



AGRA INDUSTRIES LIMITED

Annual Report  
1991

AGRA INDUSTRIES LIMITED IS A DIVERSIFIED INTERNATIONAL COMPANY  
 DEDICATED TO THE GROWTH AND ENHANCEMENT  
 OF SHAREHOLDERS' VALUE THROUGH PROFESSIONAL MANAGEMENT OF SERVICES  
 IN ENGINEERING, CONSTRUCTION, WASTE MANAGEMENT AND RECYCLING.

WE ARE COMMITTED TO OUR EMPLOYEES, TO OUR CUSTOMERS,  
 TO SOCIETY AND TO OUR ENVIRONMENT.

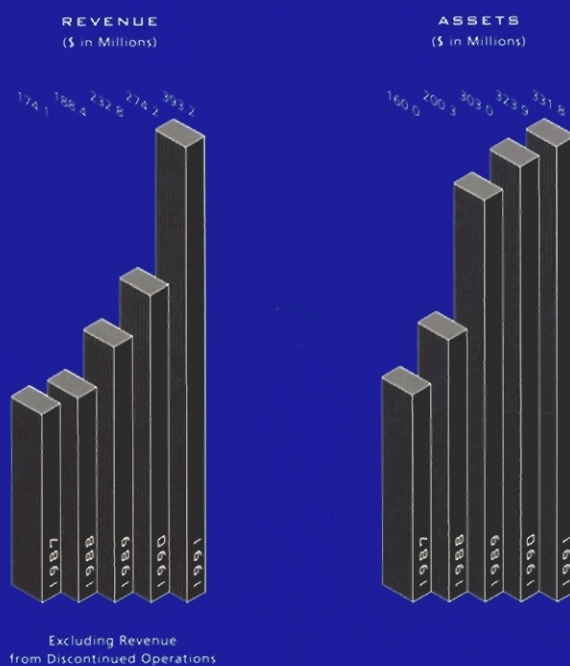
WE WILL ENCOURAGE INNOVATION, PROFESSIONAL EXCELLENCE AND  
 THE HIGHEST STANDARDS OF BUSINESS PRACTICE IN ALL OUR ENDEAVOURS.



THE COMPOSITE PHOTOGRAPH ON THE COVER  
 REPRESENTS AGRA'S MAJOR BUSINESS ACTIVITIES - ENGINEERING,  
 CONSTRUCTION, TECHNOLOGY, AND RECYCLING.  
 THE DEPOSIT AND REDEMPTION SYSTEMS IN ALBERTA AND CALIFORNIA,  
 ILLUSTRATED BY THE 20-20 RECYCLE CENTERS LOGO,  
 SURROUNDING THE LOGO REPRESENTS AGRA'S CONSTRUCTION GROUP,  
 SPECIALIST SUBSURFACE, MARINE AND PIPELINE CONTRACTOR IN  
 NORTH AMERICA AND OVERSEAS.  
 THE TOP LEFT-HAND CORNER IS A COMPUTER-SIMULATED MODEL  
 OF A WRM DESIGNED FOR NASA BY VADEKO INTERNATIONAL IN MISSISSAUGA.  
 NORTHERN ENGINEERING INC. PROVIDES ENGINEERING DESIGN  
 AND MANAGEMENT SERVICES FOR THE CONSTRUCTION OF COGENERATION PLANTS  
 SUCH AS THE 450-MEGAWATT TEXAS CITY PLANT ON THE FAR RIGHT.

## FINANCIAL HIGHLIGHTS

	YEAR ENDED JULY 31	1991	1990
<b>OPERATIONS</b> (\$ in thousands)	Revenue	\$ 393,226	274,181
	Earnings		
	From Continuing Operations	\$ 11,769	4,847
	Discontinued Operations	(13,009)	(3,659)
	Net Earnings (Loss)	\$ (1,240)	1,188
<b>COMMON SHARE STATISTICS</b>	Earnings		
	From Continuing Operations	\$ 0.66	0.30
	Net Earnings (Loss)	(0.07)	0.07
	Fully Diluted Earnings		
	From Continuing Operations	0.65	0.30
	Net Earnings (Loss)	(0.07)	0.07
	Dividends – Class A	0.13	0.10
	– Class B	0.15	0.12
	Equity	9.64	9.88
<b>OTHER STATISTICS</b>	Average Shares Outstanding	17,735,139	16,333,238
	Shareholders' Equity	\$171,026,340	175,114,895
	Working Capital	28,840,005	32,128,165
<b>REVENUE</b> (\$ in thousands)	Engineering, Construction & Technology	\$ 249,571	155,085
	Waste Management & Recycling	33,054	27,461
	Asset Development & Investments	110,601	91,635
		\$ 393,226	274,181
<b>EARNINGS FROM CONTINUING OPERATIONS</b> (\$ in thousands)	Engineering, Construction & Technology	\$ 10,031	3,807
	Waste Management & Recycling	(1,561)	(3,811)
	Asset Development & Investments	3,299	4,851
		\$ 11,769	4,847



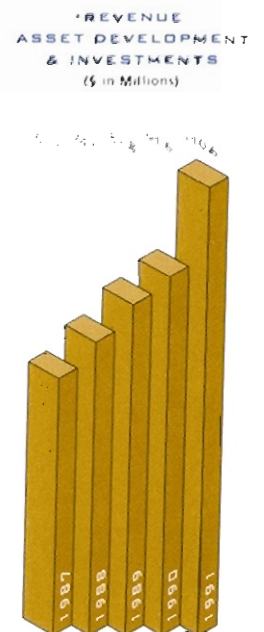
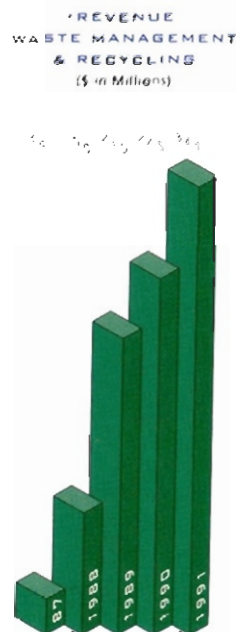
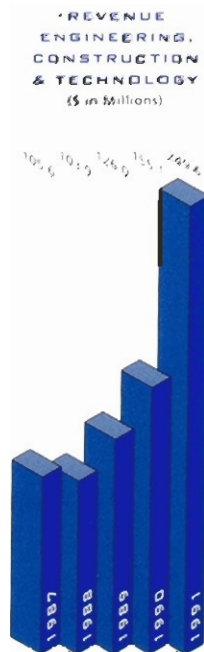
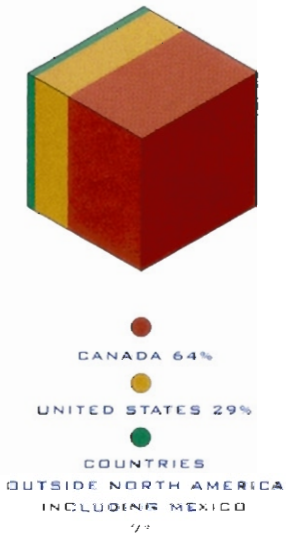
AGRA Industries Limited is a diversified international company with business interests around the world.

Since its formation more than 30 years ago, AGRA has grown into a major publicly-held corporation whose shares are traded on the Toronto and Montreal Stock Exchanges. Today, AGRA employs approximately 3,800 people in more than 100 offices and locations in Canada, the United States, the Caribbean, Europe, South America, Africa, Asia and Southeast Asia.

