SunOpta Inc.

Investor Presentation

March 2017

Forward Looking Statements

This presentation may include forward-looking statements and therefore is subject to important risks and uncertainties. Actual results could differ materially from the conclusions, forecasts and projections as certain material factors and assumptions were applied in drawing conclusions and in making the forecasts or projections upon which the forward-looking statements are premised.

Additional information about these material factors and assumptions, as well as other risks, uncertainties and/or relevant factors, are set forth under “Forward Looking Statements,” and “Risk Factors” in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2016 (available at www.sec.gov) as well as the Company’s press release issued March 1, 2017.

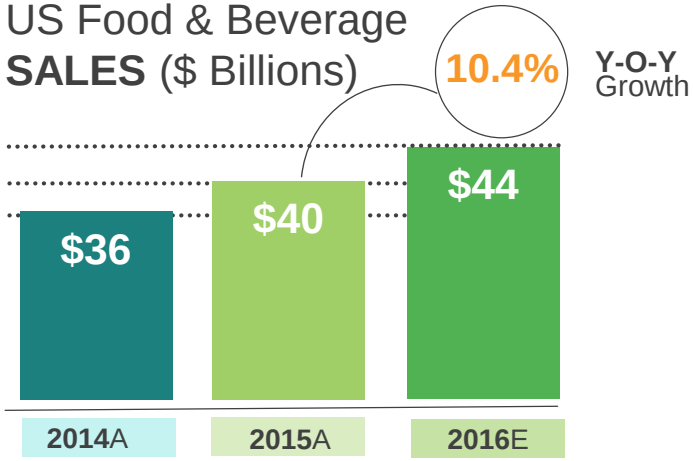
Global Company Focused on Organic, Non-GMO and Specialty Foods

Our Purpose	• To Responsibly bring Healthy Food from the Field to the Table
Key Strategies	• Focus on efficient vertically integrated supply chains • Ultimately to build private label brands • In emerging healthy categories

- SunOpta specializes in the sourcing, processing and packaging of **organic** and **non-GMO** food products, vertically integrated from seed to finished consumer products
- Sourcing value-added **grain**, **seed**, **fruit** and **vegetable** based product offerings
- Serving retail, foodservice and branded food customers with healthy **Beverage**, **Frozen**, and **Snack** products
- All supported by a **global sourcing and supply infrastructure**

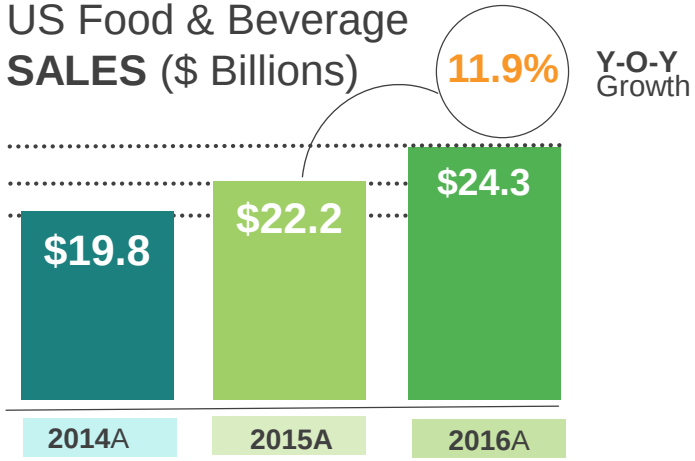
Operate in Growing Markets

ORGANIC
US Food & Beverage
SALES ($ Billions)



Source: 2016 Organic Trade Association Survey

NON GMO - LABELED
US Food & Beverage
SALES ($ Billions)



