and all Guarantors, for any Calculation Period, which shall initially be 80%; provided that the EBITDA Threshold shall be deemed to be amended or varied for the purposes of the Trust Indenture upon and to the extent of any amendment or variation to the Main Credit Facility in respect of such percentage for the purposes of the Main Credit Facility, effective as of the effective date for such amendment or variation under the Main Credit Facility; provided further that if the Main Credit Facility is terminated, the EBITDA Threshold shall be deemed to be such percentage effective under the Trust Indenture immediately prior to the termination of the Main Credit Facility;

"Event of Default" has the meaning given to such term under "Description of the Notes — Events of Default";

"Extraordinary Resolution" has the meaning given to such term under "Description of the Notes — Modification";

"Finance Lease Obligations" means, with respect to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) immovable (real) or movable (personal) property, or a combination thereof, which obligations are required to be classified and accounted for as finance leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP;

"Funded Obligation" means any Indebtedness, the principal amount of which by its terms is not payable on demand and the due date of payment of which, after giving effect to any right of extension or renewal exercisable unilaterally on the part of the obligor, is more than 18 months from the date of the creation, issue or incurring of the same;

"GAAP" means generally accepted accounting principles in Canada as in effect from time to time and consistently applied, as adopted by the Accounting Standards Board (or any successor entity) and released in Part I of the Handbook of the Chartered Professional Accountants of Canada - Accounting, which incorporates International Financial Reporting Standards as issued by the International Accounting Standards Board (or any successor entity);

"Global Note" has the meaning given to such term under "Description of the Notes — Form of Notes";

"Guarantor" means from time to time each Subsidiary (a) so long as the Main Credit Facility is in full force and effect, that is a guarantor in respect of Indebtedness under the Main Credit Facility, and (b) designated by the Issuer to be a Guarantor such that the combined unconsolidated EBITDA of the Issuer and all Guarantors (including such Subsidiary) represents at least the EBITDA Threshold, as well as, from time to time, such Subsidiaries designated as a Guarantor, and excluding such Subsidiaries released as a Guarantor, in accordance with the Trust Indenture;

"Indebtedness" means, with respect to any Person, without duplication: (a) its liabilities for borrowed money, including liabilities for borrowed money evidenced by bonds, debentures, notes or similar instruments, bankers' acceptances, and its redemption obligations in respect of mandatorily redeemable preferred stock; (b) its liabilities for the deferred purchase price of services or property acquired by such Person (excluding accounts payable arising in the ordinary course of business, but including all liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property); (c) all liabilities appearing on its balance sheet in accordance with GAAP in respect of finance leases; (d) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities); (e) all of its liabilities in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions (whether or not representing obligations for borrowed money); (f) the net mark-to-market liability of such Person under Derivative Financial Instrument Agreements; (g) any direct or indirect obligation of such Person guaranteeing or agreeing or intended to guarantee any Indebtedness of any other Person in any manner, provided that Indebtedness shall not include trade payables and accrued expenses, in each case, arising in the ordinary course of business; and (h) any guarantee by such Person with respect to liabilities of another Person of a type described in any of clauses (a) through (f) hereof;

"Interest Expense" means, for a given period, interest and other financial charges paid or accrued on the Indebtedness of a Person during such period, including fees on bankers' acceptances, letters of guarantee and letters of credit;

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothec, hypothecation, encumbrance, charge, security interest, royalty interest, adverse claim, defect of title or right of compensation (set-off) in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, finance lease, title retention agreement or consignment agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to any asset, (c) any purchase option, call or similar right of a Third Party with respect to such assets, (d) any netting arrangement, defeasance arrangement or reciprocal fee arrangement (other than customary netting arrangements pursuant to any Derivative Financial Instrument Agreement), and (e) any other arrangement having the effect of providing security;

"Main Credit Facility" means the second amended and restated credit agreement dated as of August 1, 2012 among certain parties, including the Issuer, Saputo Foods Limited, Saputo Dairy Products Canada G.P., Saputo U.S., L.P. and Saputo Cheese USA Inc., as borrowers, National Bank of Canada, as administrative agent, and certain financial institutions, as lenders, that are parties thereto from time to time, as such agreement may be further amended, restated, modified or replaced (as the principal credit facility of the Issuer and certain of the Subsidiaries, and their bank lenders) from time to time;

"Moody's" means Moody's Canada Inc., and its successors;

"Nominee" has the meaning given to such term under "Description of the Notes — Form of Notes";

"Participants" has the meaning given to such term under "Description of the Notes — Form of Notes";

"Permitted Accounts Receivable Transaction" means any transaction or series of transactions pursuant to which the Issuer or a Guarantor sells, transfers, disposes of, securitizes or enters into any other asset-backed financing of trade accounts receivable of or owing to the Issuer or any Guarantor, and any contract rights related thereto, in each case, on customary terms for fair value as determined at the time of consummation in good faith by the Issuer or such Guarantor;

"Permitted Liens" means:

