



CMI TERMINAL

2007
Annual Report



Locally owned, globally connected.



A MESSAGE FROM THE PRESIDENT

New optimism is buzzing in the farm community with the rise in grain prices; we are seeing new highs for old crop as well as very good opportunities to price grain for the 2008 crop. Unfortunately Ag input costs are in hot pursuit, new highs are seen in seed prices as well as fertilizer quotes for next year. The usual excuses for high fertilizer prices, such as natural gas prices rising, make a frustrating argument for producers to justify. It appears to be another interesting year for producers.

The amalgamation of Agricore United and Saskatchewan Wheat Pool is now operating under the name of Viterra. CMI JV has seen excellent shipping and is on track for another profitable year. Viterra's decision to close their Farm Service Centre in Naicam and relocate their NH3 assets to CMI JV will be a great addition to the existing Ag Sales business already in place. Our goal is to treat all existing and new customers with the same level of service you have come to expect from CMI JV.

Over the past year shareholders have been asking to have the shares held in CMI to be more liquid. This is a quest the board has been on for years. The board has proposed ideas to the securities commission but find they come away frustrated and empty handed. The board has implemented a share trading mechanism on the web site; this has shown promise with shares selling over par value. The webpage maintains a history of shares sold as well as share offers to sell or buy. The web address is www.cmiterminal.com, and click on Share Trading to see how the shares have traded. You can also find current grain prices and a variety of good information here.

The special committee set up to investigate ways to increase liquidity has met several times and intends to have a report at the Annual General Meeting (AGM).

At the AGM you will be asked to vote on a recommendation made by the board that the shareholders approve a reduction of \$12.00 per share in the stated capital of Class A Shares of CMI and authorize CMI to distribute \$12.00 per share to each shareholder. A return of capital generally results in more favourable tax treatment in the hands of a taxable shareholder than that of a taxable dividend. Meyers Norris Penny will be available for a full explanation at the Annual and Special meeting to answer any questions before you vote. Each shareholder should be reminded to consult with their personal tax advisor for further explanation as each individual's situation is different.

The board believes the best way to increase liquidity and share value is to show a good rate of return annually. The management committee of CMI JV has asked to reduce certain restrictive covenants which would allow the Joint Venture to pay more retained earnings back to CMI Ltd. and Viterra.

The board and management committee is still pursuing the 100 car spot and additional storage. Our belief is that it is necessary in order to better serve producers delivering grain to the terminal. Increased grain handle would also be a benefit to our shareholders as volume drives profits. The board sees CMI JV on the sunrise of a new era with full service Crop nutrition and protection coupled with more storage and a 100 car spot, all with the producer and shareholder in mind.

While my original focus was building the terminal, the ups and downs of the agricultural industry every year has been filled with new opportunities and challenges to overcome. I want to take this opportunity to thank the people who have helped me guide this successful business through thick and thin. The people employed at CMI JV have all performed above and beyond the call of duty, and also, my thanks to the Board members for all their help.

I would like to thank all our customers for their support and at times their patience, because without you, CMI could not boast the success it has had.

President & Chairman of CMI Terminal Ltd.

Fred Draude

Message from the General Manager

I am pleased to announce that CMI Terminal JV has realized its largest positive financial results since it opened for business in 2000. CMI JV has achieved a net bottom line of \$1,273,837 on a handle of 174,140 tonnes and gross retail sales of \$4,800,000. This is a significant accomplishment given the challenges posed by the weather.

CMI JV's vision statement is, “**To be the best at serving our customers by providing quality products and service in order to promote peace of mind and enriching their quality of life through our partnership in the management of the risks they face**”. This statement outlines our commitment to all our customers; CMI JV recognizes that without customers we could not exist.

CMI JV continues to be a responsible corporate citizen by supporting numerous community initiatives either in direct financial donations or through voluntary work done by our staff within the communities they live.

I would like to thank the staff at CMI JV for their dedication to our customers and our corporate values. They continue to provide a high quality of customer service, and have delivered value for our shareholders.

The future will provide many opportunities for both our customers and CMI JV. In 2007 Viterra became our co-venture partner as a result of the SWP & AU merger, opening new opportunities for our customers and CMI Terminal. Commodity prices continue to gain strength and for the first time in many years grain producers have opportunities to capture profitable returns from their operations. I look forward to leading CMI JV during these exciting times, and continuing to build CMI JV's business which, is recognized for its customer service and value it brings to its customers and shareholders.

Andrew Kolbeck
General Manager of Operations

CMI Terminal Staff

General Manager	Andrew Kolbeck
Controller	Jackie Buhs
Operations Manager	Curtis Mills
Logistics & Marketing Manger	Derek Patterson
Ag Sales & Service Manager	Troy Leicht
CPS & Marketing Representatives	Jason Hutchison
	Paulette Irvine
	Chad Ferguson
Grain Buyers	Brent Franko
	Andrew G. Kolbeck, Jr.
	Darren Flaata
	Cody Hanson
Maintenance	George Kovach
Grain Administrator	Jill Beaudry
Assistant Grain Administrator	Rachelle Anholt
Assistant Grain Administrator	Brittany Klassen (temp)
CPS Administrator	Cindy Herriges
Part-time/Seasonal	Linsey Smith



Fred Draude
Present term as Director
2005-2007

Fred Draude has farmed in the Naicam area for the past 33 years, first with his father and now his brother. He is employed in the Insurance & Real Estate industry first with Rumberger Agencies and now with ACU Insurance Services Inc. since 1995. He was very involved in Minor Hockey, the Fire Department, Town Council and has been the treasurer for the Lions Club since 1993. Fred was involved with the terminal since the idea was conceived in December 1997. He was instrumental in the negotiations with the grain companies and CPR. He was on the sales team that sold \$2.1 million of shares. Fred is currently the President and Chairman of CMI Ltd., and has served on the Management Committee since May of 1999. Fred and his wife Lorna have two children Michelle and Mitchell. They also have two granddaughters Paige & Claire and this year a new grandson Wil Daubenfeld.

“I want to stay involved to help ensure the profitability of the company and return dividends whenever possible to the share holders. We have a good group of employees that make our jobs easier.”



David Nystuen
Present term as Director
2005-2007

David Nystuen is a lifetime resident of the Spalding/Naicam farming communities. He received a Diploma in Agriculture from the University of Saskatchewan in 1983. Since then he has helped operate and eventually assumed management of Golden Acres Seed Farm. He is a past director on the Spalding Credit Union Board. David was elected secretary of CMI Terminal in January 2002 to present. David lives on his farm with his wife Ester and five children.



Allan Stuckel
Present Term as Director
2005-2007

Allan Stuckel was raised on the family farm 8 miles N.E. of Lake Lenore. He graduated from St. Peters College in 1960. He was employed at the Humboldt Flour Mills for 6 years, working in accounting, shipping and receiving. In 1963 he married Penny Lung of Verndale and took over the family farm in 1966 to present day. Allan and Penny have 4 children and 5 grandchildren. He served as a member of the Lake Lenore Lions Club for many years, President in 1984, Director of the UGG in Lake Lenore until its close. Allan has served on the Lake Lenore Co-op Board of Directors, Reeve of the R.M. of Lake Lenore 399 and was Vice-President of Humboldt Water Rate Review Board. Formerly a director of the S.H.L. Pipeline Association and the REACT Waste Management Authority. In 2003, Allan became a Director of CMI Terminal. In October 2004 they moved to Humboldt with the golf course as their back yard, so this may be in his future recreation plans. He is currently farming Stuckel Farms as a 3rd generation farmer.



Leslie Sarauer
Present Term as Director
2006-2008

Les Sarauer resides in Humboldt and farms together with his father Roman and his son Ken in the St. James district west of Naicam. He is presently Chairman of the Board of Directors for the Lake Lenore Seed Cleaning Coop. Les also serves on the Area Authority for the St. Peter's C & D. Les has just completed his 33rd harvest and has seen many changes in the industry. Les' farm operation has gone from a 1/3 summer fallow where it was the blacker the better to a continuous cropping system, where one pass does it all. Les is currently the Vice-President of CMI Terminal Ltd. Since the opening of CMI Terminal, Les is proud to say he has a modern state of the art facility that has given him a shorter haul than ever. This is one thing that not many producers can say and Les will continue working as a director to ensure its success.



Larry Mortenson
Present Term as Director
2006-2008

Larry Mortenson was born in Spalding. He attended primary and secondary school in Spalding and graduated at LCBI Outlook, SK. Larry attended University for two years studying Education at Camrose, AB and two years at the U of S receiving a diploma in agriculture in 1975. Larry farmed actively from 1973 to 1994 and operated his own soil testing business for 12 years. He started working for F.P. Bourgault Tillage Tools Ltd., in January of 1994 as Head Shipper/Receiver. In 1998 he was promoted to Eastern Territory Sales Manager and presently Western Territory Sales Manager. Larry travels extensively in three Western provinces and four States promoting tillage products to farms and the Bourgault dealership network. Larry presently resides in Naicam with wife Beverly. They have two daughters and one son.



Mark Fohse
Present Term as Director
2007-2009

Mark Fohse was born and raised in Spalding where he graduated from Spalding High in 1984. He began operating a mixed farm operation of cattle and grain with his father, Norman. His current operation consists of 1,500 acres of grain and 270 head of cattle.

Mark was a board member of the Spalding Coop for 10 years, serving 3 years as President. He also served on the Sask Wheat Pool Committee. Mark is a member of the Spalding Volunteer Fire Department. He enjoys many extra curricular activities including hunting, fishing and golfing. Hockey was a past activity that he enjoyed; however, he now focuses on curling and volunteering at the Spalding Curling Club.