Source: Nielsen – TTL US XAOC – WE 1/28/17

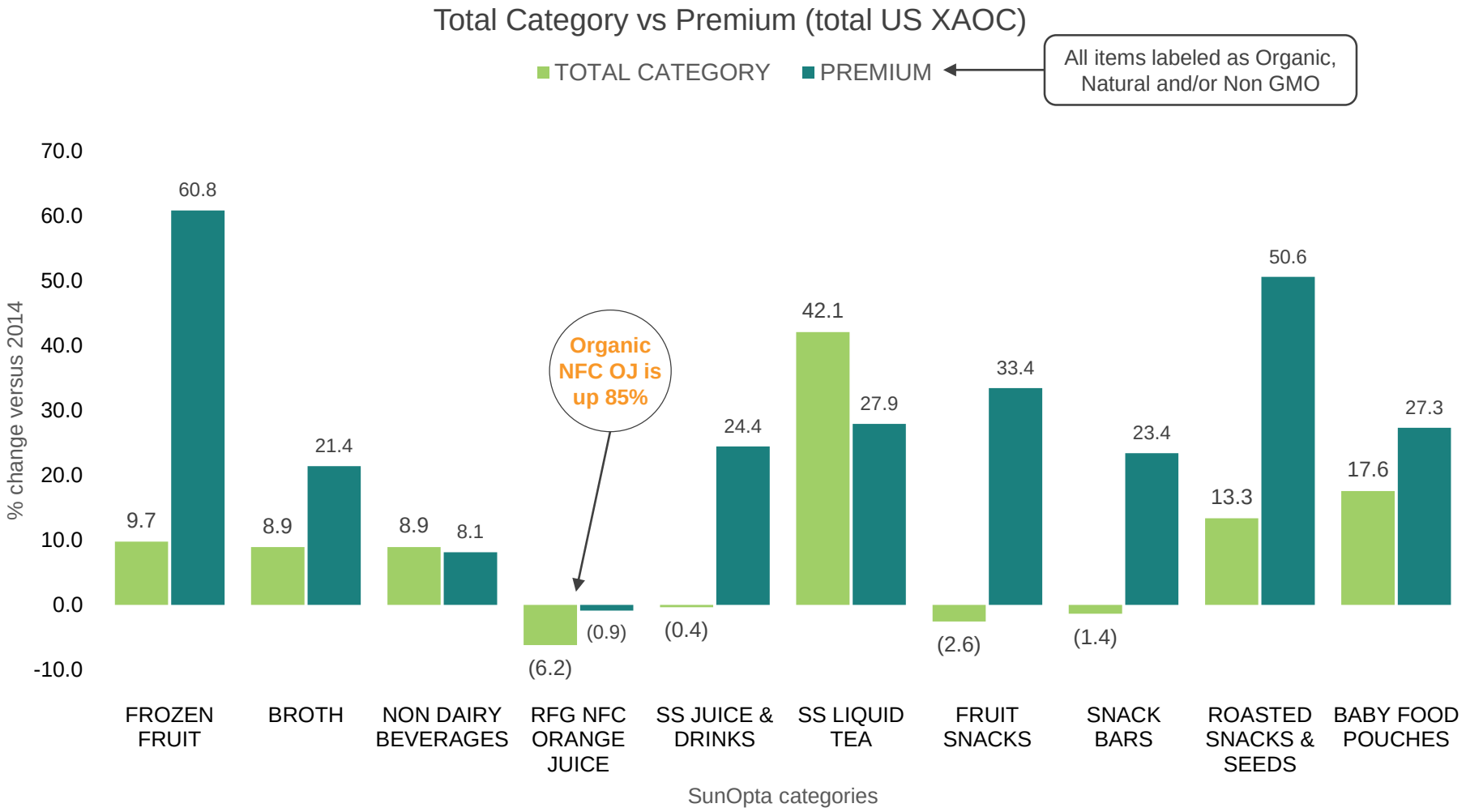
Underpinned by Growing **CONSUMER TRENDS**

Awareness of Linkage Between Diet & Health

GMO, Food Additive & Allergen Concerns

Evolving Consumer Demographics (Millennials & Boomers)

Participate in Growing Premium Categories



Source: Nielsen – TTL US XAOC – WE 1/28/17

Unique Vertically Integrated Platform

With Leading Market Positions in a Number of Categories

Vertical Integration

Market Insights

Global Ingredients

Global Sourcing of Organic/Non-GMO Ingredients for the Food Industry and our own Consumer Products Segment

Organic and Specialty Raw Materials and Ingredients

Seeds, Nuts, Pulses	Corn, Soy
Fruits & Vegetables	Sunflower
Cocoa, Sweeteners, Oils	Ancient grains
Coffee	Animal Feed

Consumer Products

Private label, healthy and organic consumer-packaged products for retailers, foodservice distributors and other food manufacturers

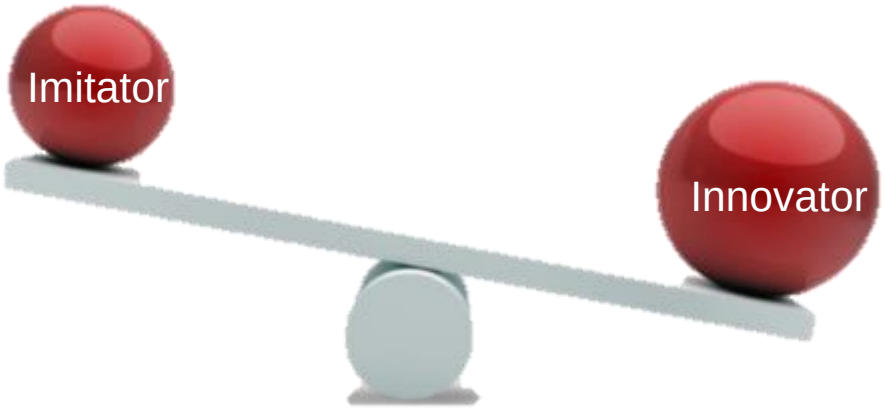
Healthy Beverage	Healthy Fruit	Healthy Snacks
Aseptic Non-Dairy Aseptic Broths & Teas	IQF Fruit	Fruit Snacks
		Pouches
		Bars
Premium Juice	Custom Fruit Preps	Roasted Snacks