- (a) Liens relating to the interest of a lessor under a finance lease or otherwise securing Finance Lease Obligations;
- (b) Liens for taxes, assessments or governmental charges or levies on a Person's property if the same shall not at the time be due and payable or, if due and payable, are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with GAAP shall have been set aside on its books;
- (c) Liens imposed by law, such as landlords', carriers', materialmen's, processors', repairmen's, construction contractors', contractors', subcontractors', architects', engineers', craftsmen's, workmen's, suppliers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business of a Person which secure payment of obligations not due and payable or, if due and payable, which are being contested in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP shall have been set aside on its books;
- (d) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation;
- (e) deposits to secure the performance of bids, tenders, letters of intent or purchase agreements, trade contracts, contracts and leases (other than for Indebtedness), statutory obligations, surety, reimbursement and indemnity obligations, appeal and release bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;
- (f) licenses, easements, reservations, rights-of-way, restrictions, survey exceptions, encroachments, covenants, minor defects, irregularities and other similar encumbrances as to immovable (real) property of a Person which do not materially impair the use of the affected land for the purposes for which it is used;
- (g) title defects, or irregularities or other matters relating to title which are non-material and which in the aggregate do not materially impair the use of the affected Property for the purpose for which it is used;
- (h) Liens existing on property or assets at the time of acquisition thereof after the date of the Trust Indenture by the Issuer or any Guarantor, provided that (i) such Liens existed at the time of such acquisition and were not created in anticipation thereof, provided that any extension, renewal, or replacement (or successive extensions, renewal or replacements) in whole or in part of any such Liens not in excess of the outstanding principal amount as at the date of such extension, renewal or replacement shall be deemed to fall within the

- scope of subparagraph (i), and (ii) any such Lien does not encumber any other property or assets (other than additions thereto and property in replacement or substitution thereof);
- (i) Liens arising by reason of any judgment, decree or order of any court or other governmental authority or in connection with arbitration proceedings, if appropriate legal proceedings are being diligently prosecuted and shall not have been finally terminated or the period within which such proceedings may be initiated shall not have expired, in an aggregate amount not to exceed, when taken together with all Liens securing bonds to stay judgments or in connection with appeals as permitted by (e) above, \$50,000,000 at any time outstanding;
 - (j) any Liens in favour of the Trustee on funds or securities deposited with the Trustee in connection with any defeasance under the Trust Indenture;
 - (k) reservations, limitations, provisions and conditions expressed in any original grants from the Crown or other grants of immovable (real) property, or interests therein, which do not materially affect the use of the affected land for the purpose for which it is used including, without limitation zoning laws and ordinances, municipal by-laws and regulations, ground leases, leases and sub-leases;
 - (l) zoning by-laws and other land use restrictions including, without limitation, site plan agreements, development agreements, and contract zoning agreements;
 - (m) any Lien payment of which has been provided for by deposit with the Trustee of an amount in cash sufficient to pay the same in principal and interest until the date of its maturity;
 - (n) undetermined or inchoate liens, rights of distress and charges incidental to current operations which relate to obligations not due and payable or, if due and payable, are being contested in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP shall have been set aside on its books;
 - (o) the right reserved to or vested in any municipality or governmental or other public authority by the terms of any license, franchise, grant or permit acquired by or by any statutory provision to terminate any such license, franchise, grant or permit, or to require annual or other payment as a condition to the continuance thereof;
 - (p) security given to a public utility, a gas or electricity retailer or any municipality or governmental authority when required by such utility, retailer or authority in connection with the operations of that Person in the ordinary course of business;
 - (q) customary rights of compensation (set-off), revocation, refund or chargeback under deposit agreements or under applicable law of banks or other financial institutions where the Issuer or any Guarantor maintains deposits in the ordinary course of business;
 - (r) Liens arising from the granting of a license to any Person in the ordinary course of business of the Issuer or any Guarantor;
 - (s) Liens arising by operation of law on insurance policies and proceeds thereof to secure premiums thereunder;
 - (t) any Purchase Money Security Interest;
 - (u) Liens arising in favour of customs or revenue authorities arising as a matter of law to secure payment of custom duties in connection with the importation of goods in the ordinary course of business, provided such Liens secure obligations not due and payable, or if due and payable, are being contested diligently and in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP shall have been set aside on its books;
 - (v) any Lien given by a Guarantor prior to the date on which it becomes a Guarantor and not in anticipation thereto and any Lien given thereafter pursuant to an obligation to give a Lien set out in an indenture,

- agreement or other instrument entered into by a Guarantor prior to the date on which it becomes a Guarantor and not in anticipation thereto, provided that any such Lien on assets of such Guarantor is limited to the assets of such Guarantor on the date on which it becomes a Guarantor or the same type of assets, as the case may be (unless otherwise permitted in the Trust Indenture in respect of other assets);
- (w) Liens on the fee interest or ownership right or equivalent interest in any land and building held by a landlord under any applicable lease of immovable (real) property and all rights of the landlord under the applicable lease and all superior, underlying and ground leases;
 - (x) operating leases, as determined by GAAP as of the date of the Trust Indenture, that are Liens;
 - (y) the creation, issuance or assumption of any Lien on Property granted in the ordinary course of business in connection with an obligation under a Derivative Financial Instrument Agreement; and
 - (z) such other Lien as is agreed to in writing by the Trustee from time to time, acting reasonably;