As AGRA enters the global economy of the 1990s, the company is concentrating on two core business areas: Engineering & Construction, and Waste Management & Recycling. This corporate focus is in harmony with AGRA's traditional strengths and the business opportunities which will be created by the three dominating issues of the next decade – energy, the environment and the global economy. Assets within the company's Asset Development & Investments sector will be retained or sold based on their individual merits rather than be pursued as long-term core businesses.

AGRA's traditional strengths in engineering, construction and recycling; its high level of managerial expertise and controls; its commitment to quality services and products; and its commitment to its employees, customers, society and the environment ensures its success in the years ahead as well as the growth and solidity of its shareholders' investment.

1991 REVENUES -  
PER CENT BY GEOGRAPHIC  
REGION



\*Excluding Revenue from Discontinued Operations



AGRA VEGETABLE OIL PRODUCTS LIMITED BEGAN CONSTRUCTION OF A CANOLA PROCESSING FACILITY IN NIPAWIN, SASKATCHEWAN IN 1960, WHICH WOULD LATER PRODUCE THE FIRST CANOLA OIL AND MEAL IN NORTH AMERICA FOR USE IN FOOD PRODUCTION.

AGRA Industries Limited was founded by Benjamin Torchinsky, a geotechnical engineer at the University of Saskatchewan who began his own geotechnical consulting practice in 1950 and later formed a deep foundation construction company in Western Canada. In 1959, Mr. Torchinsky pioneered the development of a proposed vegetable oil processing company which would later produce the first canola oil and meal in North America for use in food production. The company, AGRA Vegetable Oil Products Limited, was organized as a public company and began construction of a canola processing facility in 1960. By 1968, the processing plant was operating profitably and the company was listed on the Toronto Stock Exchange. The consulting engineering and construction companies were then merged into the public company and, in 1970, the name was changed to AGRA Industries Limited.

Over the next 20 years, AGRA helped to pioneer the development in Canada of geotechnical engineering, the construction of expanded-base deep pile foundations, cable TV, the first all-news radio network, and Canada's first beverage container recycling business. AGRA enlarged its engineering and construction group through acquisitions and organic growth. Interests were acquired in an airport duty-free retail operation, construction began on the resort hotel and golf course in Grand Cayman, and the company became active in used beverage-container recycling in California and Alberta. By the end of the 1980s, AGRA was a diversified international company involved in consulting engineering, manufacturing, contracting, communications, food and pharmaceuticals, and asset development.

In 1989, AGRA embarked on a new strategy to make the company less venturesome. Greater concentration was placed on developing the engineering, construction and technology business and expanding its recycling and waste-management business. Existing assets were either held or sold based on their individual merits and no new ventures were actively pursued. Today, AGRA is an international company concentrating on Engineering & Construction, and Waste Management & Recycling. AGRA's traditional commitment to engineering excellence and innovation still exists but with strong managerial controls to ensure a profitable return for investors.



**BENJAMIN TORCHINSKY**  
Chairman of the Board

**ALEX TAYLOR**  
President

AGRA's strategy to concentrate our business activity on the Engineering, Construction & Technology sector and the Waste Management & Recycling sector accelerated in fiscal 1991 as evidenced by a major upsurge in revenues and profit from continuing operations. This fast expansion was fuelled not only by organic growth and acquisitions in the Engineering, Construction & Technology sector, but also by the inclusion of the revenues from our Britannia Resort complex in Grand Cayman, which were included in consolidated revenues for the first time.

Our strategy is for aggressive growth in our Engineering, Construction & Technology sector, combined with profitability; concentration of effort in our Waste Management & Recycling sector to produce more profitable results; and the future disposition of our non-core assets comprised mainly of the Britannia Resort, Carbovan and Research Foods, to provide the money to fuel the growth. This strategy flows from an initial plan which was developed in 1989 and which has been continuously updated by key management.

The plan focuses on issues which will present growth opportunities for AGRA within its core business sectors.

While we were gratified by the 43 per cent increase in consolidated revenue growth to \$393.2 million and the 146 per cent increase in profit from existing operations to \$11.8 million, we decided during the year to suspend operations of the Carbovan vanadium plant in Fort McMurray, Alberta, because of low market prices for vanadium. At the same time, we decided to write down the book value of this investment to a nominal value and are now looking for a buyer for the facility who has a long-term interest in vanadium operations.

The increase in our Engineering, Construction & Technology revenues of 61 per cent to \$249.6 million, together with a 163 per cent increase in profit to \$10 million, was achieved by a combination of good acquisitions in chosen strategic areas of engineering and construction, and growth in some of our own traditional areas of endeavour. The reorganization of this sector into the four major groups –

Earth & Environmental; Engineering, Procurement & Construction Management; Construction; and Systems Integration – started during 1991. Each of these groups provide different services to different markets but are linked by their common base in engineering and technology. We have chosen our markets and organized ourselves to be less dependent on major engineering projects than our competitors. This will enable us to react more effectively to capital investment business cycles. This approach will allow us to focus all of the resources of our 2,600 people in this sector in order to meet the needs of our clients.

In our other core business sector, Waste Management & Recycling, revenues increased by 20 per cent to \$33.1 million. Though we experienced an overall loss for the year in the sector, we improved operations sufficiently to make a profit in the last quarter of 1991. The losses are behind us now in this part of our operation, and though in the near term our energy will be devoted to improving the profitability to a more satisfactory level, we expect in the longer term to reap handsome rewards from expansion in a market that requires experienced, integrated container-recycling services.

Our two major companies in the Asset Development & Investments sector, Allders

and the Britannia Resort, were affected temporarily by the reduction of international travel caused by the Gulf War and weak economic conditions. Overall the earnings of continuing operations decreased 33 per cent to \$3.3 million. The sale of the Britannia Resort did not proceed as expected during the year due to the worldwide weakness in the demand for hotel property generally. However, the business is profitable and generating positive cash flow, and will make a positive contribution to AGRA's profit performance while we seek a buyer.

The rapid expansion of AGRA's business – in particular, engineering construction, which is a people business – requires the most effective management skills and techniques. This issue of people skills and their adaptability to AGRA was of particular importance to us in making acquisition decisions. We are happy to say that all of the key people in our major acquisitions have stayed with us and fit well into our management team. We are pushing ahead with management development programs including total quality management, and the introduction of new project management systems and the necessary training of our people in these areas.