Focused on Innovation

Significant R&D Expertise to Drive Improved Revenue and Margin

Innovation focused on three key activities:

- Delivering value to retailers with unique solutions to build private label brands
- Re-Engineering formulas to drive improved performance and lower costs
- Enhancing manufacturing processes to improve facility productivity



Indicative Customer Base

Representative Retail and Food Service Customer Base

Representative Brands Customer Base

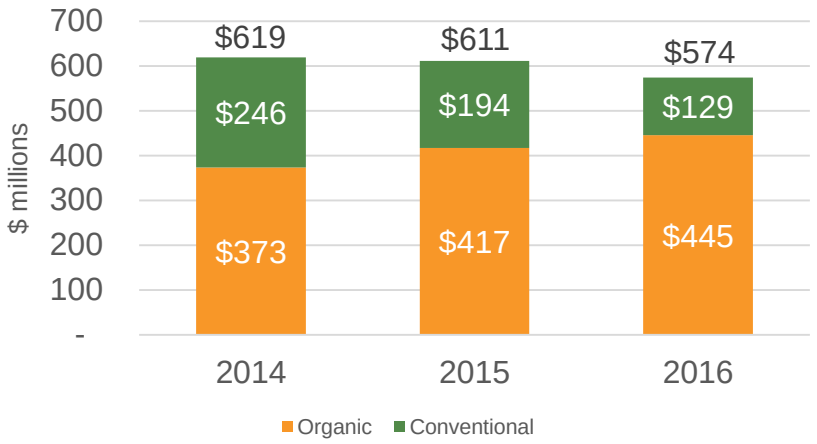
Global Ingredients

Products

- Cocoa
- Sugar
- Oils
- Seeds
- Grains
- Nuts
- Pulses
- Juices
- Sweeteners
- Fruits

Organic and non-GMO ingredients sourced from a network of over 10,000 growers, spanning 65 countries

Segment Revenue



Normalized revenue growth of +0.2%* (2015 to 2016)

* Excludes the impact changes in commodity-related pricing and FX rates, and estimated impact of the sunflower recall.

Key Priorities

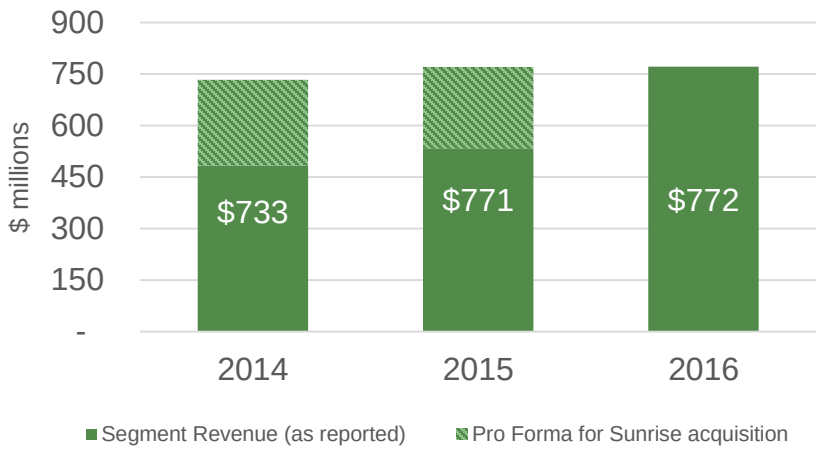
1. Continue to develop new sources of supply to support growth (internal and external)
2. Reposition North American ingredient business for profitable growth
3. Identify categories for further investment (new geographies, products, capabilities)

Consumer Products

Products

- Aseptic Non-Dairy
- Aseptic Broths
- Aseptic Teas
- Refrigerated Premium Juices
- Functional Waters
- Shelf Stable Beverages
- Fruit Snacks
- Resealable Pouches
- Nutritional Bars
- Roasted Snacks
- IQF Fruit for Retail
- Formulated Fruit Solutions for Foodservice
- Custom Formulated Fruit Preparations

Revenue



Normalized revenue growth +1.6%* (2015 to 2016)

* Excludes the impact of business acquisitions and associated product rationalization, and estimated impact on west coast pouch operations as a result of a fire at a third-party facility.