"Permitted Sale Leaseback Transaction" means any transaction or series of transactions pursuant to which the Issuer or a Guarantor sells, transfers or otherwise disposes of any property, immovable (real) or movable (personal), and as part of such transaction, thereafter rents or leases such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold, transferred or disposed of, provided that such transaction is consummated for fair value as determined at the time of consummation in good faith by the Issuer or such Guarantor;

"Person" means an individual, a corporation, a partnership, a joint venture, a firm, a trust, a trustee or an unincorporated organization; and pronouns have a similarly extended meaning;

"Premium" means, with respect to any Note at a particular time, the excess, if any, of the then-applicable redemption price of such Note over the principal amount of such Note;

"Property" means all or any portion of a Person's property and assets, both immovable (real) and movable (personal), including for greater certainty any share in the capital of any corporation or ownership interest in any other Person;

"Purchase Money Security Interest" means any Lien securing any unpaid part of, or incurred to provide the whole or any part of, the cost of acquisition of any Property acquired from a Person, other than the Issuer and the Subsidiaries, and any expenditures made for fixed improvements thereto if made or firmly committed within 12 months after the acquisition of such Property and any extension, renewal or refunding thereof not in excess of the outstanding principal amount as at the date of such extension, renewal or refunding and not extending or affecting any additional Property;

"S&P" means Standard & Poor's Rating Services (Canada), a division of the McGraw-Hill Companies (Canada) Corporation, and its successors;

"Shareholders' Equity" means, at any time, the amount of shareholders' equity of the Issuer as set forth in the consolidated balance sheet contained in the most recent audited consolidated financial statements of the Issuer prepared in accordance with GAAP;

"Subsidiary" means any firm, partnership, corporation or other legal entity in which the Issuer, the Issuer and one or more Subsidiaries, or one or more Subsidiaries owns, directly or indirectly, a majority of the voting shares or other ownership interests or has, directly or indirectly, the right to elect a majority of the board of directors, if it is a corporation, or the right to make or control its management decisions, if it is some other Person;

"Third Party" means any Person other than the Issuer or a Subsidiary; and

"Transfer Agent" has the meaning given to such term under "Description of the Notes — Payment of Interest and Principal".

RISK FACTORS

An investment in the Notes is subject to certain risks, including those described below. This Prospectus does not describe all of the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisors about the risks entailed by an investment in the Notes and the suitability of such investment in light of their particular circumstances. In addition to the risk factors noted below, prospective purchasers of the Notes should give careful consideration to the discussions under the "Risks and Uncertainties" section of the 2018 Management's Discussion and Analysis incorporated by reference herein.

The Notes Have No Existing Trading Market

The Notes will be newly issued securities for which there is no existing trading market. The Issuer does not intend to list the Notes on any Canadian, U.S. or other securities exchange. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. There can be no assurance that a secondary market will develop for the Notes or that any secondary market that does develop will continue. Consequently, purchasers may not be able to sell the Notes.

Even if a trading market develops for the Notes, the Notes could trade at prices that may be higher or lower than their initial offering prices, depending on many factors, including prevailing interest rates, results of operations and financial position, the ratings assigned to the Notes and the Issuer's other debt securities, and the markets for similar debt securities.

Risk that the Guarantors may Cease to Guarantee the Notes

There is a risk that the Guarantors may cease to guarantee the Notes hereunder. Pursuant to the provisions of the Trust Indenture, the Issuer may cause a Guarantor to be released from its guarantee of the Notes, if, as and when: (a) (i) the combined unconsolidated EBITDA of the Issuer and all Guarantors (other than each Guarantor to be released from its guarantee of the Notes) represents at least the EBITDA Threshold, or (ii) one or more replacement Guarantor(s) are designated by the Issuer for the Guarantor(s) to be released from its guarantee of the Notes, provided that the combined unconsolidated EBITDA of the Issuer, all existing Guarantors (other than each Guarantor to be released from its guarantee of the Notes) and the replacement Guarantor(s) represents at least the EBITDA Threshold; (b) so long as the Main Credit Facility is in full force and effect, each Guarantor being released from its guarantee of the Notes is not a guarantor, or is concurrently being released as a guarantor, in respect of the Main Credit Facility; and (c) no Event of Default exists and is continuing at such time (as confirmed by an officer's certificate of the Issuer). The EBITDA Threshold, which currently corresponds to the requirement under the Main Credit Facility, is subject to changes from time to time pursuant to the terms of the Trust Indenture. As a result, one or more of the Guarantors named in this Prospectus may cease to guarantee the Notes in the future. As a consequence of one or more of the Canadian Guarantors ceasing to guarantee the Notes in the future, it is possible that the Notes become guaranteed only by Guarantors the assets of which would be located outside of Canada. See "Risk Factors - Actions against certain of the Guarantors". In addition, subject to the covenants applicable to the Issuer and the Guarantors in the Trust Indenture, there are no restrictions on the ability of the Guarantors to enter into transactions to sell their assets or to consolidate, amalgamate or merge with another entity.

Actions Against Certain of the Guarantors

The assets of three of the five current Guarantors are located outside of Canada, including in the United States. Any judgment obtained in Canada in respect of the guarantee against any of such Guarantors may not be collectible within Canada. Any judgment obtained in Canada against any of such Guarantors predicated on the civil liability provisions of Canadian securities legislation may not be collectible outside of Canada. Judgments against such Guarantors may therefore have to be enforced in the United States and may be subject to additional defences as a result.