December 1991

**Howard Ross Library  
of Management**

**NOV 10 1993**

**Annual Reports  
McGILL UNIVERSITY**

COMPANY OFFICERS & DIRECTORS

COMPANY OFFICERS

seated, from right to left  
**R.G. DITTMER**  
**B.B. TORCHINSKY**  
**A. TAYLOR**  
**F.D. MCCARTHY**  
**A.C. RANKIN**  
**D. MCLEOD**

standing, from right to left  
**H.W. PEARSON**  
**F.D. REDDEN**  
**W.A. SLUSARCHUK**  
**W.S. KANIGAN**  
**H. TENENBAUM**

missing from photograph  
**D.G. HEATH**



OFFICERS

**B.B. Torchinsky**  
*Chairman of  
 the Board and C.E.O.*

**A. Taylor**  
*President and C.O.O.*

**R.G. Dittmer**  
*Executive Vice-President  
 and Secretary*

**H.W. Pearson**  
*Group Vice-President,  
 Engineering*

**F.D. McCarthy**  
*Vice-President and  
 President, AGRA  
 Construction Group*

**W.A. Slusarchuk**  
*Vice-President and  
 President, AGRA Earth &  
 Environmental Group*

**D.G. Heath**  
*Vice-President,  
 Manufacturing*

**W.S. Kanigan**  
*Vice-President,  
 Special Projects*

**A.C. Rankin**  
*Vice-President,  
 Corporate Development*

**F.D. Redden**  
*Vice-President, Finance*

**H. Tenenbaum**  
*Vice-President, Foods*

**D. McLeod**  
*Corporate Counsel and  
 Assistant Secretary*

DIRECTORS

**R.G. Dittmer**  
*Calgary*

**A. Columbia**  
*Vancouver*

**F.D. McCarthy**  
*Edmonton*

**C. Roles**  
*Saskatoon*

**A. Taylor**  
*Mississauga*

**H. Tenenbaum**  
*Toronto*

**A.Z. Torchinsky**  
*Vancouver*

**B.B. Torchinsky**  
*Toronto*

**R.L. Torchinsky**  
*Vancouver*



AGRA Industries is one of Canada's premier engineering and construction companies. The Engineering, Construction & Technology (ECT) sector employs approximately 2,600 skilled professionals in 90 locations in Canada, the United States and around the world. It is a major presence in the international engineering community, ranking as the 35th largest international engineering design company in the world and the eighth largest in the United States in terms of work done by foreign companies working in the U.S.

The ECT sector delivers a wide range of project development and execution services to industrial, resource, commercial and government clients in Canada, the U.S. and in strategic international markets. It offers a complete range of services from initial feasibility studies and environmental assessments to design engineering, construction, project management, systems integration, and environmental monitoring and remediation. In fiscal 1991 the sector was reorganized into four major business groupings – the Earth & Environmental Group; the Engineering, Procurement & Construction Management Group; the Construction Group; and the Systems Integration Group.

The ECT sector surpassed its budgeted revenues for the year, and experienced significant expansion through organic growth and the acquisitions of Midwest Management Limited of Edmonton, a pipeline construction company, and Howe International Limited of Ottawa, a design engineering and project management firm with extensive worldwide experience in ports, harbours and materials handling. Subsequent to the end of the fiscal year, AGRA purchased Allied Architectural Systems Limited of Mississauga, a manufacturer of pre-engineered architectural panels.

AGRA will continue to expand its Engineering, Construction & Technology sector and its individual subgroups through organic growth and acquisitions. Engineering and construction has proven to be a significant business in the Canadian, United States and international marketplace and will play the key role in the future growth and success of AGRA Industries.



HARDY BBT LIMITED  
PROVIDES ONGOING  
ENVIRONMENTAL  
ASSESSMENT AND  
REMEDIATION EVALUATION OF  
THE 21 DEWLINE SITES  
ACROSS NORTHERN CANADA.

RZA-AGRA DESIGNED  
FOUNDATION SYSTEMS AND  
PERFORMED ENVIRONMENTAL  
STUDIES FOR THE  
CONSTRUCTION OF THE  
OREGON CONVENTION  
CENTER.

MOORE & TABER PROVIDED  
FOUNDATION DESIGN,  
GRADING AND PAVEMENT  
DESIGN SERVICES  
FOR ROAD AND HIGHWAY  
CONSTRUCTION  
IN CALIFORNIA.

The Earth & Environmental Group was formed in fiscal 1991 to pool together the resources and capabilities of its individual companies to create a full-service environmental and geotechnical engineering company offering engineering, scientific and contracting services to industrial, resource, commercial and government clients in North America and strategic international markets.

The group's more than 1,000 professionals in 40 North American and international offices undertake a broad range of activities such as air, water, soil and groundwater assessment and remediation services; environmental audits and assessments; site remediation; geotechnical engineering services; and materials testing. During the year, it provided environmental and geotechnical consultation services to many companies within the Canadian oilsands industry, as well as environmental impact assessments and geotechnical analyses for the installation of a natural gas pipeline from Vancouver Island to Victoria. The group continued its work on the assessment and remediation evaluation of Dewline sites across northern Canada and also introduced an advanced system for recovering chlorofluorocarbon (CFC) refrigerant and oil from discarded refrigerators and freezers. The group was called in to clean up a 26,000-gallon subsurface gasoline spill in Oregon and also conducted a series of geologic analyses on a 1,000-kilometre gas transmission pipeline in the United States. International projects included ongoing work on gas pipeline and mine studies in Tanzania and an environmental impact assessment for a major oil and gas field in the Soviet Union. The group is currently developing projects in Romania, Hungary, Vietnam, Peru, Ecuador, Ethiopia, Zimbabwe and Kenya. During the year, group offices were established in Denver to provide environmental and geotechnical services throughout the Rocky Mountain Region; in Mexico City to pursue work in environmental protection, pollution control and agricultural engineering; and in Hawaii to pursue environmental engineering.

The AGRA Earth & Environmental Group is a leading international geotechnical and environmental services company positioned to benefit from opportunities that will be created as governments and people around the globe become increasingly involved in the quest to sustain and protect the earth's environment.

AND THE ENVIRONMENT.

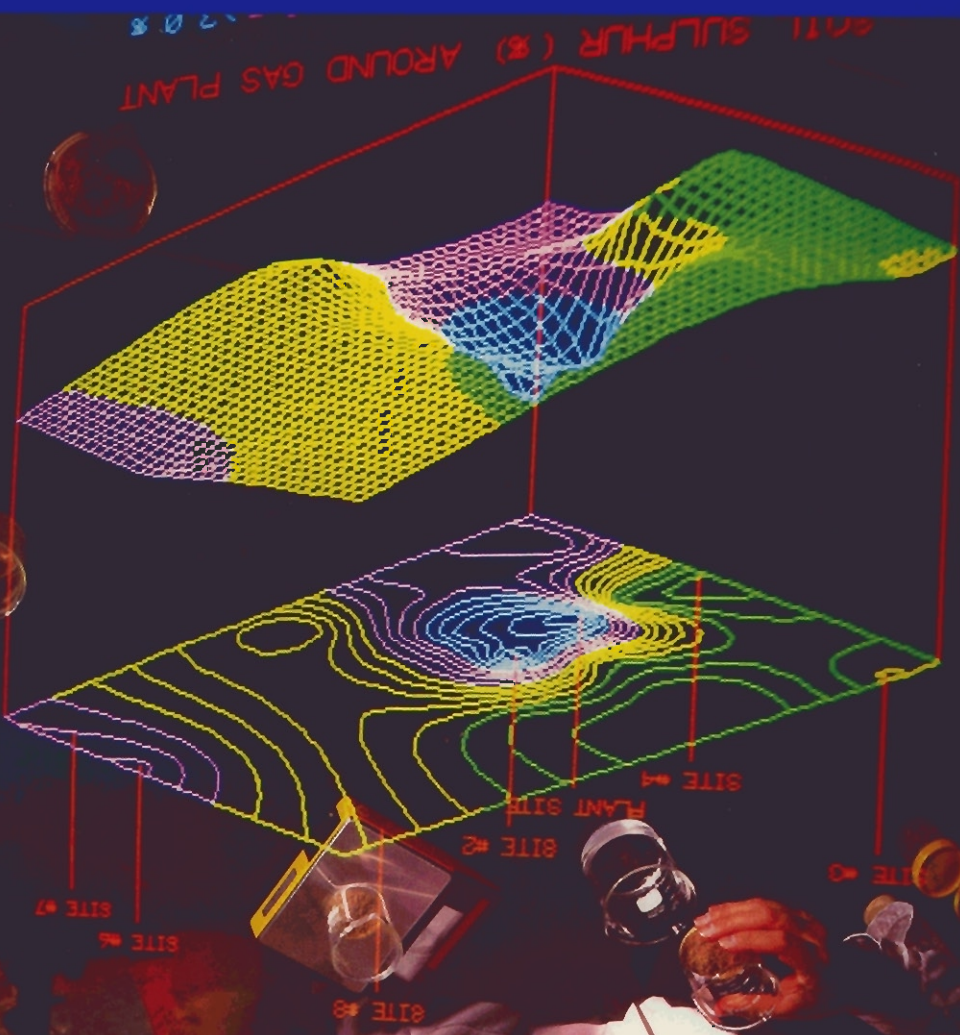
BETWEEN PROGRESS, THE EARTH'S RESOURCES,