Key Priorities

1. Drive operational excellence while increasing facility utilization
2. Penetrate new channels and capture increased market share in existing channels
3. Focus on Innovation – Product, Packaging, and Process

Recent Timeline

October 2015
Acquired Sunrise Growers, a leading processor of conventional and organic IQF

February 2016
Entered into new 5 year Global ABL Credit Facility

April 2016
Completed the divestiture of Opta Minerals, becoming a pure-play foods company

June 2016
Initiated a strategic review process to maximize shareholder value

October 2016
Announced strategic partnership with Oaktree, and $85M preferred share issuance

October 2016
Bridge Facility converted to Senior Secured 9.5% Notes due 2022

November 2016
Announced governance and management changes, reaffirmed mid-term targets, and introduced the **Value Creation Plan**

February 2017
Announced appointment of David Colo as CEO

LEGEND

Divestitures

Acquisitions

Corporate Strategy

Financing

Four Pillars to the Value Creation Plan

Portfolio Optimization

- Invest in the business where structural advantages exist
- Exit product lines where Company is not effectively positioned

Simplify

Operational Excellence

- Ensure food quality and worker safety while enhancing operational performance
- Drive productivity and cost savings in manufacturing, procurement, and logistics

Execute

Go-to-Market Effectiveness

- Optimize the customer and product mix in existing channels
- Penetrate high potential new sales channels

Grow

Process Sustainability

- Streamline and strengthen the organizational structure
- Embed best-in-class financial, commercial and operational tools and processes

Repeat

Portfolio Optimization

Portfolio Optimization

- Invest in the business where structural advantages exist
- Exit product lines where Company is not effectively positioned

Simplify

Actions to Date

- Closed unprofitable juice facility in San Bernardino, California
- Closed soy extraction (ingredient) facility in Heuvelton, New York
- Exited certain varieties of specialty soy and sunflower
- Exited a non-core vegetable brokerage operation
- Launched a global organic ingredients portfolio strategy review, to identify large ingredient categories for further investment, focusing on new geographies, products and processing capabilities

Operational Excellence

Operational Excellence

- Ensure food quality and worker safety while enhancing operational performance
- Drive productivity and cost savings in manufacturing, procurement, and logistics

Execute

Actions to Date

- Launched network-wide upgrades to worker safety and food quality programs, with the goal of becoming the leader in safety across the healthy food industry
- Launched a productivity enhancement program that is systematically evaluating all manufacturing facilities, supply chain, and procurement
  - Targeting $30 million in annualized EBITDA improvements to be implemented over the next 12 to 18 months
  - Targeting $20 million of working capital cash flow enhancements before the end of 2017
- Rolled out the “SunOpta Plant Management System”, to drive standardized operating processes, key performance indicators, and continuous improvement methodologies

Go-to-Market Effectiveness

Go-to-Market Effectiveness

- Optimize the customer and product mix in existing channels
- Penetrate high potential new sales channels

Grow

Actions to Date

- Hired a new SVP of Beverage and Snacks, as well as new resources in marketing
- Created channel-dedicated sales teams to more effectively service customer needs and kicked off a strategic plan to penetrate specific retail and foodservice white spaces
- Secured new business wins in Healthy Beverage, Healthy Fruit and Global Ingredients
- Investing in marketing, customer marketing, and sales operations headcount and capability to improve our go-to-market offerings and customer service
- Beginning process to optimize mix, price and margin through SKU portfolio management

Process Sustainability

Process Sustainability

- Streamline and strengthen the organizational structure
- Embed best-in-class financial, commercial and operational tools and processes