Interest Rate Risks

Prevailing interest rates will affect the market price or value of the Notes. Generally, the market price or value of the Notes will decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline. Fluctuations in interest rates may also impact borrowing costs of the Issuer which may adversely affect its creditworthiness.

Ranking of the Notes

The Notes will be unsecured obligations of the Issuer and the Guarantors and will rank equally in right of payment (except as to sinking funds and as to claims preferred by operation of law) with all other existing and future unsecured obligations of the Issuer and the Guarantors. The Notes will be effectively subordinated to all existing and future secured obligations of the Issuer and the Guarantors to the extent of the assets securing such obligations. If the Issuer is involved in any bankruptcy, dissolution, liquidation or reorganization, the secured debt holders would, to the extent of the value of the assets securing the secured debt, be paid before the holders of unsecured Notes. In that event, a holder of Notes may not be able to recover any principal or interest due to it under the Notes.

Structural Subordination of Notes

The Issuer's Subsidiaries may incur indebtedness. The claims of the Issuer's debt holders, including holders of the Notes, against the assets of any particular Subsidiary of the Issuer are effectively subordinated to all existing and future indebtedness and liabilities of that particular Subsidiary, and cash flows from activities carried on by any Subsidiary may not be available to pay holders of Notes.

Foreign Currency Risk

An investment in Notes that are denominated or payable in other than Canadian dollars entails significant risks that are not associated with a similar investment in a security denominated in Canadian dollars. Such risks include, without limitation, the possibility of significant changes in rates of exchange between the Canadian dollar and the applicable foreign currency unit, the possibility of the imposition or modification of foreign exchange controls by either the Canadian or foreign governments, and potential illiquidity in the secondary market. These risks will vary depending upon the currency or currencies involved and, where appropriate, will be more fully described in a prospectus supplement or pricing supplement.

This Prospectus does not describe all the risks of an investment in the Notes denominated or payable other than in Canadian dollars, and prospective investors should consult their own financial and legal advisor as to the risk entailed with respect thereto. Notes denominated in other than Canadian dollars are not appropriate investments for investors who are unfamiliar with foreign currency transactions.

The Notes will be governed by and construed in accordance with the laws of the province of Québec and the laws of Canada applicable therein. A judgment by a Canadian court relating to any Note may be awarded only in Canadian currency and such judgment may be based on a rate of exchange in existence on a day other than the day of payment.

No Recourse Against any of the Subsidiaries Which are not Guarantors

Holders of Notes will have no recourse against any of the Subsidiaries which are not Guarantors. The Subsidiaries which are not Guarantors are separate legal entities that have no obligation to pay any amounts due under the Notes. In the event of a bankruptcy, liquidation, winding-up, reorganization, or similar proceeding relating to a Subsidiary which is not a Guarantor, the Issuer's right to receive property of that Subsidiary and the right of the Issuer's creditors to participate in the distribution of such property will effectively rank behind the claims of creditors of such Subsidiary.

Risks Associated with Floating Rate Notes

Investments in Floating Rate Notes entail significant risks not associated with investments in Fixed Rate Notes. The resetting of the applicable rate on a Floating Rate Note may result in lower interest compared to a Fixed Rate Note issued at the same time. The applicable rate on a Floating Rate Note will fluctuate in accordance with fluctuations in the instrument or obligation on which the applicable rate is based, which in turn may fluctuate and be affected by a number of interrelated factors, including economic, financial and political events over which the Issuer and the Guarantors have no control.

Redemption of Notes

If the Notes are redeemable at the Issuer's option, as provided in the applicable prospectus supplement or pricing supplement, the Issuer may choose to redeem the Notes from time to time, especially when prevailing interest rates are lower than the rate borne by the Notes. If prevailing rates are lower at the time of redemption, a purchaser would not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the Notes

being redeemed. The Issuer's redemption right also may adversely impact a purchaser's ability to sell Notes as the optional redemption date or period approaches.

Credit Ratings

The credit ratings assigned to the Notes are not recommendations to purchase, hold or sell the Notes inasmuch as such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that these ratings will remain in effect for any given period of time or that the ratings will not be revised or withdrawn entirely in the future by the respective rating organizations if in their judgment circumstances so warrant.

The credit ratings assigned to the Notes may not reflect the potential impact of all risks related to structure and other factors on the value of the Notes. In addition, real or anticipated changes in the credit ratings assigned to the Notes will generally affect the market value of the Notes.

PLAN OF DISTRIBUTION

Pursuant to the terms and conditions of a dealer agreement dated as of ● among the Issuer and the Dealers (the "Dealer Agreement"), the Dealers are authorized, as agents of the Issuer, to solicit in all of the provinces of Canada (collectively, the "Selling Jurisdictions"), from time to time, offers to purchase Notes, such solicitations to be made directly or through other investment dealers approved by the Issuer. Each of the Dealers agrees to use its reasonable best efforts to attempt to sell the Notes in accordance with the terms and conditions of the Dealer Agreement.