Mark believes in the future of the family farm and looks forward to participating in a structure that supports the same.



Regan Crone
Present term as Director
2007-2009

Regan Crone was born on Dec. 27, 1979 and grew up on his parent's (Erwin & Rita Crone) farm west of Spalding. He attended school in Spalding until eighth grade and completed his schooling in Naicam, where he graduated in 1997 and spent the following year at Doepker Industries. In the fall of 1998 Regan moved to Lethbridge, Alberta to attend Lethbridge Community College. There he received a diploma in Agriculture Technology and furthered his post secondary education at the University of Lethbridge obtaining a degree in Agriculture in the spring of 2003.

Regan purchased a house in Spalding and began farming with his dad along with full time employment at CMI Terminal in the fall of 2003. He began working in the Operations Department as well as selling seed in anticipation for CMI's new Ag Inputs division. In the spring of 2005 CMI Terminal officially opened its Ag Input Division where he developed the role of Seed Manager/Sales. In April of 2006 he decided to leave CMI and pursue farming full time, where he operates a 4,000 acre farm.

Regan and his wife Karyn were married on December 18th, 2004 and they currently live in Spalding with their daughter Claire Emma and new son Bryce who was born January 28, 2008. Regan looks forward to the future of agriculture where he sees it taking a vital role in health and environmental issues.



Peter Anholt
New Nominee

In June 2007 Peter Anholt was hired as The General Manager of Candle Lake Golf Resort. Peter was a veteran Western Hockey League coach of eighteen seasons with the Seattle Thunderbirds, Kelowna Rockets, Red Deer Rebels and most recently the Prince Albert Raiders. From Naicam, Peter has many strong family and business ties to the Central Saskatchewan region.

Rick Rumberger, CEO of Candle lake Golf Resort commented on attracting Peter from the hockey industry to the golf and resorting industry, "We are very pleased to have Peter join our management team. Peter brings with him a passion for our community and we feel very fortunate that he has agreed to join our team. Peter is married to Sharon and together has a 13 year old son named Matt.

Most recently Anholt had been the Head Coach of the Raiders since December, 2002 and had compiled a regular season record of 137-153-16-24 with the team in his second tenure as head coach. Anholt also was the Raiders Head Coach in 1988-89.



Kevin Otsig
New Nominee

Kevin was born in LeRoy, Saskatchewan the youngest of seven children to George & Ruth Otsig. During the years he was growing up, he lived on a farm near Leroy, moved to Pitt Meadows, BC., and then back to Leroy. Following high school, he worked in Fort Nelson, BC for Sicanni Oilfields. After meeting his wife, Shauna (Wittig), he began working at Keen Industries, in Lanigan, as a welder and foreman building trailers.

Kevin and Shauna were married in 1981 and made their home near Watson.

Kevin worked at Schulte Industries and Dyna-Fab Industries, welding and eventually took on the role of foreman. His love for the farm was evident so with the help of Shauna's parents, they were able to buy their first quarter of land in 1983 and thus began their farming career. As the farm grew he was forced to quit his off farm job and devote his time solely to the farm. Over the years they were able to expand from 160 acres to 3500 acres. Kevin became a Pedigreed Seed Grower, and eventually a Select Seed Grower with the ability to clean and package his own seed, as well as his father-in-law's during the winter months. Custom seed cleaning kept him busy every spring.

Kevin & Shauna were delightfully surprised in 1997 when they were nominated for the Outstanding Young Farmer Program, receiving runner up status. Although, the winter months were busy with cleaning, Kevin was also active in the Watson Minor Sports as hockey coach and manager for many years including the AA Midgets. He also spent 2 terms on the Spalding C & D board and numerous years on local Wildlife Boards.

Kevin & Shauna have one son and two daughters--Aaron Otsig(24), Krista (Jason) Doering(22), and Ashley Otsig(20).

CMI Terminal Ltd.
P. O. Box 43
Naicam, Saskatchewan S0K 2Z0
Phone (306) 872-2777, Fax (306) 872-2778

To the shareholders of CMI Terminal Ltd.

CMI Terminal Ltd.'s 9th annual and special shareholders' meeting is to be held on the **19th day of March 2008 at 5:00 p.m.** at the **Naicam Town Hall**, Naicam, Saskatchewan.

The annual and special meeting must comply with requirements set by Saskatchewan legislation. The enclosed package enables CMI Terminal Ltd. to meet these requirements. It is important that you read the enclosed documents. **Please bring this information with you.**

To assist you with these documents, the following overview has been prepared:

1. The official **Notice of the Annual and Special Meeting** giving the date, time and location of the meetings.
2. The **Information Circular** has been prepared by the board and management committee of CMI Terminal Ltd., to provide additional information to shareholders on the business to be conducted at the annual and special meeting. It includes information regarding business affairs, share structure and election of directors. The shareholders must appoint an auditor for the upcoming year, and this is also covered in the circular.
3. The form of **Proxy** enclosed is for use at the Annual and Special Meeting and serves two purposes:
 - a. First, it allows any shareholder that will not be able to attend the meeting to designate an individual who will be in attendance at the meeting to vote their shares. For your convenience the proxy indicates two officers of CMI who would be willing to act as your proxy. If you will not be able to attend the meeting, please complete, date, and sign the proxy and **return the completed proxy to CMI Terminal Ltd. office by 4:00 p.m. on March 18th, 2008.**
 - b. In the case of shares held in a company's name, the company must designate an individual who will be in attendance at the meeting and who is authorized to vote the shares of the company. In order for such corporate shareholder to vote its shares at the annual meeting of shareholders, please insert the name of the person who will vote such shares on the Proxy. Have the proxy signed and sealed by the signing officers of the company, and **return the completed proxy to the CMI Terminal Ltd. office by 4:00 p.m. on March 18th, 2008.** This step is necessary, even if the corporate designate will be attending.
4. The **Audited Financial Statements of CMI Terminal Ltd., and Audited Financial Statements of CMI Terminal Joint Venture** together with management's discussion and analysis of such financial statements have been enclosed.

5. In addition to the forgoing, we have enclosed a Request for Interim Financial Statements Return Card. We know how busy you are, and accordingly we do not wish to send you information about CMI Terminal Ltd., that you have no desire to receive. If you wish to receive the semi-annual unaudited financial statements of CMI Terminal Ltd., please sign and return the enclosed mailing list return card to CMI. If the Return Card is not signed and returned to CMI you will only receive annual information from CMI, although semi-annual information is available through the securities regulator website: www.sedar.com.

The Annual and Special Shareholder's Meeting is your opportunity to participate in the direction of CMI Terminal Ltd.

Thank You!

CMI TERMINAL LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the 9th Annual and Special Meeting of the Shareholders of CMI Terminal Ltd. ("CMI") will be held on the **19th day of March, 2008 at 5:00 p.m.**, Saskatchewan time, at the **Naicam Town Hall**, in the **Town of Naicam**, Saskatchewan, for the following purposes:

1. To convene the meeting and to discuss the meeting procedures;
2. To receive a report from the board of directors on the general business affairs of CMI Terminal Ltd.
3. To receive a report from management and the auditor on the Audited Financial Statement of CMI for its fiscal year ended October 31, 2007;
4. To elect 3 directors to the board of directors of CMI;
5. To consider approval of an Ordinary Resolution appointing Meyers Norris Penny, Chartered Accountants, Melfort, Saskatchewan as the auditors of CMI to hold office until the next Annual Meeting of the Shareholders;
6. To consider approval of a Special Resolution authorizing the reduction of the stated capital account of the Class A shares of CMI by \$12.00 per share and to authorize CMI to distribute such return of capital ratably to each shareholder of record as at the close of business on March 19th, 2008. The full text of this Special Resolution is attached as Schedule "A" to this Notice.
7. To transact such further and other business of CMI as may properly come before the meeting.

Accompanying this Notice of Annual and Special Meeting you will find the following:

1. An Information Circular which reviews the Agenda items; and
2. Form of Proxy to be completed in the event that you are a corporation or do not intend to be present at the Annual and Special Meeting of the Shareholders.
3. The Audited Financial Statements of CMI Terminal Ltd. and Audited Financial Statements of CMI Terminal Joint Venture for the year ended October 31, 2007, together with Management's discussion and analysis of such financial statements.

Dated this 31st day of January 2008.

By Order of the Board

Signed "David Nystuen"
David Nystuen, Secretary

NOTES: Shareholders who are unable to be present personally at the meeting are requested to sign and return the accompanying proxy forms for use at the meeting. The proxy may be presented at or returned to CMI Terminal Ltd., whose mailing address is P.O. Box 43, Naicam, Saskatchewan, S0K 2Z0. If this proxy is to be returned to CMI Terminal Ltd., it must be received at such office at 4:00 p.m. on March 18th, 2008. Instruments appointing proxies, who are not so received, may not be voted at the meeting.

Schedule "A"

Text of the Special Resolution to be put before the shareholders of CMI at the Special Meeting of the Shareholders to be held on March 19, 2008, or any adjournment thereof:

Be it resolved that the stated capital account of the Class A shares of CMI Terminal Ltd. be reduced by the amount of Two Hundred and Seventy Four Thousand, Nine Hundred and Twenty (\$274,920) Dollars, equating to Twelve (\$12.00) Dollars per issued Class A Share, and the said amount be paid as a return of capital ratably to the Class A shareholders of record on March 19, 2008.

CMI TERMINAL LTD.
INFORMATION CIRCULAR

FOR THE NINTH ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS
TO BE HELD ON MARCH 19, 2008

DATED: JANUARY 31, 2008

MANAGEMENT PROXY SOLICITATION

This Information Circular is provided in connection with the solicitation of proxies by the board of directors for use at the Annual and Special Meeting of the Shareholders of CMI Terminal Ltd. ("CMI") to be held on the **19th day of March 2008, at 5:00 p.m.**, at the **Naicam Town Hall** in the Town of Naicam, Saskatchewan, for the purposes set out in the preceding Notice of Meeting.