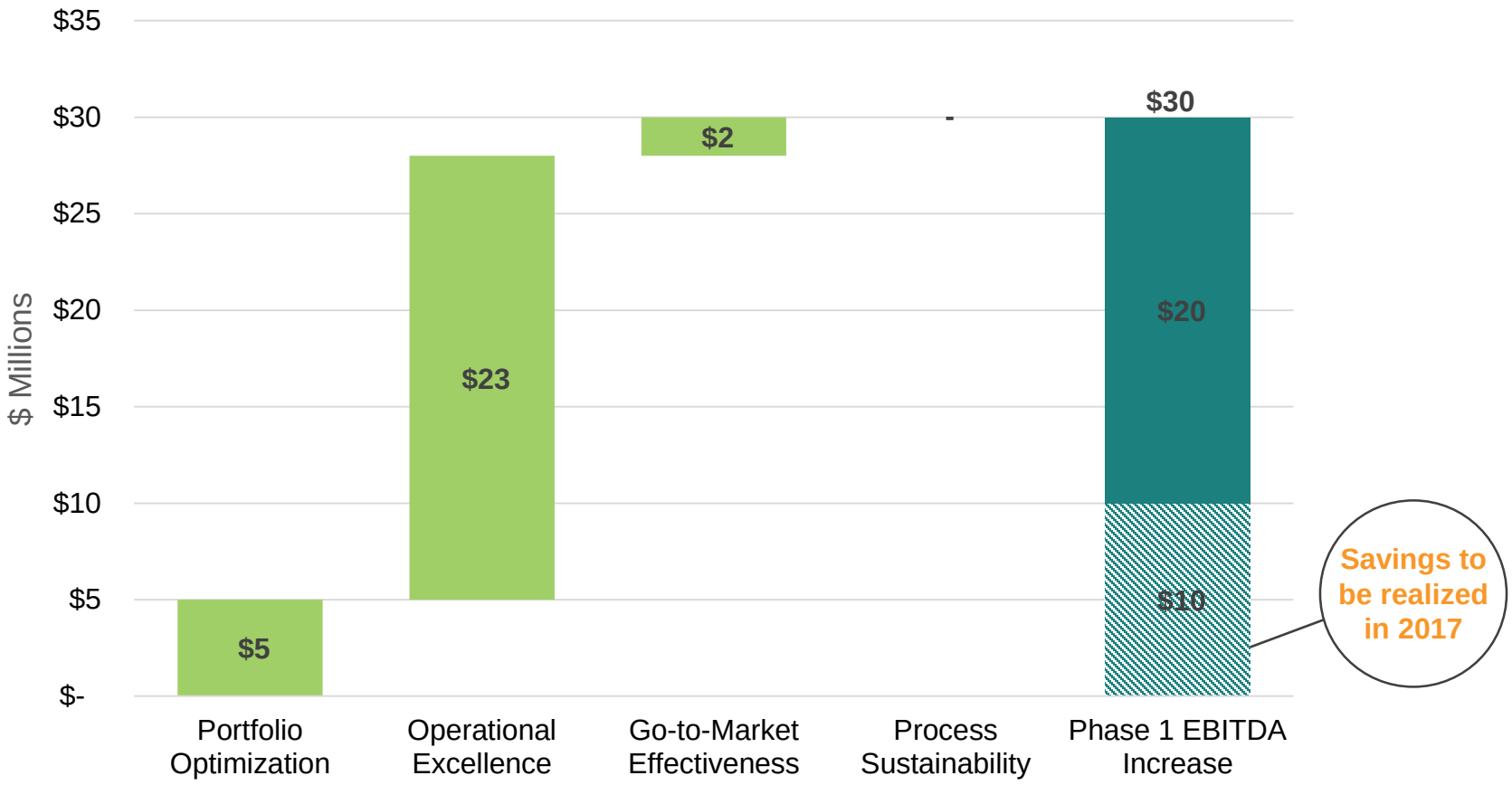
Repeat

Actions to Date

- Kicked off an operations re-design effort to drive greater accountability and clarity of purpose
- Plan to increase capital engineering, plant engineering, and process engineering capabilities to enhance food safety, product flow and productivity performance
- Centralized the Consumer Products supply chain team, beneath a new SVP of Supply Chain, to manage sales and operations planning (“S&OP”), warehousing and distribution
  - Reduce inventory while improving customer service
- Plan to push centralized cost accounting resources into manufacturing facilities to improve the accuracy of manufacturing-related financial results

Phase 1 of Value Creation Plan

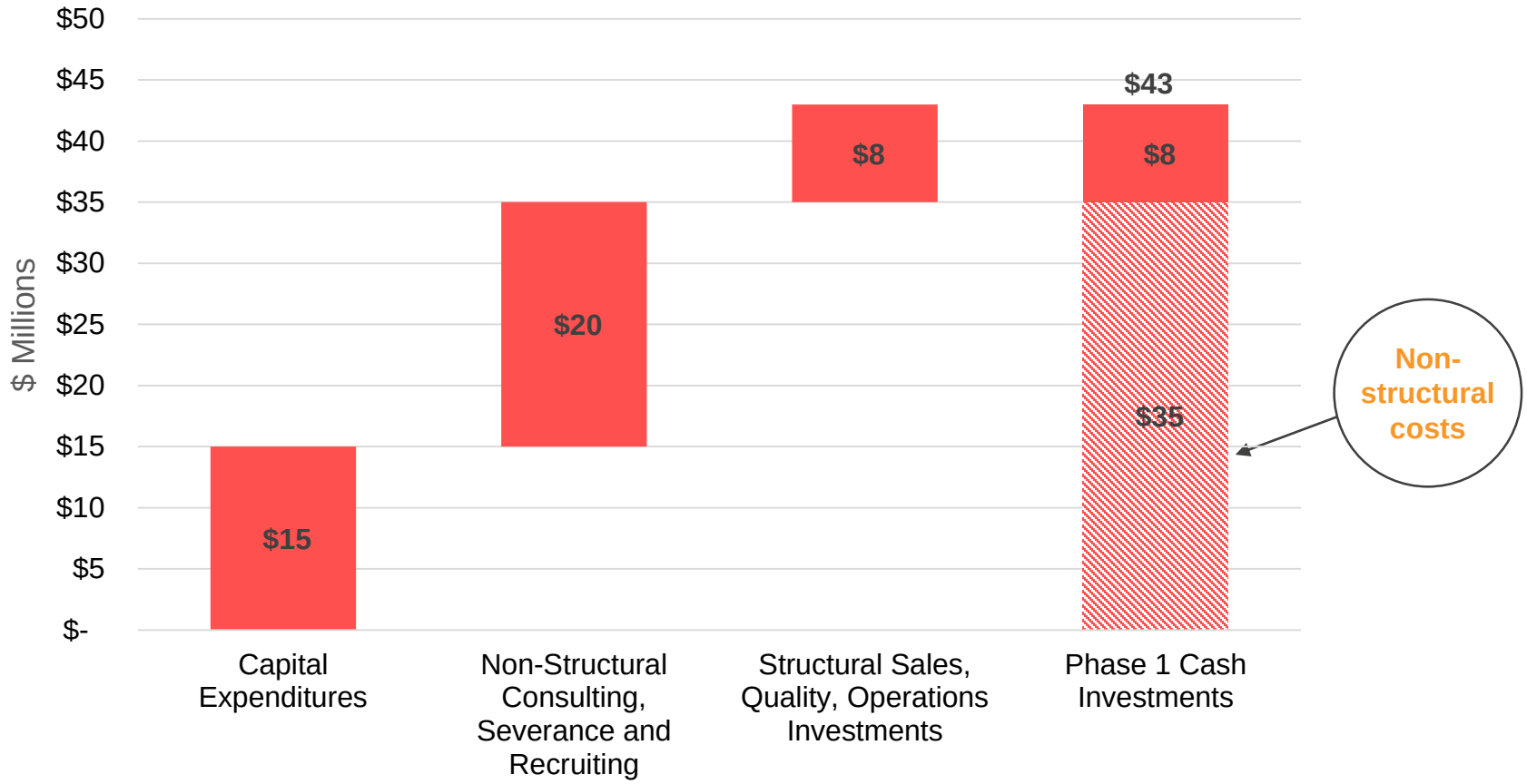
Targeting $30M of run-rate EBITDA Improvements