A Dealer, either alone or jointly and not solidarily (not jointly and severally) with one or more of the other Dealers, may from time to time purchase Notes from the Issuer as principal, at such prices and commissions, if any, as may from time to time be agreed upon between the Issuer and such Dealer or Dealers, for resale to the public in the Selling Jurisdictions at prices to be negotiated with each purchaser. Any purchase as underwriter or principal will be deemed to have been made on the basis of the representations and warranties of the Issuer contained in the Dealer Agreement and shall be subject to the terms and conditions set forth in the Dealer Agreement.

The Issuer may also offer Notes directly to the public, only as permitted by applicable securities laws, at prices and upon terms agreed to between the Issuer and the purchaser of the Notes, provided that the Issuer may not so offer Notes: (a) on a date the Issuer requests Dealers to solicit offers to purchase Notes; or (b) commencing on the date on which a Dealer, either alone or together with one or more of the other Dealers, has agreed to purchase Notes as principal for resale, and ending on a date to be jointly agreed upon by the Dealers and the Issuer at the time of such purchase by the Dealers. No commission shall be payable to the Dealers in respect of Notes offered and sold to the public directly by the Issuer without involvement of the Dealers.

The rate of commission payable in connection with sales by the Dealers of Notes will be as agreed by the Issuer and the Dealers.

The Notes have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined under Regulation S under the U.S. Securities Act), except pursuant to an applicable exemption from registration under the U.S. Securities Act. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in the United States. In addition, until 40 days after the commencement of this offering, an offer or sale of the Notes within the United States by any dealer (whether or not participating in this offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the U.S. Securities Act. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A.

The Issuer reserves the right to withdraw, cancel or modify the offer made hereby without notice and may reject orders in whole or in part (whether placed directly with the Issuer or through the Dealers). Each Dealer will have the right, in its discretion reasonably exercised, to reject in whole or in part any offer to purchase Notes received by it on an agency basis.

Additional details with respect to the distribution of a particular offering of Notes will be set forth in the applicable prospectus supplement or pricing supplement.

From time to time, each of the Dealers may make a market in the Notes, but the Dealers are not obligated to do so and may discontinue any market making activity at any time.

CREDIT RATINGS

DBRS Limited ("DBRS") and Moody's Canada Inc. ("Moody's") provide credit ratings of debt securities for commercial entities. Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. DBRS has provided the Issuer with an issuer credit rating of A (low) with a Stable Trend. Moody's has provided a provisional rating of ● in relation to the MTN Program with a ● Outlook. A final rating will be assigned to the Notes by DBRS and Moody's and disclosed by the Issuer in the pricing supplement(s) relating to such Notes when the Notes are issued and sold thereunder.

A definition of the categories of each rating has been obtained from information made publicly available by each rating organization and is outlined below.

Issuer ratings assigned by DBRS address the overall credit strength of the issuer. Unlike ratings on individual securities or classes of securities, issuer ratings are based on the entity itself and do not include consideration for security or ranking. Ratings that apply to actual securities (secured or unsecured) may be higher, lower or equal to the issuer rating for a given entity. DBRS has 10 issuer rating categories, ranging from AAA to D and uses the designation "(high)" and "(low)" in all rating categories other than AAA and D to show the relative standing of a rating within a category. The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category. The A (low) issuer credit rating assigned to the Issuer by DBRS indicates that the Issuer ranks in the third highest of DBRS's ten rating categories. Issuers which are rated in the A category by DBRS are considered to be of good credit quality and the capacity for the payment of their financial obligations is substantial, but is of lesser credit quality than AA. In addition, issuers in the A rating category may be vulnerable to future events, but qualifying negative factors are considered manageable.

DBRS uses "rating trends" for its ratings in the corporate sector. Rating trends provide guidance in respect of DBRS's opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories – "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue, or in some cases, unless challenges are addressed. In general, the DBRS view is based primarily on an evaluation of the issuing entity, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates. A Positive or Negative Trend is not an indication that a rating change is imminent. Rather, a Positive or Negative Trend represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a Stable Trend was assigned to the issuing entity.

Moody's has 9 rating categories, ranging from Aaa to C and applies numerical modifiers 1, 2 and 3 to each rating classification from Aa to Caa. The modifier 1 indicates that the issue ranks in the higher end of its generic rating category, the modifier 2 indicates a mid-range ranking and the modifier 3 indicates that the issue ranks in the lower end of its generic rating category. The ● rating assigned to the MTN Program by Moody's indicates that the MTN Program ranks in the ● highest of Moody's nine rating categories. According to information made publicly available by Moody's, long term debt securities which are rated ● by Moody's are considered ● grade and are subject to ● credit risk. Moody's uses "rating outlooks" to provide its opinion regarding the likely direction of a rating over the medium term. The assignment of, or a change in, an outlook is not a credit rating action if there is no change to the credit rating. Where assigned, rating outlooks fall into the following four categories: "Positive (POS)", "Negative (NEG)", "Stable (STA)" and "Developing (DEV - contingent upon an event)".

The credit ratings assigned by DBRS and Moody's are not recommendations to purchase, hold or sell the Issuer's securities and may be subject to revision or withdrawal at any time by the respective rating organization. Such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that these ratings will remain in effect for any given period of time or that the ratings will not be revised or withdrawn entirely in the future by the respective rating organizations if in their judgment circumstances so warrant.

The credit ratings assigned by DBRS and Moody's may not reflect the potential impact of all risks related to structure and other factors of the MTN Program and on the value of the Notes. In addition, real or anticipated changes in the credit ratings assigned to the Issuer or its securities will generally affect the market value of the Notes. See "Risk Factors".