The directors expect that the solicitation of proxies will be made primarily by mail, but proxies may also be solicited personally at nominal cost. The cost of the solicitation of proxies will be borne by CMI.

VOTING OF PROXIES

The form of proxy forwarded to Shareholders with the Notice of Meeting gives discretionary authority to the proxy nominees with respect to amendments or variations of matters identified in the Notice of Meeting or other matters, which may properly come before the meeting. The form of proxy gives each Shareholder an opportunity to specify his or her shares to be voted for or against the motions therein specified.

In respect of a proxy in which a Shareholder has not instructed his or her proxy nominees to vote for or against a motion, the shares represented by such proxy will be voted in favour of that motion.

In respect of the election of directors, in the absence of instructions in the proxy, the proxy will be voted at the discretion of the person named therein, subject to those restrictions placed upon management persons designated by such proxy to represent the Shareholder.

The Board of CMI knows of no matters to come before the meeting other than the matters referred to in the foregoing Notice of Meeting. However, if any other matters should properly come before the meeting, the shares represented by proxies in favour of a proxy nominee will be voted on such matters in accordance with the best judgement of such proxy nominee.

REVOCATION OF PROXY

Proxies given by Shareholders for use at the meeting may be revoked at any time prior to their use. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Shareholder or by her or his attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either:

- a) **at the registered office of CMI by 4:00 p.m. on March 18th, 2008** (being the last business day before the date of the Annual and Special Meeting) or up to and including the close of business on the last business day preceding any adjournment thereof, at which the proxy is to be used; or

b) **with the Chairman of the board of directors by 4:00 p.m on March 18th, 2008.**

The registered office of CMI is located at: #6 Highway, P.O. Box 43, Naicam, Saskatchewan, S0K 2Z0.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of CMI consists of an unlimited number of Class “A” voting shares, of which 22,910 Class “A” Shares, held in the aggregate by 217 Class “A” Shareholders, are issued and outstanding as fully paid and non-assessable as at CMI’s fiscal year end of October 31, 2007. CMI has not issued options or warrants or any other securities capable of being converted into CMI shares.

Holders of Class “A” shares are entitled to one (1) vote per share at the Annual and Special Meeting on all matters coming before the Shareholders at the Annual and Special Meeting.

The record date as of which the Shareholders entitled to vote at the meeting is at the close of business on the day immediately preceding the day on which the Notice of Meeting is given.

The following persons exercise control or direction over ten (10%) percent or more of the issued and outstanding voting securities of CMI:

Name	Class “A” Shares Held	Percentage of Total Class “A” Shares
Gundy Co. C/O CIBC World Markets 161 Bay St., 10th Floor Toronto, ON M5J 2S8	5,260	23%

Gundy Co. is the trustee of 48 Self-Directed Retirement Savings Plans, which, in the aggregate, comprise the total number of shares held by Gundy Co. Gundy Co. has provided written authorization to CMI permitting each Annuitant to vote the shares held by Gundy Co. to which such Annuitant is beneficially entitled. This same authorization has been provided by all other self-directed retirement plan trust companies, which hold shares of CMI.

There are no shares in the capital stock of the Corporation issued or outstanding save and except for the issued shares referred to herein.

CONSIDERATION OF FINANCIAL STATEMENTS

A copy of the Audited Financial Statements of CMI for its year ended October 31, 2007, prepared by Meyers Norris Penny LLP, Chartered Accountants, will be provided to each Shareholder together with the Management Discussion and Analysis Report. The directors of CMI have approved the Audited Financial Statements in form and content.

The auditors of CMI, Meyers Norris Penny LLP, will present the Audited Financial Statements of CMI to the shareholders and will be in attendance at the Annual Meeting to answer any questions of the Shareholders arising out of the Audited Financial Statements.

ELECTION OF DIRECTORS

There are seven (7) directors on the Board of Directors of CMI. The following persons are the present directors of CMI and have served as board members from the dates indicated. Each director is elected for a two year rotating term. A retiring director is eligible for re-election.

Name	Province and Country of Residence	Position with Corporation	Present Occupation, Name and principal business of company that Director is employed with.	When a Director	Voting Shares of CMI owned directly or indirectly
Fred Draude 2, 3, 4, 5	Saskatchewan, Canada	President and Chairman	Farmer,	1998 to 2007	480
Allan Stuckel 1, 3, 5	Saskatchewan, Canada	Director	Farmer,	2003 to 2007	50
David Nystuen 2, 4	Saskatchewan, Canada	Secretary	Farmer,	2001 to 2007	100
Larry Mortenson 6	Saskatchewan, Canada	Director	Territory Sales Manager, Bourgault Tillage Tools Ltd.	2004 to 2008	100
Leslie Sarauer 1, 3, 5, 6	Saskatchewan, Canada	Vice-President and Vice-Chairman	Farmer,	2002 to 2008	150
Regan Crone 2, 4, 6	Saskatchewan, Canada	Director	Farmer	2007 to 2009	0
Mark Fohse 6	Saskatchewan, Canada	Director	Farmer	2007 to 2009	50

¹ Investment Committee Members

² Estate Transfer Committee Members (Jacqueline Buhs, controller of CMI, is also a member of the Estate Share Transfer Committee)

³ CMI JV Management Committee Members

⁴ Share Transfer Committee Members (Jacqueline Buhs, controller of CMI, is also a member of the Share Transfer Committee)

⁵ Member of the Audit Committee

⁶ Nominating and Education Committee

Fred Draude, Allan Stuckel and David Nystuen's terms are ending March 19, 2008 and each has volunteered to let their name stand for another two year term. In addition, through the board's nomination process, the board of directors has also received nominations of Kevin Otsig and Peter Anholt, each of whom has agreed to allow their names to stand for election to the open positions.

Accordingly, Shareholders will be asked to elect three (3) of the following five (5) nominees to the Board of Directors, each to hold office for the period of two (2) years:

Name	Province and Country of Residence	Position with Corporation	Present Occupation, Name and principal business of the company that Director is employed with.	When a director	Voting Shares of CMI owned directly or indirectly
Fred Draude	Saskatchewan, Canada	President and Chairman	Farmer, Customer Service Representative ACU Insurance	1998 to 2007	480
Allan Stuckel	Saskatchewan, Canada	Director	Farmer	2003 to 2007	50
David Nystuen	Saskatchewan, Canada	Secretary	Farmer	2001 to 2007	100
Kevin Otsig	Saskatchewan, Canada		Farmer		100
Peter Anholt	Saskatchewan, Canada		General Manager Candle Lake Golf Resort		0

To the best of CMI's knowledge, none of the aforementioned nominees are now, nor have they been within 10 years before the date of this information circular:

(a) subject of a cease trade or similar order of a securities regulator or an order denying the person access to any exemption under securities legislation, nor a director or officer of a company that was the subject of such order of a securities regulator; or

(b) bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of such person nor a director or officer of a company that became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of such company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors or officers of CMI were indebted to CMI as of its fiscal year ending October 31, 2007.

STATEMENT OF EXECUTIVE COMPENSATION

While CMI's President and Controller could be considered "named executive officers" as that term is defined in Form 51-102F6, "Statement of Executive Compensation" for the purposes of National Instrument 51-102, "Continuous Disclosure Obligations", neither the President nor the Controller receive fixed compensation from CMI. The President is paid an honorarium and per diem referred to below and the Controller is an employee of CMI JV whose services to CMI are charged to CMI by CMI JV on a cost recovery basis.

Further, CMI has no long-term incentive plans, stock-option plans, securities outstanding under options ("SUOs"), stock appreciation rights ("SARs"), pension benefit plans or other "plans" (as that term is defined in Form 51-102F6 and for the purposes of National Instrument 51-102).

Compensation of Directors

Members of the Board of Directors receive an executive compensation of a per diem at a rate of \$25.00 per hour for meetings. The directors of the board receive a \$1,500.00 Honorarium each per year. The members of the Management Committee of CMI JV, each receive a \$5,000 honorarium and are paid at a rate of \$25.00 per hour as well as reimbursed for any approved out of pocket expenses for time spent at meetings pertaining to business conducted by them on behalf of CMI. The total amount of compensation received by all directors for the fiscal year ended October 31, 2007 was \$57,432, of which \$42,432 was paid to directors and \$15,000 was paid to Agricore United.

Indemnification of Directors

In addition to the foregoing, CMI has in place a policy of indemnifying directors and officers, subject to certain exceptions, for any costs, charges and expenses, including any amount paid to settle an action or satisfy a judgement, reasonably incurred by him in respect of any civil, criminal, or administrative action or proceeding to which he is made a party by reason of being or having been a Director and/or Officer of CMI. With respect to the purchase of Directors' and Officers' Liability Insurance, the policy states that such insurance shall be purchased in such amounts and on such terms, having regard to insurance premiums and coverage, as the Board of Directors considers appropriate from time to time.

AUDIT COMMITTEE DISCLOSURE

The Board of Directors annually appoints three of its members to an Audit Committee which is responsible for overseeing the financial disclosure which will be provided to shareholders, the Company's internal controls over accounting practices and the audit process. The text of the Audit Committee's charter is attached as Schedule "A" hereto.

The current members of the Audit Committee are Fred Draude, Leslie Sarauer, and Allan Stuckel all of whom are financially literate, within the meaning of such term defined in Multilateral Instrument 52-110 Audit Committees ("MI 52-110"). All audit committee members are independent as required by MI 52-110.