Initial $30 million in EBITDA improvements to be fully realized by 2018

Planned Reinvestment in 2017

To Establish Solid Foundation for Additional EBITDA Growth



Targeting $20M reduction in working capital by end of 2017 which will partially offset the cash investment.

Tracking Our Progress

Established PMO function to track and audit EBITDA improvements generated by the Value Creation Plan

($millions)	Identified	Implemented
Portfolio Optimization	5.0	4.0
Operational Excellence	23.0	0.5
Go-to-Market Effectiveness	2.0	2.0
Process Sustainability	n/a	n/a
Total	**30.0**	**6.5**

Transparency enhances accountability

Delivering Long-Term Shareholder Value

As part of the Value Creation Plan…

- **We will** focus on food safety, quality and execution.
- **We will** be focused and decisive as we execute our strategic plan.
- **We will** focus on long-term value creation.
- **We will** make decisions with a long-term focus, even if those decisions do not maximize near-term earnings.

Successful implementation of the Value Creation Plan will deliver value for all stakeholders

SunOpta

Bringing **well-being** to life

Appendix

Key Financial Metrics

Reconciliation of Non-GAAP Measures

This presentation includes certain measures not derived in accordance with generally accepted accounting principles (“GAAP”). Such measures should not be considered substitutes for any measures derived in accordance with GAAP and may also be inconsistent with similar measures presented by other companies. Reconciliation of these non-GAAP financial measures to the most nearly comparable GAAP measures, if applicable, is presented on the slides that follow. The Company believes that these non-GAAP financial measures provide useful information to investors as the measures emphasize core on-going operations and are helpful in comparing past and present operating results. The Company uses these measures to evaluate past performance and prospects for future performance. The presentation of non-GAAP financial measures by the Company should not be considered in isolation or as a substitute for the Company’s financial results prepared in accordance with GAAP.

Key Financial Metrics - Income Statement

($ millions, except per share amounts, excludes results from discontinued operations)	FY 2016		FY 2015	
Revenues(1)	$1,346.7		$1,145.1	
Gross Margin (2)	126.0	[149.0]	110.4	[125.1]
GM as % of Revenue	9.4%	[10.9%]	9.6%	[10.9%]
Operating income (3)	14.7	[43.6]	21.3	[37.1]
OI as % of Revenue	1.1%	[3.2%]	1.9%	[3.2%]
Adjusted Earnings (4)	5.8		19.0	
Adjusted EPS (4)	$0.07		$0.26	
Adjusted EBITDA (4)	81.7		62.2	

(1) Normalized revenue growth for FY 2016, excluding the impact of business acquisitions and associated product rationalizations, changes in commodity-related pricing and foreign exchange rates, estimated impact of the recall of certain sunflower kernel products based on shortfall against anticipated volumes, and estimated impact on west coast pouch operations as a result of a fire at a third-party facility, would have been 1.0% compared with 2015.