As is common practice, each of the above-noted credit rating agencies charged the Issuer for their rating services, which include annual monitoring fees for monitoring the Issuer and updating the ratings, in addition to one-time rating fees when Notes are issued. The Issuer reasonably expects that such payments will continue to be made for rating services in the future. No additional payment was made to the above-noted credit rating agencies for other services provided to the Issuer during the last two fiscal years.

RELATIONSHIP BETWEEN THE DEALERS AND THE ISSUER

BMO Nesbitt Burns Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Desjardins Securities Inc., CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., Merrill Lynch Canada Inc., MUFG Securities (Canada), Ltd. and Rabo Securities Canada, Inc. are affiliates of banks that are members of a syndicate of lenders (the "Lenders") that have made available to the Issuer and its Subsidiaries (i) the Main Credit Facility and/or (ii) a non-revolving term facility in the amount of \$700 million and a non-revolving term facility in the amount of AUD\$600 million under a credit agreement dated December 21, 2017 (the "2017 Term Facility" and, collectively with the Main Credit Facility, the "Credit Facilities"). Accordingly, pursuant to applicable securities legislations, the Issuer may be considered a "connected issuer" of these Dealers for the purposes of securities regulations.

As of September 30, 2018, \$853 million were drawn under the Credit Facilities. As of the date hereof, the Issuer is in compliance in all material respects with the terms of its indebtedness to the Lenders under the Credit Facilities.

Since the indebtedness under the Credit Facilities was incurred, the financial position of the Issuer has not adversely changed. None of the Lenders has waived any breach of any of the Credit Facilities since their execution.

Dealers will not receive any benefit in connection with this Offering other than the applicable fees as set out in this Prospectus and payable by the Issuer to the Dealers. The decision to distribute the Notes will be made by the Issuer and the terms and conditions of the distribution will be determined through negotiations between the Issuer and the Dealers. The decision of each Dealer which is an affiliate of the Lenders will be made independently of the Lenders.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel to the Issuer, the following is, at the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to a holder who acquires, as beneficial owner, Notes pursuant to this Prospectus (a "Holder") and who, at all relevant times for purposes of the application of the *Income Tax Act* (Canada) and the regulations promulgated thereunder (the "Tax Act"), deals at arm's length with, and is not affiliated with, the Issuer and the Guarantors, and acquires and holds such Notes as capital property. The Notes will generally be considered to be capital property for this purpose to a Holder unless either the Holder holds or uses such Notes in the course of carrying on a business, or the Holder has held or acquired such Notes in a transaction or transactions considered to be an adventure or concern in the nature of trade. Certain Holders whose Notes might not otherwise qualify as capital property may, in certain circumstances, make an irrevocable election pursuant to subsection 39(4) of the Tax Act to deem to be capital property such Notes and all other "Canadian Securities", as defined in the Tax Act, owned by such Holder in the taxation year in which the election is made and in all subsequent taxation years.

This summary is not applicable to a Holder (i) that is a "financial institution" for purposes of the "mark-to-market" property rules of the Tax Act, (ii) an interest in which would be a "tax shelter investment", (iii) that has made a "functional currency" election under section 261 of the Tax Act to determine its "Canadian tax results" in a currency other than Canadian currency or (iv) that has entered into or will enter into a "derivative forward agreement" in respect of Notes (as all such terms are defined in the Tax Act). **Such Holders should consult with their own tax advisors.**

This summary is based upon the current provisions of the Tax Act and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "Tax Proposals"), and assumes that all such Tax Proposals will be enacted in the form proposed. No assurance can be given that the Tax Proposals will be enacted as proposed or at all. Except for the Tax Proposals, this summary does not otherwise take into account or anticipate any changes in law, administrative policy or assessing practice, whether by way of legislative, judicial, regulatory or administrative action or decision, nor does it address any provincial, territorial or foreign tax considerations.

This summary is of a general nature only, is not exhaustive of all Canadian federal income tax considerations and is not intended to be, nor should it be construed as, legal or tax advice to any particular Holder. Holders are urged to consult their own tax advisors concerning the tax consequences, including the application and effect of the income and other tax laws of any country, province, territory, state or local tax authority, to them of an investment in the Notes.

Additional Canadian federal income tax consequences applicable to a Holder of Notes may be set forth in the applicable pricing supplement.

Resident Holders

This portion of the summary is applicable to a Holder that, at all relevant times for purposes of the Tax Act, is, or is deemed to be, resident in Canada (a "Resident Holder").

Taxation of Interest on the Notes

A Resident Holder that is a corporation, partnership, unit trust or trust of which a corporation or a partnership is a beneficiary will generally be required to include, in computing its income for a taxation year, the amount of interest accrued or deemed to have accrued on the Notes held by such Resident Holder to the end of that taxation year or that becomes receivable or is received by it before the end of that taxation year, including upon maturity or redemption, to the extent such amounts have not otherwise been included in such Resident Holder's income for that taxation year or a preceding taxation year.