DEDICATED TO MAINTAINING THE BALANCE

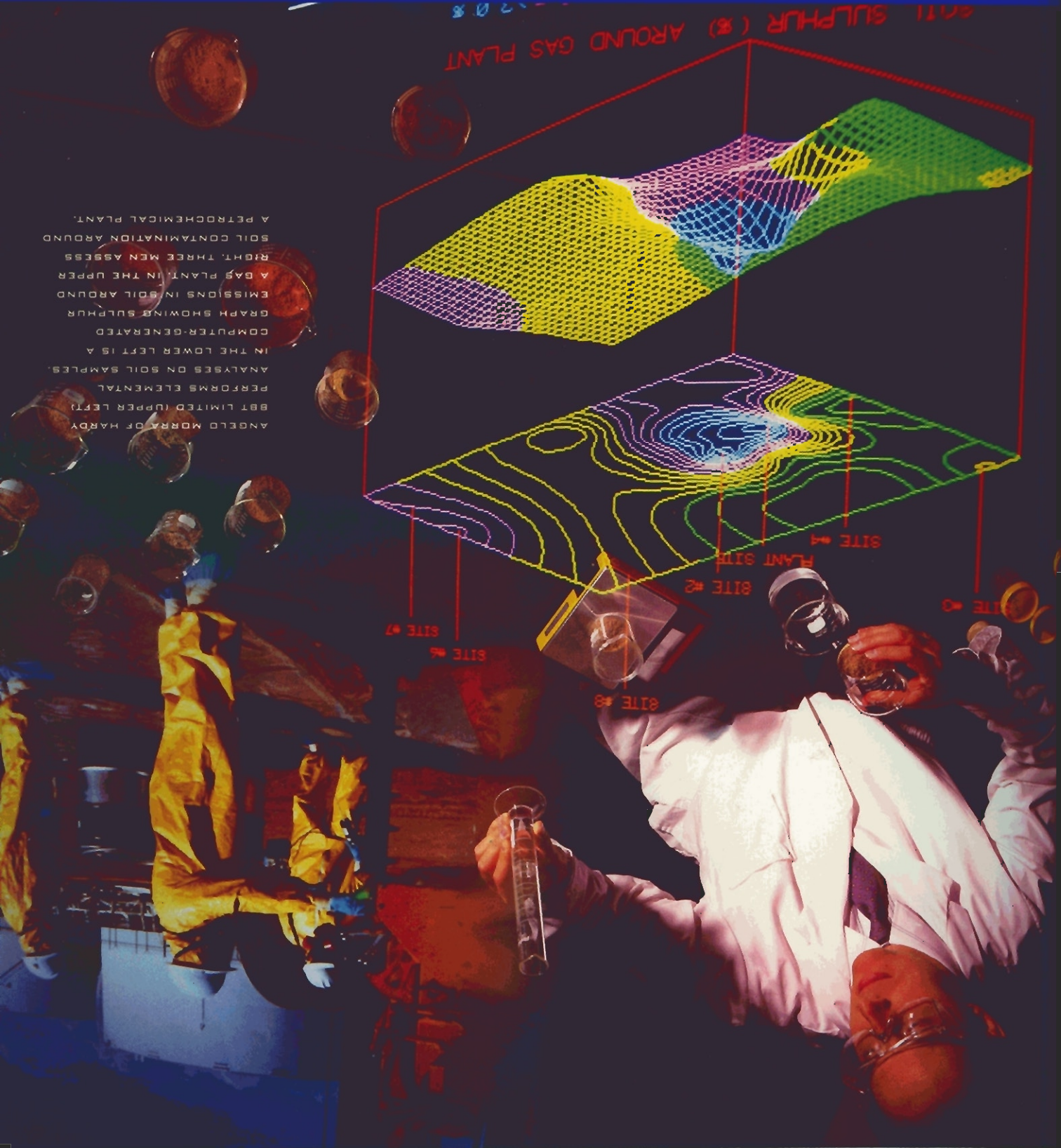
SERVICES COMPANY

IS A FULL-SERVICE ENVIRONMENTAL AND GEOTECHNICAL

THE AGRA EARTH & ENVIRONMENTAL GROUP



ANGELO MORRA OF HARDY  
 BBT LIMITED (UPPER LEFT)  
 PERFORMS ELEMENTAL  
 ANALYSES ON SOIL SAMPLES.  
 IN THE LOWER LEFT IS A  
 COMPUTER-GENERATED  
 GRAPH SHOWING SULPHUR  
 EMISSIONS IN SOIL AROUND  
 A GAS PLANT. IN THE UPPER  
 RIGHT, THREE MEN ASSESS  
 SOIL CONTAMINATION AROUND  
 A PETROCHEMICAL PLANT.





NORTHERN ENGINEERING IS PROVIDING ENGINEERING DESIGN, PROCUREMENT AND PROJECT MANAGEMENT SERVICES FOR THE 1,725-MEGAWATT COGENERATION PLANT IN TEESIDE, ENGLAND.

HOWE INTERNATIONAL PROVIDED CONCEPTUAL PLANS, FEASIBILITY STUDIES AND ENGINEERING AND CONSTRUCTION MANAGEMENT SERVICES FOR THE \$800-MILLION NEHRU PORT COMPLEX IN BOMBAY.

CIDSA, AN AFFILIATE OF C.I. POWER SERVICES INC., PROVIDED CONCEPTUAL ENGINEERING AND CONSTRUCTION MANAGEMENT FOR THE INSTALLATION OF DISTRIBUTION PIPELINES IN THE EL TABLAZO PETROCHEMICAL COMPLEX.