(2) Gross margin for FY 2016, excluding the impact of an acquisition accounting adjustment related to Sunrise's inventory sold in 2016 of $15.0 million (2015: $4.0 million), aging reserves and low margin sales to reduce inventory exposures of $3.4 million (2015: $2.4 million), lost margin caused by the recall of certain sunflower kernel products of $1.7 million (2015: $nil), start-up costs related to the ramp-up of production at the Allentown aseptic beverage facility of $1.6 million (2015: $2.7 million), and an inventory reserve for certain consumer-packaged products due to quality-related issues of $1.2M (2015: $nil), would have been approximately $149.0 million or 10.9%.

Gross margin for FY 2015, excluding the items noted above plus the impact of costs related to the retrofit of the San Bernardino juice facility of $1.4 million, downtime and spoilage caused by equipment failures at the Allentown pouch facility of $2.2 million, and demurrage, detention and other related expenses of $2.0 million, would have been approximately $125.1 million or 10.9%.

(3) Operating income for the FY 2016, excluding the costs noted above, as well as legal settlement and litigation-related legal fees of $1.9 million (2015: $1.7 million) and costs related to the strategic review and Value Creation Plan of $4.0 million (2015: $nil), would have been approximately $43.6 million or 3.2%. Operating income for FY 2015, excluding the costs noted above, as well as the reversal to SG&A expenses of previously recognized stock-based compensation related to performance share units of $0.6 million, would have been approximately $37.1 million or 3.2%.

(4) Adjusted Earnings, Adjusted EPS and Adjusted EBITDA are non-GAAP measures. Refer to the Appendix for a reconciliation to the most comparable GAAP measure.

Key Financial Metrics - Balance Sheet

($millions, except per share amounts)	December 31, 2016	January 2, 2016
Working Capital [1]	$ 360.0	$ 364.8
Total Assets [2]	1,129.6	1,154.9
First Lien Debt	201.5	159.8
Second Lien Debt [3]	222.2	312.2
Other Debt	8.9	10.8
Total Debt	432.6	482.8

(1) Working capital is defined as current assets less current liabilities, excluding cash and cash equivalents, bank indebtedness, current portion of long-term debt, and net assets held for sale.

(2) Excludes assets and liabilities held for sale.

(3) Net of debt issuance costs of $8.8 million (2015: $7.8 million).

Note on Second Lien Debt

In October 2016, proceeds from the issuance of preferred shares were used to pay down $79 million of borrowings of second lien debt, reducing the aggregate principal amount to $231 million. Effective October 20, 2016, the remaining $231 million of second lien debt was exchanged for senior secured 9.5% notes maturing October 2022.

Reconciliation of GAAP Results to Adjusted Earnings and Adjusted EPS

($ millions, except per share amounts; totals may not sum due to rounding)	FY 2016	FY 2015
Loss from continuing operations	**$ (50.6)**	**$ (3.1)**
Less: earnings (loss) attributable to non-controlling interests	(0.1)	0.1
Less: dividends and accretion of Series A Preferred Stock	(1.8)	-
Loss from continuing operations available to common shareholders	**(52.4)**	**(3.0)**
Adjusted for:		
Costs related to business acquisitions [(a)]	27.8	17.2
Goodwill impairment [(b)]	17.5	-
Asset impairments related to facility closures [(c)]	11.5	-
Legal settlement and litigation-related legal fees [(d)]	10.9	1.7
Product withdrawal and recall costs [(e)]	5.7	-
Costs related to strategic review and Value Creation Plan [(f)]	4.0	-
Severance and rationalization costs [(g)]	3.7	-
Inventory reserves and liquidation sales to de-risk positions [(h)]	3.4	2.4
Plant expansion and start-up costs [(i)]	1.6	4.1
Write-off of debt issuance costs [(j)]	0.2	-
Downtime, spoilage, and other costs due to equipment failure [(k)]	-	2.2
Demurrage, detention and other related expenses [(l)]	-	2.0
Other expense [(m)]	0.7	4.4
Gain on settlement of contingent consideration [(n)]	(1.7)	-
Reversal of stock-based compensation expense [(o)]	-	(0.6)
Net income tax effect on adjusted earnings [(p)]	(25.8)	(10.6)
Change in unrecognized tax benefits [(q)]	(1.3)	(0.9)
Adjusted earnings	**$ 5.8**	**$ 19.0**
Weighted average diluted shares outstanding	85,635	72,463
Adjusted earnings per diluted share	**$0.07**	**$0.26**

Reconciliation of GAAP Results to Adjusted Earnings and Adjusted EPS (cont'd)

(a) For 2016, reflects costs related to business combinations, including an acquisition accounting adjustment related to Sunrise's inventory sold during the year of $15.0 million (2015: $4.0 million), which is recorded in cost of goods sold; acquisition- and integration-related costs incurred in connection with the Sunrise acquisition of $nil (2015: $7.8 million), which were included in other expense; the non-cash amortization of debt issuance costs incurred in connection with the financing related to the Sunrise acquisition of $7.8 million (2015: $6.4 million), $nil (2015: $2.0 million) of loan commitment fees associated with bridge financing for the Sunrise acquisition that was not utilized, and $2.6 million (2015: $nil) of additional debt issuance costs expensed, which are recorded in interest expense; and $2.4 million (2015: $nil) of integration costs related to the closure and consolidation of our frozen fruit processing facilities following the Sunrise acquisition, which are recorded in cost of goods sold and other expense.