Any other Resident Holder, including an individual and a trust (other than a trust described in the preceding paragraph), will be required to include, in computing such Resident Holder's income for a taxation year, any interest on the Notes received or receivable or deemed to have been received or receivable as interest by such Resident Holder in that taxation year (depending upon the method regularly followed by the Resident Holder in computing income), except to the extent that such amount was otherwise included in its income for that taxation year or a preceding taxation year.

Any amount paid by the Issuer or a Guarantor to a Resident Holder as a premium, penalty or bonus because of the redemption or a purchase for cancellation by it of a Note before the maturity thereof (other than in the open market in the manner any such obligation would normally be purchased in the open market by any member of the public), will generally be deemed to be received by such Resident Holder as interest on the Note and will be required to be included in computing the Resident Holder's income, as described above, at the time of the redemption or purchase for cancellation to the extent that such premium, penalty or bonus can reasonably be considered to relate to, and does not exceed the value at the time of the redemption or purchase for cancellation of, the interest that, but for the redemption or purchase for cancellation, would have been paid or payable by the Issuer or a Guarantor on the Note for a taxation year of the Issuer ending after the redemption or purchase for cancellation.

Sale, Redemption or Repayment of the Notes

On a disposition or a deemed disposition of the Notes, including on a repayment at maturity, redemption or purchase for cancellation by the Issuer or a Guarantor, a Resident Holder will generally be required to include in computing its income for the taxation year in which the disposition occurs the amount of interest accrued or deemed to have accrued to the date of disposition, to the extent that such amounts have not otherwise been included in the Resident Holder's income for the taxation year or a preceding taxation year.

In general, a disposition or a deemed disposition of the Notes will give rise to a capital gain (or a capital loss) to the extent that the proceeds of disposition, net of any amount included in the Resident Holder's income as interest, exceed (or are less than) the aggregate of the adjusted cost base of the Notes to the Resident Holder immediately before the disposition or deemed disposition and any reasonable costs of disposition. Any such capital gain (or capital loss) will be subject to the treatment described under the heading "Taxation of Capital Gains and Capital Losses" below.

Taxation of Capital Gains and Capital Losses

In general, one-half of any capital gain (a "taxable capital gain") realized by a Resident Holder in a taxation year will be included in the Resident Holder's income in the taxation year. One-half of any capital loss (an "allowable capital loss") realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in the same taxation year and allowable capital losses in excess of such taxable capital gains may be deducted from net taxable capital gains (after deduction for allowable capital losses) realized by the Resident Holder in any of the three preceding taxation years or in any subsequent year, to the extent and under the circumstances described in the Tax Act.

Additional Refundable Tax

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) throughout the relevant taxation year may be liable to pay an additional 10% tax (refundable in certain circumstances) on its "aggregate investment income" (as defined in the Tax Act), which generally includes interest and taxable capital gains.

Alternative Minimum Tax

Individuals or trusts (other than certain trusts) may be subject to an alternative minimum tax under the Tax Act upon realizing net taxable capital gains.

Non-Resident Holders

This portion of the summary is generally applicable to a Holder that at all relevant times for purposes of the Tax Act and any applicable income tax treaty or convention (i) is not, and is not deemed to be, resident in Canada, (ii) deals at arm's length with any transferee resident (or deemed to be resident) in Canada to whom the Holder disposes of the Notes, (iii) does not use or hold, and is not deemed to use or hold, the Notes in a business carried on in Canada, (iv) is not a "specified shareholder" of the Issuer (as defined in subsection 18(5) of the Tax Act) or a person who does not deal at arm's length with such a "specified shareholder", (v) does not receive any payment of interest and is not credited any amount of interest (including, in either case, any amounts deemed to be interest) on the Notes in respect of a debt or other obligation to pay an amount to a person with whom the Issuer or any Guarantor does not deal at arm's length, and (vi) is not an insurer carrying on an insurance business in Canada and elsewhere (a "Non-Resident Holder").

Generally, a "specified shareholder" is a person that owns, has a right to acquire or is otherwise deemed to own, either alone or together with persons with whom such person does not deal at arm's length for purposes of the Tax Act, shares

of the capital stock of the Issuer that either: (a) give the holders of such shares 25% or more of the votes that could be cast at an annual meeting of the shareholders; or (b) have a fair market value of 25% or more of the fair market value of all of the issued and outstanding shares of the Issuer.

Amounts paid or credited, or deemed to be paid or credited, as, on account of, or in lieu of payment of, or in satisfaction of, the principal of the Notes or premium, penalty, bonus or interest on the Notes by the Issuer or a Guarantor to a Non-Resident Holder, including on the disposition or deemed disposition of the Notes, or in respect of a redemption, purchase for cancellation or repayment at maturity of the Notes, will generally not be subject to Canadian withholding tax.

Generally, no other Canadian federal taxes on income (including taxable capital gains) will be payable under the Tax Act by a Non-Resident Holder in respect of the ownership, disposition or deemed disposition (including on a redemption, purchase for cancellation or repayment at maturity) of the Notes.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP, counsel to the Issuer, the Notes, if issued on the date of this Prospectus, would, at that time, be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a registered education savings plan ("RESP"), a deferred profit sharing plan (other than a trust governed by deferred profit sharing plan for which any employer is the Issuer or an employer with whom the Issuer does not deal at arm's length, within the meaning of the Tax Act), a registered disability savings plan ("RDSP") or a tax-free savings account ("TFSA").