The audit committee members have an understanding of the accounting principles and general applications used by the issuer to prepare its financial statements. Fred Draude's experience of owning and operating the family farm, and his employment in the Insurance business has contributed to his experience and education required for this committee. Leslie Sarauer has 33 years of experience owning and operating the family farm. Mr. Sarauer has served on the Area Authority board and Lake Lenore Seed Cleaning Coop board; both have given him the experience and knowledge required. Allan Stuckel's employment at the Humboldt Flour Mills for 6 years in the accounting department, and 42 years of owning and operating a family farm, have given him the experience and knowledge required as well.

Meyers Norris Penny LLP, Chartered Accountants are the external auditors retained by the Company to perform audit and audit-related services for the Company and CMI JV. The following table sets out the aggregate fees billed by the Company's external auditor.

External Auditor Service Fees	CMI LTD 2007	CMI JV 2007	CMI LTD 2006	CMI JV 2006
Audit Fees	\$13,585.00	\$17,700.00	\$15,520.00	\$17,981.71
Audit Related Fees	Nil	Nil	Nil	Nil
Tax Fees	Nil	Nil	Nil	Nil
Consulting Fees	\$ 6,226.26	\$ 5,180.00	\$ 2,800.00	Nil
Total	\$19,811.26	\$22,880.00	\$18,320.00	\$17,981.71

Notes:

1. Audit related fees are fees for assurance and related services related to the performance of the audit. To date, the Company has not incurred any audit related fees.
2. Tax Fees are fees incurred in respect of the auditor providing services respecting tax compliance, tax advice and tax planning. To date, the Company has not incurred any tax fees other than as part of the regular audit service.
3. Consulting fees include any non recurring consulting fees provided by the external auditor on various aspects of CMI's business and are not included in the foregoing audit fees.

Corporate Governance Disclosure

1. Board of Directors

All directors are independent of CMI. The Board of Directors exercises independent supervision over management by meeting as a board regularly and at such meetings receiving a report from Management. Any areas of concern expressed by the Board are typically followed up personally by the Chairman of the Board and/or the Board member who expressed the concern.

2. Directorships

No directors are presently a director of any other issuer that is a reporting issuer.

3. Orientation and Continuing Education

The Board of Directors has developed protocols for the orientation of new board members and the continuing education of current board members. The purpose of the

protocol is to ensure that all new directors fully understand the role of the Board and its committees and the contribution individual directors are expected to make. The protocols identify and facilitate continuing education opportunities for all directors so that individual directors may maintain and enhance their skills and abilities. The protocol further ensures the directors' knowledge and understanding of CMI's business remains current.

4. Ethical Business Conduct

The Board of Directors has adopted a Code of Ethical Business Conduct, a copy of which has been filed with applicable security regulators and is posted on SEDAR (www.sedar.com).

5. Nomination of Directors

The Board of Directors have developed protocols to identify and recommend candidates for election at annual shareholder meetings and to identify and recommend candidates to fill vacancies occurring between annual shareholder meetings. These protocols will build on the principals advocated by the shareholders at prior annual general meetings that any interested shareholder should have the ability to put their name forward for nomination to the Board of Directors of CMI.

6. Compensation

CMI annually conducts a survey of other members of the Inland Terminal Association of Canada ("ITAC") to determine the levels of compensation paid to the Board of Directors by such ITAC members. This information is then compiled and presented to the Board of Directors annually, from which the full Board determines the compensation that CMI will pay to its Directors.

7. Other Board Committees

- (a) **Management Committee:** The Management Committee is comprised of three independent directors of CMI and three nominee representatives of United Grain Growers operating as Viterra. The Management Committee is established pursuant to the terms of the Joint Venture Agreement entered into with United Grain Growers operating as Viterra and manages the business and affairs of CMI Terminal Joint Venture.
- (b) **Investment Committee:** The Investment Committee is comprised of two independent directors of the Board of Directors, and its mandate is to identify, and recommend to the full Board of Directors, short term investments for surplus cash of CMI.
- (c) **Share Transfer Committee:** The Share Transfer Committee is comprised of three independent directors and the Controller of CMI, and is delegated the authority for and on behalf of the full Board of Directors, to approve share transfers requested by shareholders and to issue new share certificates of CMI in accordance with such transfers.
- (d) **Estate Transfer Committee:** The Estate Transfer Committee is comprised of three independent directors and the controller of CMI, and is delegated the

authority, for and on behalf of the full Board of Directors, to approve share transfers from estates of deceased shareholders to their beneficiaries and to issue new share certificates of CMI in accordance with such transfers.

8. Assessments

While the Board of Directors has no formal process to satisfy itself that its Board, its committees and its individual directors are performing effectively, the Board of Directors and its committees meet regularly and informally assess the effectiveness of the Board, its committees and its individual directors.

APPOINTMENT OF AUDITOR

Meyers Norris Penny LLP, Chartered Accountants, 609 Main Street, P. O. Box 2020, Melfort, Saskatchewan S0E 1A0, has been the auditor of CMI since its inception, and has prepared the Audited Financial Statements for CMI for the year ending October 31, 2007, which are attached to the Notice of Annual Meeting.

The board of CMI recommends the approval by the Shareholders of an Ordinary Resolution appointing Meyers Norris Penny LLP to be the auditors of CMI to hold office until the next Annual Meeting of the Shareholders.

REDUCTION OF STATED CAPITAL

The Board of Directors of CMI has approved the pay out to Shareholders of Two Hundred and Seventy Four Thousand, Nine Hundred and Twenty (\$274,920) Dollars, equating to twelve (\$12.00) Dollars per issued Class A share. On the advice of CMI's accountants, it was determined that the most tax efficient way of effecting such payment was by a non-taxable return of capital to shareholders rather than by declaring a taxable dividend to shareholders. Pursuant to Section 36(1)(b) of *The Business Corporations Act* (Saskatchewan), CMI is entitled to payout the aforesaid amount as a return of capital provided the shareholders of CMI approve, by special resolution, CMI's desire to reduce its stated capital. From an income tax perspective, while the return of capital is not taxable in the shareholders hands, the effect of a return of capital is to reduce the cost base of the Class A shares in each shareholders hands, such that any subsequent sale of such shares may result in an inclusion of the amount of the return of capital in the subsequent determination of whether any capital gain is realized on the sale of such shares. CMI currently qualifies as a Canadian Controlled Private Corporation under the *Income Tax Act* (Canada), and as such the shares of CMI may be eligible for the lifetime enhanced capital gains exemption available to most individual shareholders and accordingly the inclusion of the amount of the return of capital in any subsequent determination of capital gains on sale of such shares by the shareholder should not be a concern for most shareholders. Each shareholder should consult with their personal tax advisor for further explanation for their situation.

Accordingly, your Board of Directors recommends that you vote in favour of the Special Resolution to be presented at the meeting approving a reduction in the stated capital account of the Class A shares and the payout of such amount, rateably, to the holders of Class A shares of record as of March 19, 2008.

A Special Resolution to succeed must be approved by a two-thirds majority (67%) of the Shareholders present in person, or by proxy, at the Special Meeting called to consider such resolution.

ADDITIONAL INFORMATION

Additional information relating to CMI is on SEDAR at www.sedar.com. Current financial information respecting CMI is provided in CMI's comparative financial statements and Management Discussion and Analysis (MD&A) thereon for its most recently completed fiscal year ending October 31, 2007. Security holders may request copies of CMI's issued financial information and MD & A thereon by contacting the Controller of CMI at 306-872-2777, or downloading such information from CMI's website www.cmiterminal.com or SEDAR.

APPROVAL OF INFORMATION CIRCULAR

The contents of this Information Circular and the sending thereof to the Shareholders have been approved by the board of directors of CMI Terminal Ltd. at their regular board meeting held on January 31, 2008.

Dated at Naicam, Saskatchewan, this 31st day of January 2008.

By Order of the Board of Directors of
CMI Terminal Ltd.

Signed by "David Nystuen"
David Nystuen, Secretary

Schedule “A”

AUDIT COMMITTEE CHARTER

I. Purpose and Mandate

The Audit Committee (the “Committee”) is established by the Board of Directors (the “Board”) of CMI Terminal Ltd. (“CMI”) primarily for the purpose of overseeing the accounting and financial reporting processes of CMI and the reviews and audits of the financial statements of CMI and CMI Terminal Joint Venture (“CMI-JV”). CMI was formed for the purpose primarily of entering into a Joint Venture relationship with Agricore United to construct and operate CMI-JV. The consolidated financial statements of CMI include its 50% proportionate share of the accounts of its joint venture interest in CMI-JV. Under this method of presentation, CMI includes in its accounts its proportionate share of the assets, liabilities, revenues and expenses of CMI-JV.

The Committee shall assist the Board in fulfilling the Board’s oversight responsibilities by monitoring, among other things:

- (a) the quality and integrity of the financial statements and related disclosure of CMI and CMI-JV;
- (b) compliance by CMI with legal and regulatory requirements that could have a material effect upon the financial position of CMI and that are not subject to the oversight of another committee of the Board;
- (c) the performance of CMI’s internal audit process and external auditor;
- (d) CMI’s compliance with laws, regulations and the codes of conduct; and
- (e) the independent auditor’s qualifications and independence.

II. Authority

The Committee is empowered to make such inquiry and investigation and require such information and explanation from management as it considers reasonably necessary. The Committee may also require management to promptly inform the Committee and the auditor of any material misstatement or error in the financial statements following discovery of such situation. The Committee has authority to engage outside advisers where appropriate.

III. Composition of Committee

The Committee shall consist of as least three (3) directors, all of whom shall meet the independent requirements established by the Board and applicable laws, regulations and requirements. Each member of the Committee shall, in the judgment of the Board, have the ability to read and understand fundamental financial statements. The members of the Committee and the chairperson of the Committee shall be selected annually by the Board and serve at the pleasure of the Board. A Committee member may be removed at any time, with or without cause, by the Board.