(b) Reflects the impairment charge to write off the goodwill associated with the sunflower reporting unit.

(c) Reflects the impairment of long-lived assets associated with the closure of the San Bernardino juice facility and the Heuvelton soy extraction facility.

(d) Reflects the charge recorded in connection with the settlement of the Plum dispute, which is recorded in other expense. Also includes $1.6 million (2015 - $1.7 million) of litigation-related legal costs mainly associated with the Plum dispute, which are recorded in SG&A expenses.

(e) Reflects voluntary product withdrawal or recall costs of $5.7 million, net of expected insurance recoveries, related to the withdrawal of consumer-packaged products for quality-related issues and the recall of certain sunflower kernel products, of which $1.2 million is recorded in cost of goods sold and $2.8 million is recorded in other expense. Also includes a $1.7 million adjustment for the estimated lost margin caused by the sunflower recall, which reflects a shortfall in revenues against anticipated volumes of approximately $9.8 million, less associated cost of goods sold of approximately $8.1 million.

(f) Reflects legal and other professional advisory costs associated with the strategic review and execution of the Value Creation Plan, which are recorded in SG&A expenses.

(g) Reflects contractual severance benefits of $1.5 million and previously unrecognized stock-based compensation of $0.2 million recognized in connection with the departure of Mr. Jacobs as CEO. Also includes employee severance costs of $1.6 million incurred in connection with certain facility closures and workforce rationalization initiatives and employee retention costs of $0.3 million, which are recorded in other expense.

(h) Reflects aging reserves and low margin sales to reduce inventory exposures, which were recorded in cost of goods sold.

(i) Plant start-up costs relate to the ramp-up of production at our Allentown facility following the completion of the addition of aseptic beverage processing and filling capabilities in the fourth quarter of 2015, and the costs related to the retrofit of the San Bernardino juice facility in 2015, which are recorded in cost of goods sold.

(j) Reflects the write-off to interest expense of $0.2 million of remaining unamortized debt issuance costs related to our North American credit facilities, which were replaced by a Global Credit Facility.

(k) Reflects downtime and spoilage caused by equipment failures at the Allentown pouch facility, which were recorded in cost of goods sold.

(l) Reflects additional logistics costs stemming from capacity constraints on imports and exports within the Global Ingredients segment, which were recorded in cost of goods sold.

(m) Other includes fair value adjustments related to contingent consideration arrangements and gain/loss on sale of assets, which are recorded in other expense.

(n) Reflects the gain on settlement of the contingent consideration obligation related to Niagara Natural, which was recorded in other income.

(o) Reflects the reversal to SG&A expenses of previously recognized stock-based compensation related to performance share units granted to certain employees as the performance conditions were not achieved.

(p) To tax effect the preceding adjustments to earnings and to reflect an overall estimated annual effective tax rate of approximately 30% on adjusted earnings before tax.

(q) Reflects the realization of previously unrecognized tax benefits due to expiration of the statute of limitations.

Reconciliation of GAAP Results to Operating Income, EBITDA and Adjusted EBITDA

($ millions, totals may not sum due to rounding)	FY 2016	FY 2015
Loss from continuing operations	**$ (50.6)**	**$ (3.1)**
Recovery of income taxes	(23.8)	(3.4)
Interest expense, net	43.3	15.7
Other expense, net	28.3	12.2
Goodwill impairment	17.5	-
Operating income	**14.7**	**21.3**
Depreciation and amortization	34.2	21.0
Stock based compensation	3.9	3.5
EBITDA	**52.8**	**45.8**
Adjustments [(a)]		
Costs related to business acquisitions	15.2	4.0
Costs related to strategic review and Value Creation Plan	4.0	-
Inventory reserves and liquidation sales to de-risk positions	3.4	2.4
Legal settlement and litigation-related legal fees	1.9	1.7
Product withdrawal and recall costs	2.9	-
Plant expansion and start-up costs	1.6	4.1
Downtime, spoilage, and other costs due to equipment failure	-	2.2
Demurrage, detention and other related expenses	-	2.0
Adjusted EBITDA	**$ 81.7**	**$ 62.2**

(a) The adjustments include all adjustments in the table "Reconciliation of GAAP Results to Adjusted earnings and Adjusted EPS" that are included in cost of goods sold and selling, general and administrative expenses.

SunOpta

Bringing **well-being** to life

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