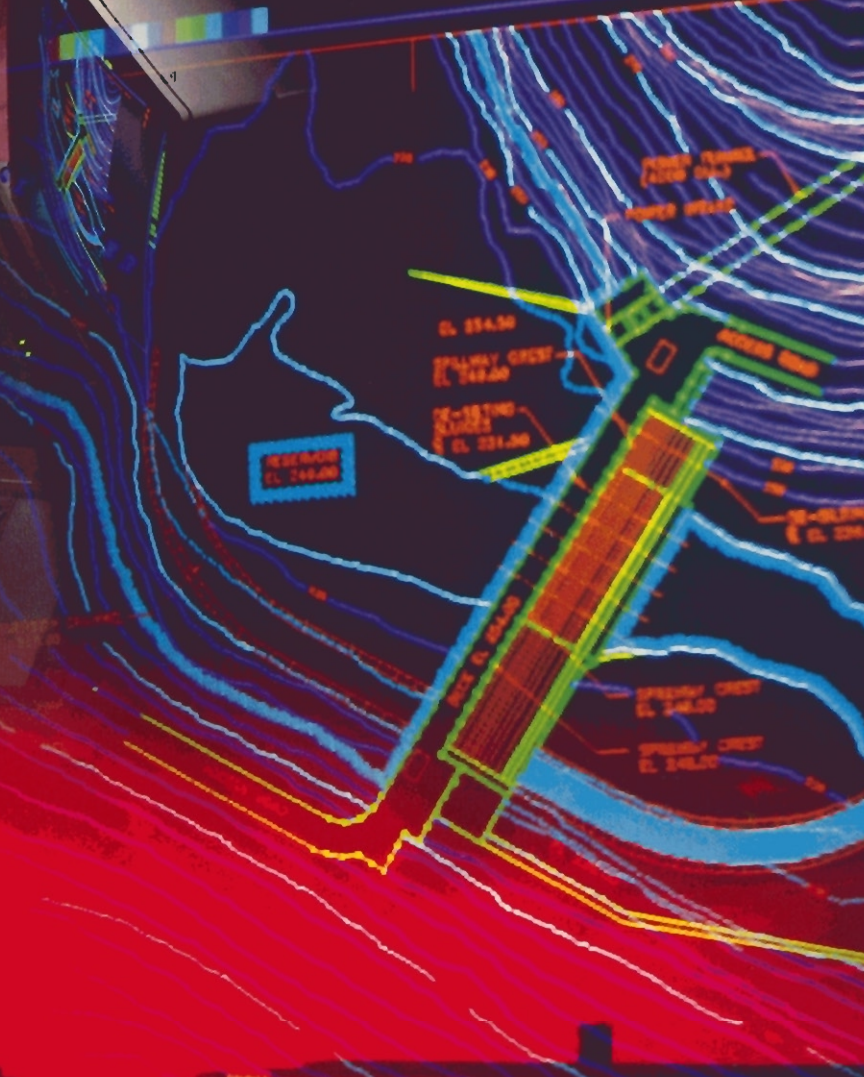
The Engineering, Procurement & Construction Management (EPC) Group is an engineering/construction management company delivering services for technology-based projects to industrial, resource, commercial and government clients in North America and internationally. It employs about 700 people in 20 North American offices and more than 1,000 employees with international affiliate companies in the United Kingdom, India, Venezuela and Singapore. The group is involved in hydro and thermal electricity generation; oil and gas pipelines; gas processing and cogeneration; road and rail construction; ports and harbours; bulk materials handling and storage systems; chemical plants; mines and metallurgical processing; design and construction of commercial and industrial facilities; and oilseeds processing.

In 1991 Howe International of Ottawa was acquired and a new joint venture company, ENERManagement, was formed. Howe brought capabilities in the areas of ports and harbours, materials handling, storage and processing. ENERManagement, a joint venture involving AGRA's Canadian International Power Services Inc., was formed to assist clients to conserve and manage energy use and minimize the impact of energy use on the environment. The group provided process engineering and project management services for the construction of a pharmaceutical plant in Manitoba; gas pipeline engineering services in Canada for major clients such as Interprovincial Pipe Lines as well as in Libya, Thailand, Yugoslavia, Hungary and Tanzania; and engineering design, procurement and construction management services on a 1,725-megawatt cogeneration power plant in England. The group completed financial forecasts and economic evaluations of the \$800-million Nehru Port complex in Bombay, and was awarded a major contract to develop and supply an integrated computer software operating package for the Jurong Port in Singapore. The group began engineering and procurement services for a new 66-megawatt hydroelectric power system in Bolivia and started the development of edible oil refineries in China, India and Mexico. An affiliate company in Venezuela undertook engineering design and project management work on facilities to produce orimulsion fuel, a substitute for oil, and another affiliate provided project management and engineering services for India's first float glass plant.

The AGRA EPC Group is a North American leader in many specialty areas. Together with its international affiliates, the group will have a strong base of international work upon which it can support future expansion.



RENATA CIESLAK (UPPER LEFT) OF C.I. POWER SERVICES DESIGNS A DAM FOR A HYDROELECTRIC DEVELOPMENT IN CENTRAL AMERICA (UPPER RIGHT). BELOW, NORTHERN ENGINEERING PROVIDES ENGINEERING DESIGN AND PROCUREMENT SERVICES FOR THE CONSTRUCTION OF COGENERATION PLANTS LIKE THE 450-MEGAWATT PLANT IN TEXAS CITY, TEXAS.



THE ENGINEERING, PROCUREMENT & CONSTRUCTION MANAGEMENT GROUP PROVIDES PROFESSIONAL ENGINEERING AND PROJECT MANAGEMENT SERVICES FOR TECHNOLOGY-BASED PROJECTS AROUND THE WORLD.



MIDWEST MANAGEMENT HAS INSTALLED THOUSANDS OF KILOMETRES OF PIPELINE, INCLUDING THIS 34-INCH REPLACEMENT CRUDE OIL PIPE IN SASKATCHEWAN.

SEACORE INTERNATIONAL'S JACK-UP DRILLING PLATFORM DRILLS TEST HOLES AS PART OF A GEOTECHNICAL INVESTIGATION FOR THE EXTENSION OF LONDON'S SUBWAY SYSTEM TO THE CANARY WHARF DEVELOPMENT.

FRONTIER FOUNDATIONS INC. INSTALLED MORE THAN 250 60-INCH DIAMETER CAISSONS AS PART OF AN \$850-MILLION PROJECT IN HAWAII TO BUILD A TUNNEL TO JOIN THE LEEWARD AND WINDWARD SIDES OF THE ISLAND OF OAHU.

The AGRA Construction Group is a specialist subsurface, marine and pipeline contractor offering engineering construction services to various clients in North America and select international markets. The Group employs 600 people in 18 offices in Canada, the United States and overseas and is engaged in pile and earth foundation construction, pipeline construction, drilling services, soil and groundwater environmental remediation services, and the manufacture of pre-engineered architectural panels.

In fiscal 1991 the group acquired Midwest Management Limited, a construction company specializing in pipeline distribution systems, as part of AGRA's expansion of its capabilities in energy-related businesses. Following the end of the fiscal year, Allied Architectural Systems Limited, a manufacturer of pre-engineered architectural panels, was purchased as part of AGRA's expansion of its capabilities in the manufacture of cladding and other systems for the building industry. The group undertook pipeline installation and related facilities construction projects for energy clients such as Syncrude Canada and Nova Corp. More than 800 piling and foundation jobs were completed in Manitoba, Saskatchewan and Alberta, and a large contract to provide rock columns and foundation support for the Florida Power Corporation was completed. In Hawaii, the group participated in an \$850-million project to provide a tunnel to join the leeward and windward sides of the island of Oahu, by installing more than 250 large-diameter caissons. The group was called in to perform site assessment, environmental drilling, ground water remediation and other environmental services in connection with a subsurface gasoline leak in southern Alberta. Capabilities in the area of marine drilling were expanded to include marine piling and construction work, resulting in a contract to provide pile-top drilling and jack-up platform services for the construction of a terminal in England.