IV. Meetings

The Committee will meet as often as it determines is appropriate, but not less frequently than quarterly. All Committee members are expected to attend each meeting, in person or via telephone or video conference. The Committee will periodically hold private meetings with management, the internal auditor (if any) and the external auditor. The Committee may invite any officer or employee of CMI, the external auditor, CMI's outside counsel, the Committee's counsel or others to attend meetings and provide pertinent information. Meeting agendas will be prepared by the Chief Audit Executive and provided in advance to members, along with appropriate briefing materials. Minutes will be kept by a member of the Committee or a person designated by the Committee.

V. Specific Responsibilities and Duties

In carrying out its oversight responsibilities, the Committee's policies and procedures should remain flexible to enable the Committee to react to changes in circumstances and conditions so as to ensure that CMI remains in compliance with applicable legal and regulatory requirements.

A. Annual Financial Information

The Committee shall:

1. after discussing with management and the auditors matters pertaining to the annual consolidated financial statements of CMI and CMI-JV, review the annual consolidated financial statements and recommend its approval to the Board;
2. review and approve the CMI's annual report to shareholders including management's discussion and analysis ("MD&A") contained therein;
3. obtain certifications from the chief executive officer and the chief financial officer (and considering the external auditors' comments, if any, thereon) that to their knowledge:
 - (a) the audited financial statements, together with any financial information included in CMI's annual MD&A, fairly represent in all material respects CMI's financial condition, cash flow and results of operation, as of the date and for the periods presented in such filings; and
 - (b) the semi-annual financial statements of CMI, together with any financial information included in the semi-annual MD&A, fairly represent in all material respects CMI's financial condition, cash flow and results of operation, as of the date and for the periods presented in such filings.
4. review the planning and results of the external audit of CMI and CMI-JV, including:
 - (a) the engagement letter and projected audit fee for CMI and CMI-JV;
 - (b) the scope of the audit of CMI and CMI-JV, including areas of audit risk, timetable, deadlines, materiality limits, extent of internal control testing, and co-ordination with internal audit;

- (c) various reports issued by the external auditor including:
 - (i) the auditor's report;
 - (ii) all critical accounting policies and practices used;
 - (iii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management;
 - (iv) ramifications of the use of alternative disclosures and treatments;
 - (v) treatment preferred by the external auditors; and
 - (vi) any material written communications between the external auditors and management; and
 - (d) any errors detected by the audit, how they were resolved with management and whether they indicate a weakness in the reporting and control system;
5. review any news releases dealing with financial issues before such news releases are released to the public.

B. Interim Financial Statements

The Committee shall review and recommend for approval by the Board of Directors, all interim financial statements, including MD&A thereon, that are published or issued to regulatory authorities and the Committee shall obtain reasonable assurance that the process for preparing these statements is reliable and consistent with the process for preparing annual financial statements.

C. Internal Controls and Risk Management

The Committee shall:

1. consider the effectiveness of CMI's and CMI-JV's internal control systems, including information technology, security and control;
2. review and evaluate the critical areas of risk and exposure as determined by management and the steps management has taken to monitor and control such exposures, including CMI's and CMI-JV's risk assessment and risk management policies;
3. review any emerging accounting issues and their potential impact on the CMI's and/or CMI-JV's financial statements;
4. understand the scope of internal audits and external auditor's reviews of internal control or financial reporting, and obtain reports on significant findings and recommendations, together with management's responses;
4. direct the external auditor's examinations to specific areas as deemed necessary by the Committee;
5. review significant control weaknesses identified by the external and the internal auditor, along with management's response; and

6. review management representations regarding salaries and wages, source deductions, tax obligations and environmental liabilities or judgments.

D. External Auditor Independence

The Committee shall ensure that the external auditor understands its ultimate accountability to the Board and to the Committee, as representatives of the CMI shareholders. The Committee is responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing the auditor's report or performing any other audit. The external auditor shall report directly to the Committee, but may also report directly to the Board if requested by the Chairman of the Board or by a Committee member.

The Committee shall strengthen and preserve external auditor independence by:

- (a) holding periodic in-camera sessions with the external auditor;
- (b) annually reviewing non-audit engagements undertaken by the audit firm for CMI and CMI-JV and assessing their impact on the external auditor's objectivity and independence;
- (c) assessing the performance of the external auditor and developing resolutions related to the reappointment or any proposed change in external auditors to the shareholders annual meeting;
- (d) reviewing the co-operation received by the external auditor from management and resolving any disagreements between management and the External Auditor regarding financial reporting;
- (e) receiving from the external auditor a letter which summarizes the non-audit services provided during the year and declaring their independence from CMI and CMI-JV; and
- (f) recommending to the Board the nomination and compensation of the external auditor.

E. Internal Audit

The Committee shall:

1. review with management and the external auditor the plans, activities, staffing and organizational structure of the internal audit function, and any recommended changes thereto, as well as staff qualifications;
2. ensure that internal audit activities conform with the international standards for the professional practice of internal auditing;
3. ensure there are no unjustified restrictions or limitations on the chief audit executive's scope of activities or access to information, and review and concur in the appointment, replacement or dismissal of the chief audit executive; and

4. review significant reports to management prepared by internal audit and management's responses thereto.

F. Ethical and Legal Conduct

The Committee shall:

1. review and evaluate the adequacy of systems and practices in place to provide reasonable assurance of compliance with laws, regulations and standards of ethical conduct, with respect to the financial affairs of CMI and CMI-JV;
2. receive and review updates from management and general counsel on compliance matters and litigation claims or other contingencies that could have a significant impact on the financial position or operating results of CMI and/or CMI-JV;
3. establish procedures, and periodically assess the adequacy of such procedures, for:
 - (a) the receipt, retention and treatment of complaints received by CMI regarding accounting, internal accounting controls, or auditing matters;
 - (b) the confidential, anonymous submission by employees of CMI or CMI-JV of concerns regarding questionable accounting or auditing matters; and
 - (c) the review of CMI's and CMI-JV's public disclosure financial information extracted or derived from financial statements.
4. require reporting of all fraudulent and illegal acts to the Committee along with management's response to them.

G. Reporting Responsibilities

The Committee shall:

1. prepare the report required by applicable securities laws to be included in CMI's annual proxy statement;
2. regularly report to the Board about Committee activities, issues and related recommendations;
3. provide an open avenue of communication between the External Auditor and the Board; and
4. review any other reports CMI or CMI-JV issues that relate to Committee responsibilities.

H. Other

In addition to the foregoing, the Committee shall:

1. annually review the Committee Charter and recommend appropriate changes to the Board of Directors;

2. pre-approve all non-audit services to be provided to CMI or CMI-JV by CMI's auditor;
3. annually self-assess whether the Committee has carried out the responsibilities defined in the Committee Charter and report these results to the Board of Directors;
4. arrange for disclosure of or appropriate access to the Committee Charter for all shareholders of CMI;
5. undertake development and education activities as deemed appropriate;
6. annually review management's succession plans for financial and auditing staff, and approve the appointment, replacement, reassignment, or dismissal of the Chief Financial Officer of CMI, or person holding an equivalent position in CMI;
7. hold in-camera sessions on a quarterly basis and at the discretion of the Chair;
8. perform any other activities consistent with this Charter, CMI bylaws and governing law, as the Committee or Board deems necessary or appropriate; and
9. review and evaluate management's disaster recovery and business resumption plans including the results of testing those plans.

This Audit Committee Charter was adopted by the Board of Directors of CMI Terminal Ltd. on April 28, 2006.



MEYERS NORRIS PENNY LLP

CMI Terminal Ltd.
Consolidated Financial Statements
October 31, 2007

www.mnp.ca

CMI Terminal Ltd.

Contents

For the year ended October 31, 2007

	Page
Management's Responsibility	<i>1</i>
Auditors' Report	<i>2</i>
Consolidated Financial Statements	
Consolidated Balance Sheet	<i>3</i>
Consolidated Statement of Earnings and Retained Earnings	<i>4</i>
Consolidated Statement of Cash Flows	<i>5</i>
Notes to the Consolidated Financial Statements	<i>6</i>

To the Shareholders of CMI Terminal Ltd.:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Committee is also responsible for recommending the appointment of the Company's external auditors.