Notwithstanding that the Notes may be qualified investments for a RRSP, RRIF, RESP, RDSP or TFSA, the subscriber of a RESP, the annuitant under a RRSP or RRIF or the holder of a TFSA or RDSP, as the case may be, will be subject to a penalty tax if the Notes are a "prohibited investment" for the RRSP, RRIF, RESP, RDSP or TFSA within the meaning of the Tax Act. The Notes will not be a "prohibited investment" (within the meaning of the Tax Act) for a RRSP, RRIF, RESP, RDSP or TFSA provided the subscriber of the RESP, the annuitant of the RRSP or RRIF or the holder of the TFSA or RDSP, as the case may be, deals at arm's length with the Issuer for purposes of the Tax Act and does not have a "significant interest" (within the meaning of the Tax Act) in the Issuer. **Prospective purchasers who intend to hold Notes in a RRSP, RRIF, RESP, RDSP or TFSA should consult their own tax advisors as to whether the Notes would constitute a "prohibited investment" in their particular circumstances.**

Any applicable prospectus supplement or pricing supplement may provide alternative or supplemental disclosure regarding eligibility for investment of the Notes for registered plans.

LEGAL PROCEEDINGS

Other than as disclosed in the documents incorporated by reference herein, the Issuer is not currently, but may in the future be, subject to legal actions which arise in the normal course of its business. It is not possible for the Issuer to predict with certainty the outcome of any such actions or the range of possible loss.

LEGAL MATTERS

Certain legal matters in connection with the issuance of Notes will be passed upon on behalf of the Issuer by Stikeman Elliott LLP and on behalf of the Dealers by McCarthy Tétrault LLP. At the date hereof, the partners and associates of Stikeman Elliott LLP, as a group, and the partners and associates of McCarthy Tétrault LLP, as a group, beneficially own, directly or indirectly, less than 1% of the issued and outstanding securities of the Issuer.

EXPERTS

The consolidated financial statements of the Issuer as at and for the years ended March 31, 2018 and March 31, 2017, incorporated by reference in this short form base shelf prospectus, have been audited by Deloitte LLP, independent Chartered Professional Accountants, 1190 avenue des Canadiens-de-Montréal Suite 500 Montréal QC H3B 0M7. Deloitte LLP is independent of Saputo within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

The audited annual consolidated financial statements of MG for the years ended June 30, 2017, and 2016, incorporated by reference in this short form base shelf prospectus, have been audited by PricewaterhouseCoopers, 2 Riverside Quay, Southbank VIC 3006, GPO Box 1331, Melbourne VIC 3001. PricewaterhouseCoopers has advised Saputo that it is independent of MG within the meaning of the Corporations Act 2001 (Australia).

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Notes is Computershare Trust Company of Canada at its principal offices in Montreal and Toronto.

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 only be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment, and any applicable prospectus supplement or pricing supplement relating to securities purchased by a purchaser. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment and any applicable prospectus supplement or pricing supplement contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price 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.

CERTIFICATE OF SAPUTO INC.

Dated: December 3, 2018

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada.

(Signed) Lino A. Saputo, Jr.
Chairman of the Board of Directors and
Chief Executive Officer

(Signed) Maxime Therrien
Chief Financial Officer and Secretary

On behalf of the Board of Directors

(Signed) Tony Meti
Director

(Signed) Anthony M. Fata
Director

CERTIFICATE OF THE GUARANTORS

Dated: December 3, 2018

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada.

SAPUTO FOODS LIMITED

SAPUTO DAIRY PRODUCTS CANADA G.P.
(by its managing partner, Saputo Foods Limited)

SAPUTO U.S., L.P.
(by its general partner, 3437248 Canada Inc.)

(Signed) Lino A. Saputo, Jr.
President

(Signed) Maxime Therrien
Secretary

On behalf of the Board of Directors

(Signed) Maxime Therrien
Director

SAPUTO CHEESE USA INC.

SAPUTO DAIRY FOODS USA, LLC

(Signed) Terry Brockman
President

(Signed) Maxime Therrien
Secretary

On behalf of the Board of Directors

(Signed) Maxime Therrien
Director

(Signed) Robert Edwards
Director

(Signed) Terry Brockman
Director

CERTIFICATE OF THE DEALERS

Dated: December 3, 2018

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated in this prospectus by reference will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada.

BMO NESBITT BURNS INC.
By: *(Signed) Steve Aubé*

NATIONAL BANK FINANCIAL INC.
By: *(Signed) Maxime Brunet*

RBC DOMINION SECURITIES INC.
By: *(Signed) Jean-François Dépelteau*

DESJARDINS SECURITIES INC.
By: *(Signed) François Carrier*

CIBC WORLD MARKETS INC.
By: *(Signed) Martin Corbeil*

SCOTIA CAPITAL INC.
By: *(Signed) Melissa Mooney*

TD SECURITIES INC.
By: *(Signed) Abe Adham*

MERRILL LYNCH CANADA INC.
By: *(Signed) Jamie W. Hancock*

MUFG SECURITIES (CANADA), LTD.
By: *(Signed) Richard Testa*

RABO SECURITIES CANADA, INC.
By: *(Signed) Nader Pasdar*
By: *(Signed) Jan Hendrick de Graaff*