The Construction Group will thrive as customers continue to seek innovative solutions to subsurface construction problems. The ability to introduce to local markets new techniques which have been developed from international experience will ensure the group's position at the forefront of emerging technology in the construction field.



MOHAN SEEWAH OF ALLIED ARCHITECTURAL SYSTEMS WELDS A PRE-ENGINEERED ARCHITECTURAL PANEL. THE CONSTRUCTION GROUP IS ALSO A SPECIALIST IN PIPELINE SYSTEMS. THE GRASS, WHICH TODAY COVERS A PIPELINE IN THE NORTHWEST TERRITORIES, SHOWS AGRA'S CAPABILITIES IN ENVIRONMENTAL RECLAMATION.

THE AGRA CONSTRUCTION GROUP

IS A SPECIALIST IN PILE AND FOUNDATION CONSTRUCTION,  
PIPELINE CONSTRUCTION, DRILLING,

ENVIRONMENTAL REMEDIATION SERVICES AND

THE MANUFACTURE OF CLADDING SYSTEMS

FOR THE BUILDING INDUSTRY.



COAST STEEL FABRICATORS LIMITED DESIGNED AND BUILT THE FIRST AND WILL NOW BUILD THE SECOND DOME FOR THE W.M. KECK OBSERVATORY IN HAWAII. THE DOMES ARE 11 STOREYS HIGH AND WILL HOUSE THE WORLD'S LARGEST OPTICAL TELESCOPES.

VADEKO INTERNATIONAL'S OPTICAL SECURITY DEVICE IS FEATURED ON THE BANK OF CANADA'S \$100 AND \$50 BILLS AND IS A CANDIDATE FOR USE ON INTERNATIONAL CURRENCIES.

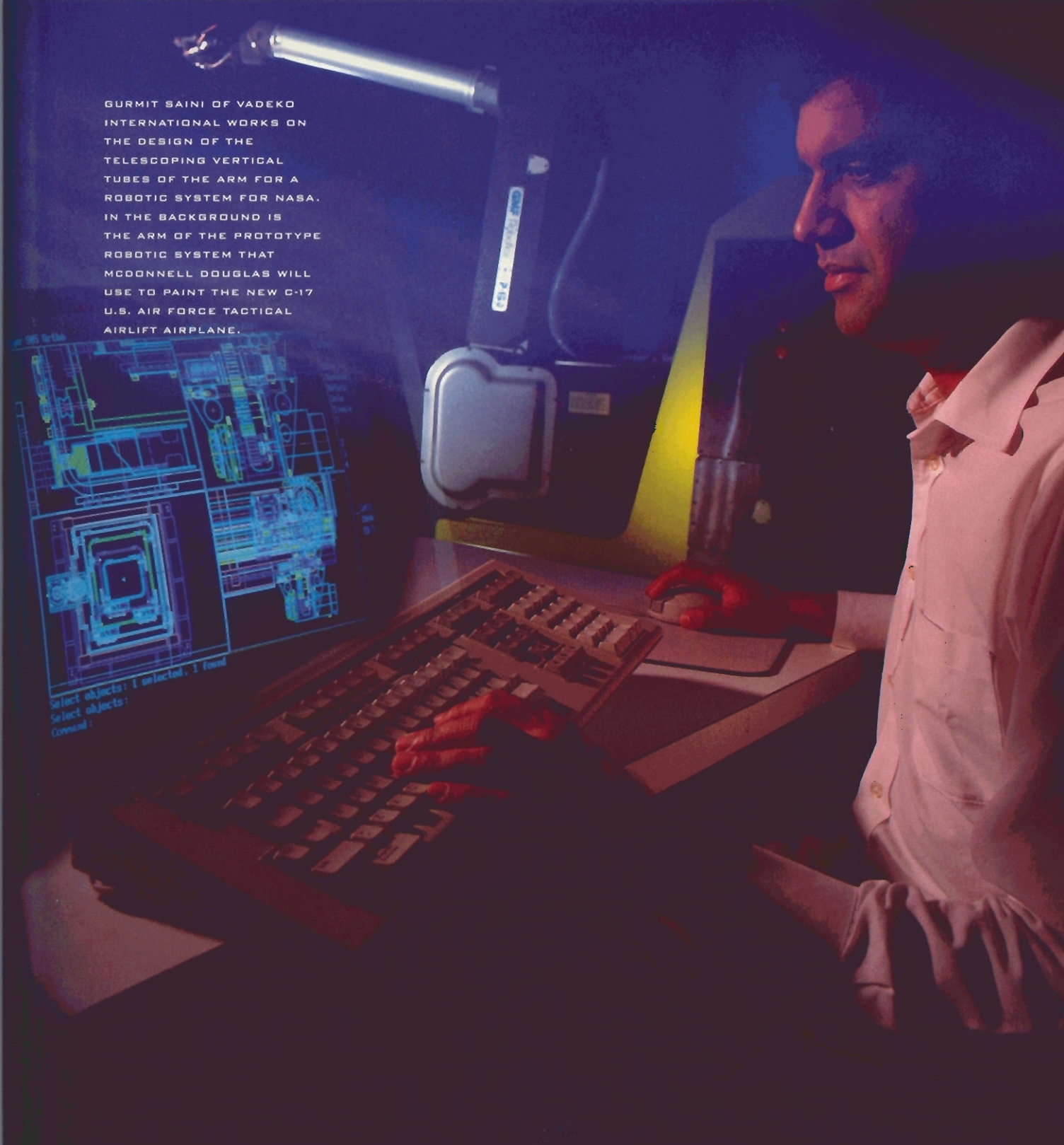
VADEKO'S ROBOTICS SYSTEMS FOR NASA WILL COAT, INSPECT, AND CLEAN THE NEW SOLID ROCKET BOOSTERS USED IN THE U.S. SPACE SHUTTLE PROGRAM. THEY ELIMINATE THE NEED FOR PEOPLE TO WORK IN THIS HAZARDOUS ENVIRONMENT.

The AGRA Systems Integration Group is a leader in electro-mechanical and electro-optical systems technologies and the manufacture of products for the aerospace, defence, astronomy, transportation, and other industries. The group employs about 200 people in four offices in Canada and the United States and is one of the foremost designers and developers of large-scale robotics systems and optical security devices.

The group was awarded a multi-million-dollar contract to supply three specialized robotic systems in a new plant for National Aeronautics and Space Administration (NASA) solid rocket motors used in the space shuttle program. The seven-storey-high robots are the largest in the world and will perform a variety of inspection, coating, application, cleaning and other related processing jobs. This technology will result in the elimination of potential health hazards to men and women who previously performed this kind of work. The group's aerospace expertise was again demonstrated with the awarding of a contract to provide robotic automation analysis and concepts for a facility which will be used to paint the new Boeing 777, the next generation Boeing aircraft. With the successful completion of a demonstration prototype, the robotic system also will be used by McDonnell Douglas to paint the new C-17 U.S. Air Force tactical airlift aircraft. Work also continued for the Bank of Canada with on-going production and application of optical thin film security material for the Canadian \$100 and \$50 bills. International currencies are also candidates for the security device - a small square located in the upper left hand corner of the bill which makes counterfeiting nearly impossible. The group also was awarded a substantial follow-on contract to design and build the second telescope enclosure for the W.M. Keck Observatory, an \$87-million project in Hawaii which houses the world's largest optical telescope. The first telescope enclosure was successfully designed and construction was completed last year.