Meyers Norris Penny LLP, an independent firm of Chartered Accountants, is appointed by the shareholders to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

November 29, 2007

signed - Fred Draude

signed - David Nystuen

To the Shareholders of CMI Terminal Ltd.:

We have audited the consolidated balance sheet of CMI Terminal Ltd. as at October 31, 2007 and the consolidated statements of earnings and retained earnings, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at October 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Melfort, Saskatchewan

November 29, 2007

Meyers Norris Penny LLP

Chartered Accountants

CMI Terminal Ltd.
Consolidated Balance Sheet
As at October 31, 2007

	<i>October 31</i>	<i>October 31</i>
	2007	2006
Assets		
Current		
Cash	941,390	632,191
Short term deposits	138,106	257,500
Accounts receivable	275,243	152,177
Prepaid expenses and deposits	14,217	16,158
	1,368,956	1,058,026
Property, plant and equipment <i>(Note 3)</i>	3,533,009	3,775,671
	4,901,965	4,833,697
Liabilities		
Current		
Accounts payable and accruals	90,027	53,643
Income taxes payable	21,863	1,102
Condo deposits	21,500	27,000
Current portion of long-term debt <i>(Note 4)</i>	302,915	303,897
	436,305	385,642
Term loans subject to refinancing <i>(Note 4)</i>	1,395,865	1,626,535
	1,832,170	2,012,177
Long-term debt <i>(Note 4)</i>	75,167	147,410
Future income taxes	40,568	23,173
	1,947,905	2,182,760
Shareholders' Equity		
Share capital <i>(Note 5)</i>	2,147,154	2,147,154
Retained earnings	806,906	503,783
	2,954,060	2,650,937
	4,901,965	4,833,697

Approved on behalf of the Board

signed - Fred Draude _____

Director

signed - David Nystuen _____

Director

CMI Terminal Ltd.
Consolidated Statement of Earnings and Retained Earnings
For the year ended October 31, 2007

	<i>12 Months Ended October 31 2007</i>	<i>15 months Ended October 31 2006</i>
Sales	3,983,798	3,973,364
Cost of sales	2,121,240	1,553,593
Gross margin	1,862,558	2,419,771
Other income	34,897	42,984
Administrative expenses	1,897,455	2,462,755
Operating expenses	173,133	224,872
	790,590	1,109,930
Earnings from operations before interest and amortization	933,732	1,127,953
Interest on long-term debt	115,875	165,977
Earnings before amortization	817,857	961,976
Amortization	280,353	383,822
Earnings before income taxes	537,504	578,154
Provision for income taxes		
Current	85,253	68,061
Future	17,395	37,722
	102,648	105,783
Net earnings	434,856	472,371
Retained earnings, beginning of year	503,783	146,462
Dividends	(131,733)	(115,050)
Retained earnings, end of year	806,906	503,783
Earnings per share		
Basic and fully diluted	18.981	20.619

The accompanying notes are an integral part of these financial statements

CMI Terminal Ltd.
Consolidated Statement of Cash Flows
For the year ended October 31, 2007

	<i>12 Months Ended October 31 2007</i>	<i>15 months Ended October 31 2006</i>
Cash provided by (used for) the following activities		
Operating activities		
Net earnings	434,856	472,371
Amortization	280,353	383,822
Gain on disposal of property, plant and equipment	(1,051)	(144)
Future income taxes	17,395	37,722
	731,553	893,771
Changes in working capital accounts		
Accounts receivable	(123,069)	56,558
Income taxes payable	20,761	(4,775)
Prepaid expenses and deposits	1,941	10,466
Accounts payable and accruals	36,387	(77,364)
Condo deposits received (repaid)	(5,500)	27,000
	662,073	905,656
Financing activities		
Advances of long-term debt	-	39,616
Repayments of long-term debt	(303,895)	(401,944)
Dividends	(131,733)	(115,050)
	(435,628)	(477,378)
Investing activities		
Purchases of property, plant and equipment	(42,131)	(131,058)
Proceeds on disposal of property, plant and equipment	5,491	4,850
	(36,640)	(126,208)
Increase in cash resources	189,805	302,070
Cash resources, beginning of year	889,691	587,621
Cash resources, end of year	1,079,496	889,691
Cash resources are composed of:		
Cash	941,390	632,191
Short term deposits	138,106	257,500
	1,079,496	889,691
Supplementary cash flow information		
Interest paid	114,965	165,977
Income taxes paid	63,977	72,836

The accompanying notes are an integral part of these financial statements

1. Incorporation and commencement of operations

CMI Terminal Ltd. (the Company) was incorporated on June 4, 1998 under the laws of the Province of Saskatchewan. The Company was formed for the purpose of entering into a joint venture agreement to construct and operate an inland grain terminal near Naicam, Saskatchewan. The Joint Venture name is CMI Terminal Joint Venture.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles using the following accounting policies:

Basis of consolidation

The consolidated financial statements include the accounts of CMI Terminal Ltd., and its fifty percent proportionate share of the accounts of its joint venture interest in CMI Terminal Joint Venture. Based on the proportionate consolidation method, the Company includes in its accounts its proportionate share of the assets, liabilities, revenues and expenses of the Joint Venture. Inter entity balances and transactions are eliminated.

Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Buildings	declining balance	4-10 %
Automotive	declining balance	30 %
Computer equipment	declining balance	30 %
Fertilizer and chemical equipment	declining balance	10 %
Equipment	declining balance	10-20 %

Long-lived assets

Long-lived assets consist of property, plant, and equipment. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Company performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from an asset's use and disposal are less than its carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in earnings or loss for the year.

Asset retirement obligations

The Company owns all land upon which its capital assets are located. The Company believes that it does not have a legal obligation to undertake a site restoration of these properties at any time in the future, and thus has determined that its liability for asset retirement obligations is nil.

2. **Significant accounting policies** *(Continued from previous page)*

Revenue recognition

The Company's share of the revenues of CMI Terminal Joint Venture represents substantially all of its consolidated revenue.

Revenue of the Company's Joint Venture is generated primarily from the handling and elevation of grains and oilseeds owned by United Grain Growers Limited operating as Viterra. United Grain Growers Limited operating as Viterra purchases this product directly from farmers and is responsible for the marketing and selling of product that is not sold under the legislated monopoly of the Canadian Wheat Board. The Joint Venture recognizes revenue when grain cars are loaded at the terminal. United Grain Growers Limited operating as Viterra pays the Joint Venture when the cars are unloaded at their destination. The Company's sales revenue is its proportionate share of the Joint Venture's revenue.

Revenue from the sale of crop inputs is recognized when the product is transferred to the farmer. United Grain Growers Limited operating as Viterra bills the Joint Venture for the related cost of sales as of the date of sale.

Future income taxes

The Company follows the asset and liability method of accounting for future income taxes. Under this method, future income tax assets and liabilities are recorded based on temporary differences between the carrying amount of balance sheet items and their corresponding tax bases. In addition, the future benefits of income tax assets, including unused tax losses, are recognized, subject to a valuation allowance, to the extent that it is more likely than not that such future benefits will ultimately be realized. Future income tax assets and liabilities are measured using enacted tax rates and laws expected to apply when the tax liabilities or assets are to be either settled or realized.

Earnings per share

Basic earnings per share is calculated by dividing income available to common shareholders by the weighted average number of common shares.

Measurement uncertainty

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Although inventory on hand is owned by United Grain Growers Limited operating as Viterra, the Joint Venture is responsible for any grade variances discovered when product reaches its destination by rail. Gains or losses resulting from grading of grains and oilseeds, which is subjective in nature, are recognized in the period they occur. Amortization is based on the estimated useful lives of property, plant and equipment. Current portion of long-term debt is calculated based on repayment terms and interest rates in effect at year end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

2. **Significant accounting policies** *(Continued from previous page)*

Recent accounting pronouncements

In January 2005, the Canadian Institute of Chartered Accountants issued new recommendations for the recognition and measurement of financial instruments, and amendments to the existing presentation and disclosure standards, effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2006. Section 3855 *Financial Instruments – Recognition and Measurement* establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Section 3861 *Financial Instruments – Disclosure and Presentation* discusses the presentation and disclosure of these items. The application of hedge accounting is covered in Section 3865 *Hedges*. Section 1530 *Comprehensive Income* establishes standards for reporting and displaying certain gains and losses, such as unrealized gains and losses related to hedges or other derivative instruments, outside of net income, in a statement of comprehensive income. Section 3251 *Equity* establishes standards for the presentation of equity and changes in equity, including changes arising from those items recorded in comprehensive income. There have also been numerous consequential amendments made to other Sections.

In December 2006, the Canadian Institute of Chartered Accountants issued Section 3862 *Financial Instruments – Disclosures* and Section 3863 *Financial Instruments – Presentation* to replace Section 3861 *Financial Instruments – Disclosure and Presentation*. These new Sections are effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2007, but may be adopted in place of Section 3861, before that date.

The Company expects to apply these new recommendations, including Section 3862 and 3863 for its financial statements dated October 31, 2008. Transitional provisions are complex and vary based on the type of financial instruments under consideration. However, the Company does not expect the adoption of these new standards to have a material impact on its consolidated financial statements.

3. **Property, plant and equipment**

			<i>October 31 2007</i>	<i>October 31 2006</i>
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Land	42,713	-	42,713	42,713
Buildings	4,127,198	1,441,166	2,686,032	2,831,220
Automotive	68,380	49,667	18,713	22,451
Computer equipment	31,362	24,387	6,975	15,298
Fertilizer and chemical equipment	384,204	90,013	294,191	313,924
Equipment	1,051,123	566,738	484,385	550,065
	5,704,980	2,171,971	3,533,009	3,775,671

CMI Terminal Ltd.
Notes to the Consolidated Financial Statements
For the year ended October 31, 2007

4. Long-term debt

	<i>October 31 2007</i>	<i>October 31 2006</i>
Term loan bearing interest at 5.8% (5.8% in 2006), payable in monthly instalments of \$19,223 plus interest, secured by a general security agreement, due October 2007	1,626,535	1,857,205
Term loan bearing interest at prime plus 1.25% (7.5% at October 31, 2007), payable in six monthly instalments of \$10,000 from May to October annually plus interest due monthly, secured by a general security agreement, due 2009	120,000	180,000
Term loan bearing interest at 0%, payable in monthly instalments of \$781, secured by related automotive assets having a total net book value of \$14,127 (\$19,427 in 2006), due 2009	12,011	21,382
Term loan bearing interest at 5.9%, payable in semi-annual instalments of \$2,467, secured by equipment having a net book value of \$19,509 (27,820 in 2006), due 2010	15,401	19,255
	1,773,947	2,077,842
Less: current portion	302,915	303,897
Less: term loans subject to refinancing	1,395,865	1,626,535
	75,167	147,410

Principal repayments on long-term debt in each of the next five years, assuming long-term debts are renewed at similar terms, are estimated as follows:

	Subject to Refinancing	Long-term	Total current portion of debt
2008	230,670	72,245	302,915
2009	230,670	68,176	298,846
2010	230,670	4,585	235,255
2011	230,670	2,419	233,089
2012	230,670	-	230,670

Long-term debt is subject to certain financial covenants with respect to current ratio, net worth and earnings. As at October 31, 2007, the Company is in compliance with all such covenants. It is management's opinion that the Company is likely to remain in compliance with all long-term debt covenants throughout the next 12 months subsequent to October 31, 2007.

Although all covenant requirements have been met with regard to the term loan subject to refinancing, it has been reclassified to current liabilities as its term expired in October 2007 and has not yet been renegotiated.

CMI Terminal Ltd.
Notes to the Consolidated Financial Statements
For the year ended October 31, 2007

5. Share capital

	<i>October 31</i>	<i>October 31</i>
	2007	2006
Authorized		
Common shares		
Unlimited number of Class A, voting common shares which may be issued in series.		
Unlimited number of Class B, non-voting common shares which may be issued in series. The Class B shares may be converted into Class A Series 1 shares as follows: i) Class A Shareholders may convert their Class B Series 1 shares for Class A Series 1 shares on a one-to-one basis, (ii) Class B (only) Shareholders may convert their Class B Series 1 shares to Class A Series 1 shares on a one-to-one basis provided that such conversion right may only be exercised in lots of 10 Class B Series 1 shares.		
Preferred shares		
Unlimited number of Class C, non-voting preferred shares, redeemable by the Company, retractable by the holder		
Unlimited number of Class D, non-voting preferred shares, redeemable by the Company, retractable by the holder. Each Class D share may be converted into three Class A Series 1 shares at the option of the Company.		
Issued		
Common shares		
22,910 Class A common shares	2,147,154	2,147,154

6. Income taxes

The Company's effective tax rate approximates 18% on the first \$383,288 of active business income earned in Saskatchewan. The tax rate is between 27% and 36% for active business income in excess of this amount.

CMI Terminal Ltd.
Notes to the Consolidated Financial Statements
For the year ended October 31, 2007

7. Proportionately consolidated Joint Venture

The Company's investment in CMI Terminal Joint Venture is an integral part of its operation.

The following is a summary of the Company's proportionate share of the financial position, operating results, and cash flows of the Joint Venture:

	<i>12 Months Ended October 31 2007</i>	<i>15 months Ended October 31 2006</i>
Assets		
Current assets	1,231,021	712,792
Non-current assets	3,530,396	3,772,403
	4,761,417	4,485,195
Liabilities and Equity		
Current liabilities	1,787,878	2,008,299
Long-term liabilities	75,167	147,410
Equity	2,898,372	2,329,486
	4,761,417	4,485,195
Operating results		
Revenues	4,010,427	3,987,273
Expenses	(3,373,509)	(3,360,644)
	636,918	626,629
Cash flows		
Cash flows from operating activities	806,656	1,023,567
Cash flows from investing activities	(36,641)	(126,208)
Cash flows from financing activities	(371,928)	(562,327)
	398,087	335,032

8. Economic dependence

The Joint Venture markets substantially all of its services through an arrangement with United Grain Growers Limited operating as Viterra. The ability of the Company to sustain operations is dependent upon the continued operation of this arrangement. On October 31, 2007, the amount receivable from United Grain Growers Limited operating as Viterra is \$266,589 (\$142,328 in 2006).

During the year, the Company's co-venturer was purchased by another grain company. The new venturer has expressed its intention to continue operation of the Joint Venture. However, a new joint venture agreement had not been ratified as of the date of these financial statements.

9. Financial instruments

The Company, as part of its operations, carries a number of financial instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Fair value disclosure

The carrying amounts of short term deposits, accounts receivable, and accounts payable and accruals approximate their fair values due to the short term maturities of these items. The carrying amount of the Company's long-term debt approximates its fair value, as current interest rates are not significantly different from the terms of these loans.

Fair values are based on management's best estimates after consideration of current market conditions. The estimates are subjective and involve considerable judgment and, as such, are not necessarily indicative of the amounts that the Company may incur in actual market transactions.

Credit concentration

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of trade accounts receivable. Substantially all of the Company's trade accounts receivable are from United Grain Growers Limited operating as Viterra, who is also a participant in the CMI Terminal Joint Venture as discussed in Note 8.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through its fixed and floating rate long-term debt as described in Note 4.

10. Commitments

The Company has entered into various lease agreements with estimated minimum annual payments as follows:

2008	12,088
2009	12,088
2010	10,302
2011	4,134
2012	1,662
	<hr/>
	60,107
	<hr/>

11. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

CMI Terminal Ltd. changed its fiscal year-end to October 31, effective for its 2006 fiscal year. As a result, the comparative figures presented in these financial statements reflect the fifteen month period from August 1, 2005 to October 31, 2006.



MEYERS NORRIS PENNY LLP

CMI Terminal Joint Venture
Financial Statements
October 31, 2007

www.mnp.ca

CMI Terminal Joint Venture Contents

For the year ended October 31, 2007

	Page
Management's Responsibility	<i>1</i>
Auditors' Report	<i>2</i>
Financial Statements	
Balance Sheet	<i>3</i>
Statement of Earnings	<i>4</i>
Statement of Venturers' Capital	<i>5</i>
Statement of Cash Flows	<i>6</i>
Notes to the Financial Statements	<i>7</i>

To the Venturers of CMI Terminal Joint Venture:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Management Committee is composed entirely of Directors who are neither management nor employees of the Joint Venture. The Committee is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Committee fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management internal auditors, and external auditors. The Committee is also responsible for recommending the appointment of the Joint Venture's external auditors.

Meyers Norris Penny LLP, an independent firm of Chartered Accountants, is appointed by the Venturers to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

November 29, 2007

signed - Fred Draude
Director

signed - Ray Dean
Director

To the Venturers of CMI Terminal Joint Venture:

We have audited the balance sheet of CMI Terminal Joint Venture as at October 31, 2007 and the statements of earnings, venturers' capital and cash flows for the period then ended. These financial statements are the responsibility of the Joint Venture's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Joint Venture as at October 31, 2007 and the results of its operations and its cash flows for the period then ended in accordance with Canadian generally accepted accounting principles.

Melfort, Saskatchewan

November 29, 2007

Meyers Norris Penny LLP

Chartered Accountants

CMI Terminal Joint Venture

Balance Sheet

As at October 31, 2007

	October 31 2007	October 31 2006
Assets		
Current		
Cash	1,885,534	1,089,360
Accounts receivable	548,074	303,909
Prepaid expenses and deposits	28,433	32,315
	2,462,041	1,425,584
Property, plant and equipment (Note 3)	7,060,793	7,544,807
	9,522,834	8,970,391
Liabilities		
Current		
Accounts payable and accruals	135,197	101,736
Condo deposits	43,000	54,000
Current portion of long-term debt (Note 4)	605,829	607,794
	784,026	763,530
Term loans subject to refinancing (Note 4)	2,791,729	3,253,069
	3,575,755	4,016,599
Long-term debt (Note 4)	150,334	294,821
	3,726,089	4,311,420
Venturers' Capital	5,796,745	4,658,971
	9,522,834	8,970,391

Approved on behalf of the Management Committee

signed - Fred Draude

Director

signed - Ray Dean

Director

CMI Terminal Joint Venture

Statement of Earnings

For the year ended October 31, 2007

	<i>12 Months Ended October 31 2007</i>	<i>15 Months Ended October 31 2006</i>
Sales	7,967,593	7,946,727
Cost of sales	4,242,452	3,107,184
Gross margin	3,725,141	4,839,543
Other income	53,261	27,820
Administrative expenses	3,778,402	4,867,363
Operating expenses	164,052	326,509
	1,549,365	2,190,064
Earnings from operations before interest and amortization	2,064,985	2,350,790
Interest on long-term debt	231,749	331,954
Earnings before amortization	1,833,236	2,018,836
Amortization	559,399	765,578
Net earnings	1,273,837	1,253,258
Allocation of net earnings		
United Grain Growers Limited operating as Viterra	636,919	626,629
CMI Terminal Ltd.	636,919	626,629
	1,273,837	1,253,258

CMI Terminal Joint Venture
Statement of Venturers' Capital
For the year ended October 31, 2007

	<i>12 Months Ended October 31 2007</i>	<i>15 Months Ended October 31 2006</i>
<hr/>		
United Grain Growers Limited operating as Viterra		
Balance, beginning of year	2,329,485	1,902,856
Withdrawals	(68,032)	(200,000)
Share of earnings	636,919	626,629
<hr/>		
Balance, end of year	2,898,372	2,329,485
<hr/>		
CMI Terminal Ltd.		
Balance, beginning of year	2,329,486	1,902,857
Withdrawals	(68,032)	(200,000)
Share of earnings	636,919	626,629
<hr/>		
Balance, end of year	2,898,373	2,329,486
<hr/>		
	5,796,745	4,658,971
<hr/>		

CMI Terminal Joint Venture

Statement of Cash Flows

For the year ended October 31, 2007

	<i>12 Months Ended October 31 2007</i>	<i>15 Months Ended October 31 2006</i>
Cash provided by (used for) the following activities		
Operating activities		
Net earnings	1,273,837	1,253,258
Amortization	559,399	765,578
Gain on disposal of property, plant and equipment	(2,103)	(288)
	1,831,133	2,018,548
Changes in working capital accounts		
Accounts receivable	(244,163)	113,559
Prepaid expenses and deposits	3,882	20,933
Accounts payable and accruals	33,460	(159,905)
Condo deposits	(11,000)	54,000
	1,613,312	2,047,135
Financing activities		
Advances of long-term debt	-	79,232
Repayments of long-term debt	(607,792)	(803,887)
Withdrawals by Joint Venturers	(136,064)	(400,000)
	(743,856)	(1,124,655)
Investing activities		
Purchases of property, plant and equipment	(84,263)	(262,116)
Proceeds on disposal of property, plant and equipment	10,981	9,700
	(73,282)	(252,416)
Increase in cash resources	796,174	670,064
Cash resources, beginning of year	1,089,360	419,296
Cash resources, end of year	1,885,534	1,089,360
Supplementary cash flow information		
Interest paid	229,930	331,954

1. Operations

CMI Terminal Joint Venture was formed on November 2, 1998 for the purpose of constructing and operating an inland grain terminal near Naicam, Saskatchewan.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Basis of presentation

These financial statements reflect only the assets, liabilities, revenues and expenses of the Joint Venture and therefore do not include any other assets, liabilities, revenues or expenses of the Venturers or the liability of the Venturers for the income taxes on earnings of the Joint Venture.

Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Buildings	declining balance	4-10 %
Automotive	declining balance	30 %
Computer equipment	declining balance	30 %
Fertilizer and chemical equipment	declining balance	10 %
Equipment	declining balance	10-20 %

Long-lived assets

Long-lived assets consist of property, plant and equipment. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Joint Venture performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from an asset's use and disposal are less than its carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in earnings for the year.

Asset retirement obligations

The Joint Venture owns all land upon which its plant and equipment are located. The Joint Venture believes that it does not have a legal obligation to undertake a site restoration of these properties at any time in the future, and thus has determined that its liability for asset retirement obligations is nil.

2. **Significant accounting policies** *(Continued from previous page)*

Revenue recognition

Revenue is generated primarily from the handling and elevation of grains and oilseeds owned by United Grain Growers Limited operating as Viterra. United Grain Growers Limited operating as Viterra purchases this product directly from farmers and is responsible for the marketing and selling of product that is not sold under the legislated monopoly of the Canadian Wheat Board. The Joint Venture recognizes revenue when grain cars are loaded at the terminal. United Grain Growers Limited operating as Viterra pays the Joint Venture when the cars are unloaded at their destination.

Revenue from the sale of crop inputs is recognized when the product is transferred to the farmer. United Grain Growers Limited operating as Viterra bills the Joint Venture as of the date of sale.

Measurement uncertainty (use of estimates)

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Although inventory on hand is owned by one of the Venturers, the Joint Venture is responsible for any grade variances discovered when product reaches its destination by rail. Gains or losses resulting from grading of grains and oilseeds, which is subjective in nature, are recognized in the period they occur. Amortization is based on the estimated useful lives of property, plant and equipment. Current portion of long-term debt is calculated based on repayment terms and interest rates in effect at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

Recent accounting pronouncements

In January 2005, the Canadian Institute of Chartered Accountants issued new recommendations for the recognition and measurement of financial instruments, and amendments to the existing presentation and disclosure standards, effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2006. Section 3855 *Financial Instruments – Recognition and Measurement* establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Section 3861 *Financial Instruments – Disclosure and Presentation* discusses the presentation and disclosure of these items. The application of hedge accounting is covered in Section 3865 *Hedges*. Section 1530 *Comprehensive Income* establishes standards for reporting and displaying certain gains and losses, such as unrealized gains and losses related to hedges or other derivative instruments, outside of net income, in a statement of comprehensive income. There have also been numerous consequential amendments made to other Sections.

In December 2006, the Canadian Institute of Chartered Accountants issued Section 3862 *Financial Instruments – Disclosures* and Section 3863 *Financial Instruments – Presentation* to replace Section 3861 *Financial Instruments – Disclosure and Presentation*. These new Sections are effective for interim and annual financial statements with fiscal years beginning on or after October 1, 2007, but may be adopted in place of Section 3861, before that date.

The Joint Venture expects to apply these new recommendations, including Section 3862 and 3863, for its financial statements dated October 31, 2008. Transitional provisions are complex and vary based on the type of financial instruments under consideration. However, the Joint Venture does not expect the adoption of these new standards to have a material impact on its financial statements.

CMI Terminal Joint Venture
Notes to the Financial Statements
For the year ended October 31, 2007

3. Property, plant and equipment

			<i>October 31</i> 2007	<i>October 31</i> 2006
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Land	85,425	-	85,425	85,425
Buildings	8,254,396	2,882,331	5,372,065	5,662,441
Automotive	136,759	99,334	37,425	44,902
Computer equipment	62,724	48,774	13,950	30,596
Fertilizer and chemical equipment	768,408	180,025	588,383	627,846
Equipment	2,088,595	1,125,050	963,545	1,093,597
	11,396,307	4,335,514	7,060,793	7,544,807

4. Long-term debt

		<i>October 31</i> 2007	<i>October 31</i> 2006
Term loan bearing interest at 5.8% (5.8% in 2006) payable in monthly instalments of \$38,445 plus interest, secured by a general security agreement, due October 2007		3,253,069	3,714,409
Term loan bearing interest at prime plus 1.25% (7.5% at October 31, 2007) payable in six monthly instalments per year from May to October of \$20,000 plus interest, secured by a general security agreement, due 2009		240,000	360,000
Term loans bearing interest at 0% payable in monthly instalments of \$1,562, secured by related automotive assets having a total net book value of \$28,254 (\$38,854 in 2006), due 2009		24,022	42,765
Term loan bearing interest at 5.9% payable in semi-annual instalments of \$4,935, secured by automotive assets having a total net book value of \$39,017 (\$52,430 in 2006), due 2010		30,801	38,510
		3,547,892	4,155,684
Less: current portion		605,829	607,794
Less: term loan subject to refinancing		2,791,729	3,253,069
		150,334	294,821

4. Long-term debt *(Continued from previous page)*

Principal repayments on long-term debt in each of the next five years, assuming long-term debts are renewed at similar terms, are estimated as follows:

Year	Subject to refinancing	Long-term	Total current portion of debt
2008	461,340	144,489	605,829
2009	461,340	136,351	597,691
2010	461,340	9,169	470,509
2011	461,340	4,838	466,178
2012	461,340	-	461,340

Long-term debt is subject to certain financial covenants with respect to current ratio, net worth and earnings. As at October 31, 2007, the Joint Venture is in compliance with all such covenants. It is management's opinion that the Joint Venture is likely to remain in compliance with all long-term debt covenants throughout the 12 months subsequent to October 31, 2007.

Although all covenant requirements have been met with regard to the term loan subject to refinancing, it has been reclassified to current liabilities as its term expired in October 2007 and has not yet been renegotiated.

5. Financial instruments

The Joint Venture, as part of its operations, carries a number of financial instruments. It is management's opinion that the Joint Venture is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Fair value disclosure

The carrying amounts of accounts receivable and accounts payable and accruals approximate their fair values due to the short term maturities of these items. The carrying amount of the Joint Venture's long-term debt approximates its fair value, as current interest rates are not significantly different from the terms of these loans.

Fair values are based on management's best estimates after consideration of current market conditions. The estimates are subjective and involve considerable judgement, and as such are not necessarily indicative of the amounts that the Joint Venture may incur in actual market transactions.

6. Economic dependence

The Joint Venture markets substantially all of its product through an arrangement with United Grain Growers Limited operating as Viterra. The ability of the Joint Venture to sustain operations is dependent upon the continued operation of this arrangement. At October 31, 2007 the amount receivable from United Grain Growers Limited operating as Viterra is \$533,177 (\$284,656 on October 31, 2006).

During the year, one of the venturers was purchased by another grain company. The new Venturer has expressed its intention to continue operation of the Joint Venture. However, a new joint venture agreement had not been ratified as of the date of these financial statements.

CMI Terminal Joint Venture
Notes to the Financial Statements
For the year ended October 31, 2007

7. Commitments

The Joint Venture has entered into various lease agreements with estimated minimum annual payments as follows:

2008	24,176
2009	24,176
2010	20,604
2011	8,267
2012	3,323
	<hr/>
	80,546
	<hr/>

8. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

CMI Joint Venture changed its fiscal year-end to October 31, effective for its 2006 fiscal year. As a result, the comparative figures presented in these financial statements reflect the fifteen month period from August 1, 2005 to October 31, 2006.

**CERTIFICATION OF ANNUAL FILINGS
VENTURE ISSUER BASIC CERTIFICATE**

I, **Fred Draude, President of CMI Terminal Ltd. (referred to herein as the “Issuer”), acting in my capacity as chief executive officer of the Issuer,** certify the following:

1. **Review:** I have reviewed the annual financial statements and annual MD&A, including for greater certainty all documents and information that are incorporated by reference therein (together, referred to herein as the “annual filings”) of the Issuer for the financial year ended October 31, 2007.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

Date: January 31, 2008

“signed by Fred Draude”

Fred Draude,
President/Chief Executive Officer

NOTE TO READER

In contrast to the certificate required under Multilateral Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* (MI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in MI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.

The issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

**CERTIFICATION OF ANNUAL FILINGS
VENTURE ISSUER BASIC CERTIFICATE**

I, **Jackie Buhs, Controller of CMI Terminal Ltd. (referred to herein as the “Issuer”), acting in my capacity as chief financial officer of the Issuer,** certify the following:

1. **Review:** I have reviewed the annual financial statements and annual MD&A, including for greater certainty all documents and information that are incorporated by reference therein (together, referred to herein as the “annual filings”) of the Issuer for the financial year ended October 31, 2007.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

Date: January 31, 2008

“signed by Jackie Buhs”

Jackie Buhs,
Controller/Chief Financial Officer

NOTE TO READER

In contrast to the certificate required under Multilateral Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* (MI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in MI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.

The issuer’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.