The Systems Group will experience significant growth as environmental restrictions concerning health hazards in the workplace and the need to refit/upgrade existing U.S. nuclear fuel production and generating plants create greater demand for robotic applications. Burgeoning international trade in securities will increase the demand for fraud-prevention devices and the group's manufacturing and design experience will give it a strong competitive advantage in specialty products led by telescope and other dome enclosures.





GURMIT SAINI OF VADEKO INTERNATIONAL WORKS ON THE DESIGN OF THE TELESCOPING VERTICAL TUBES OF THE ARM OF THE ROBOTIC SYSTEM FOR NASA. IN THE BACKGROUND IS THE ARM OF THE PROTOTYPE ROBOTIC SYSTEM THAT MCDONNELL DOUGLAS WILL USE TO PAINT THE NEW C-17 U.S. AIR FORCE TACTICAL AIRLIFT AIRPLANE.

THE ABILITY TO DESIGN NEW COMPLEX SYSTEMS  
AND FORMS AND THEN INTEGRATE THEM  
WITH STANDARD SYSTEMS AND FORMS  
TO BUILD A SUPERIOR PRODUCT HAS MADE THE AGRA SYSTEMS INTEGRATION GROUP  
A LEADER IN THE DESIGN  
AND DEVELOPMENT OF ROBOTICS TECHNOLOGY.



AMENITY BOTTLES FOR THE CANADIAN AND U.S. HOSPITALITY INDUSTRIES ARE MANUFACTURED BY AGRA PLASTICS.

AGRA RECYCLING RECYCLES PLASTIC PET BOTTLES INTO FLAKE FOR SALE TO EXTERNAL MANUFACTURERS AND FOR MANUFACTURING BY AGRA OF PLASTIC SHEETS, HORTICULTURAL TRAYS AND OTHER PRODUCTS.

20/20 RECYCLE CENTERS OPERATES MORE THAN 300 SITES THROUGHOUT THE STATE OF CALIFORNIA FOR THE COLLECTION OF PLASTIC, ALUMINUM AND GLASS BEVERAGE CONTAINERS.

The AGRA Waste Management & Recycling sector employs 500 people in five offices in Canada and the United States and consists of two core businesses: the management and operation of deposit and redemption systems; and the production of plastic products partially or wholly from recycled materials. The deposit and redemption businesses are made up of two systems for the collection and processing of beverage containers operating in California and Alberta. In both systems, AGRA collects beverage containers, processes and markets the recyclable materials and, in Alberta, also administers funding for the entire system.

20/20 Recycle Centers in California showed steady improvement as a result of restructuring, computerization and extensive productivity enhancements. An on site computer system was installed to monitor and record redemption transactions and electronically transfer that information to a central office. Conversion of half of the collection centres from an igloo-based system to a trailer-based system, as well as increases in the volume of material collected per centre, also helped to improve performance. Contain-A-Way Ltd. in Alberta achieved satisfactory results. The Alberta system, which involves more than 200 depots in the province, is managed by AGRA on behalf of the Alberta Liquor Control Board and about 105 brand owners. Contain-A-Way recently began offering system development services to other government and private industry groups who require assistance to establish and operate deposit and redemption systems.

The plastic product operations include businesses in Alberta and Ontario. AGRA Recycling in Edmonton recycles polyethylene terephthalate (PET) bottles from Contain-A Way into flake for sale to other manufacturers and for internal value added products. A plant modernization program is expected to generate substantial improvement in results in fiscal 1992. AGRA Plastics in Mississauga manufactures amenity containers for the hospitality and other industries in Canada and the U.S. The company maintained its profitable performance in 1991. Market development and the introduction of a recycled material capability are expected to improve results in 1992.

AGRA is committed to the development of Waste Management & Recycling into a leading niche recycling, waste management and litter-reduction company of the 1990s in North America.



K.W. CHOI (LEFT) DEPOSITS PLASTIC RECYCLABLE BOTTLES IN AN IGLOO FOR TRANSPORTATION (TOP) TO ONE OF AGRA'S CENTRAL PROCESSING DEPOTS. AGRA PLASTICS MANUFACTURES AMENITY BOTTLES (BOTTOM RIGHT) FOR THE HOSPITALITY INDUSTRY IN CANADA AND THE UNITED STATES.

AGRA WASTE MANAGEMENT & RECYCLING

DESIGNS AND OPERATES INTEGRATED SYSTEMS

FOR THE COLLECTION, TRANSPORTATION, PROCESSING, ACCOUNTING,  
REMANUFACTURE AND MARKETING

OF BEVERAGE CONTAINERS FOR GOVERNMENTS AND PRIVATE INDUSTRY

IN CANADA AND THE UNITED STATES.



THIS YEAR ALLDERS CANADA, THE COUNTRY'S LARGEST DUTY-FREE OPERATOR, OPENED SPIRIT OF THE NORTH, A STYLIZED DUTY-PAID GIFT STORE IN TORONTO'S NEW TERMINAL 3.

THE VILLAGE OF BRITANNIA CONTINUES TO BE THE PREMIER RESORT ON GRAND CAYMAN. IT FEATURES A LUXURY HYATT REGENCY HOTEL, A JACK NICKLAUS-DESIGNED GOLF COURSE AND AN ADJACENT CONDOMINIUM DEVELOPMENT.

THE SECOND PHASE OF THE BRITANNIA CONDOMINIUM DEVELOPMENT WILL CONSIST OF 54 RESIDENTIAL UNITS AND WILL INCLUDE HOMES OVERLOOKING THE JACK NICKLAUS-DESIGNED GOLF COURSE.

The Asset Development & Investments sector consists of operating companies or assets that are non-core businesses. Assets will be held based on their individual merits. No new acquisitions are planned. With the exception of *Allders International Canada* and *W.T. McMullen & Associates*, all companies and assets in this sector are for sale, including *Research Foods*, a manufacturer of specialty products for the convenience food industry; the *Ellesmere Britannia* hotel and condominium resort in Grand Cayman; *Carbovan*, a vanadium extraction plant in Alberta; and some other, smaller assets.

*Carbovan Inc.* suspended operations due to continuing depressed prices for vanadium products. Because of the general recession and softness in the steel industry, vanadium, which is used in the manufacture of high-strength steel, recently has been selling at a price well below the cost of production. The *Village of Britannia* continues to be the prime resort development on Grand Cayman. During the year development began on the 54 residential units of Phase Two of the adjacent *Britannia* condominium development. These units are an extension of the existing *Britannia Village* which is comprised of the luxury *Hyatt Regency Hotel*, the *Jack Nicklaus*-designed golf course and Phase One of the condominium project, which consists of 52 two- and three-bedroom units, all of which have been sold. The Gulf War and the North American recession have adversely affected the pace of condominium sales recently. However, it is anticipated that the 1991/92 winter season will bring an influx of tourists to the island, which should bolster condominium sales substantially.

Activity at *Allders Canada*, the country's largest duty-free operator, was slightly off 1990 levels due to the Gulf War and the transfer of some passengers to Toronto's new Terminal 3, where *Allders* does not operate a duty-free shop. However, during the year *Allders* opened *Spirit of the North*, its first duty-paid retail outlet in Terminal 3. This is a stylized Canadian retail gift operation which shows promise for future expansion. Construction also began on a new 4,000 sq. ft. duty-free store in Vancouver airport to serve the growing international passenger market there. *W.T. McMullen & Associates* continued to do well during the year and operated profitably. *McMullen* is a general insurance brokerage firm which offers risk management services for *AGRA's* diverse interests and for other customers.

This discussion and analysis of the results of operations and financial position should be read in conjunction with the consolidated financial statements and related notes, as well as the Report to Shareholders by the Chairman and President and management's discussions of the operating sectors contained in this annual report.

#### RESULTS OF OPERATIONS

##### Consolidated

For the year ended July 31, 1991, the Company changed its method of reporting discontinued operations (see Note 2 to the consolidated financial statements). Accordingly, revenues and expenses of discontinued operations have been removed from the revenues and expenses of the current and prior year in order to provide comparative results for continuing operations. Discontinued operations are reported on a net after-tax basis.

During the year, reorganization of the operating units began reflecting the focus of the strategic plans for the company. Companies were re-grouped within the three operating sectors and the management structure re-aligned and strengthened by recruitment of experienced managers in some situations. Certain unprofitable operations were disposed of or discontinued, and other operations which are not part of the long-term strategy were identified for disposition. Two core business sectors were defined: Engineering, Construction and Technology (ECT), and Waste Management and Recycling. All other businesses and investments, some of which are those identified for disposition, were grouped into the Asset Development and Investments sector, each component of which will be evaluated on its own merits. The ECT sector was further subdivided into four operating groups, each with specialized areas of expertise, identified in the description of operations in this report. For comparative purposes, the results of the operating sectors for last year have been restated to reflect these changes in the groupings.

A number of acquisitions were completed early in the year, which were specifically chosen in accordance with a planned strategy to enhance and augment the existing operations. These acquisitions contributed significantly to both revenues and profits for the year.

Consolidated revenues increased sharply by \$119.0 million or 43 per cent to \$393.2 million compared to \$274.2 million in 1990. Revenues of operations continuing from last

year increased 7 per cent and were significantly enhanced by revenues generated in companies acquired during the year and by revenues of the Cayman Hotel which was consolidated for the first time this year.

Consolidated earnings from continuing operations increased 146 per cent in 1991 to \$11.8 million from \$4.8 million in 1990. Earnings growth of 16 per cent in operations continuing from the previous year was supplemented by strong earnings performance in companies acquired during the year.

During May, 1991, operations at the Carbovan vanadium extraction plant in Fort McMurray, Alberta were indefinitely suspended because of the low market price for vanadium. Notwithstanding continuing discussions with possible buyers or partners, the book value of the investment in the project has been written off and provision made in the accounts for losses arising from additional costs, debt service and performance of guarantees which are anticipated during disposal of the plant. This provision and losses connected with the disposal of Dixie Lee Food Systems produced one-time net losses of \$13 million, which reduced final consolidated results to a loss of \$1.2 million in 1991, compared to net earnings of \$1.2 million in 1990. Details are included in Note 12 to the Consolidated Financial Statements.

During 1992, further steps in the strategic reorganization will be undertaken. Rationalization of the marketing strategies, including consolidation of the companies' efforts through amalgamation and development of a common identity under the AGRA name are expected to produce more effective sales efforts. Potential synergies with recently acquired companies will be exploited. Additional acquisitions are under consideration which will continue the process of market penetration and growth in our chosen areas of focus.

The recycling operation in California produced profits during the last quarter of 1991 in spite of low aluminum prices and now shows potential for reasonable levels of profitability in the future. The Cayman Hotel, while not producing profits commensurate with the investment, is generating sufficient cash flow to service its debt and showing steady improvement in revenues and profits. Having reduced the losses in these operations and closed Carbovan, profits from other operations will emerge to provide a more acceptable consolidated result in 1992.

Engineering, Construction & Technology Revenues in this sector increased \$94.5 million or 61 per cent to \$249.6 million from \$155.1 million in 1990. \$74 million of this increase was produced by companies acquired early in the year.

Earnings produced by this sector increased 163 per cent from \$3.8 million in 1990 to \$10 million in 1991. Restructuring of the foundation construction operation in the western United States during 1990 resulted in its return to profitability in 1991. However, profit margins continue to be narrow in this segment of the construction industry due to intense competition.

The ECT sector has been organized into four business groups: Earth & Environmental (E&E); Engineering, Procurement and Construction Management (EPC); Construction; and Systems Integration.

Revenue performance of the groups within this sector in 1991 is summarized in the table at the foot of this page.

All of the acquisitions by the Company during the year were integrated into this sector. The E&E group acquired Environmental Applications Group Limited in Toronto and Dominion Ecological Consulting Ltd. in Calgary. The EPC group acquired Northern Engineering Inc. in Houston and Howe International (1988) Limited, located in Vancouver, Thunder Bay, Ottawa, Montreal, Singapore and New Delhi. The Construction group acquired Midwest Management (1987) Ltd., which has its base of operations in Edmonton.

This is the primary sector of the company and it will continue to receive concentrated management effort. A planned growth strategy involving further development of existing operations and the acquisition of new operations is underway, with the objective of

expanding the scope of the services we offer and the markets we serve, thus increasing profits from this sector.

#### Waste Management & Recycling

Revenues generated in this sector increased \$5.6 million or 20 per cent to \$33.1 million from \$27.5 million in 1990. Most of the increase in revenue was produced by 20/20 Recycle Centers in California, resulting from a general increase in recycling awareness in that market, but more particularly due to the full annual effect on the number of containers recycled resulting from the increase in refundable deposits on beverage containers in January 1990.

Losses of this sector were reduced 58 per cent during the year to \$1.6 million compared to losses of \$3.8 million in 1990. The improvement occurred primarily in the operation of 20/20 Recycle Centers in California, where maturing management systems and procedures as well as improvement in operating efficiencies helped produce profits for the first time during the last quarter of 1991, notwithstanding the adverse affect of the low price of aluminum. Modification of statutes governing environment issues and supporting recycling continues in California, enhancing the future prospects for this business.

The plastic recycling plant in Edmonton which commenced operations last year, continues to make progress in developing markets for recycled PET. However, quality fluctuation resulting from technical problems with certain equipment has hampered sales efforts and progress toward profitability. Replacement of inefficient or ineffective equipment is expected to resolve the quality problems early in the new year.

#### ENGINEERING, CONSTRUCTION & TECHNOLOGY - REVENUE BY GROUP

(in thousands of dollars)

	1991	1990
Earth & Environmental	\$ 81,772	57,486
Engineering, Procurement & Construction Management	67,407	26,699
Construction	85,301	62,605
Systems Integration*	15,091	8,295
<b>Total</b>	<b>\$249,571</b>	<b>155,085</b>

\* Vadeko was not consolidated throughout the entire year in 1990.

#### Asset Development & Investments

Revenues generated by this sector increased 21 per cent to \$110.6 million from \$91.6 million in 1990. Revenues of the Britannia Resort complex in Grand Cayman B.W.I. contributed \$27.4 million in 1991, whereas this project was not included in consolidated revenues in 1990 since AGRA did not acquire control of the investment until year-end. Revenues of the other operations in this sector declined 9 per cent due to economic conditions affecting the duty-free and food industries.

Earnings produced by continuing operations of the Asset Development & Investments sector in 1991 decreased 33 per cent to \$3.3 million from \$4.9 million in 1990. A reduction of international travel resulting from the Gulf War and weak economic conditions affected both occupancy levels of the Britannia Resort and sales of the Alders duty-free shops. However, with the cessation of the war and following the end of the fiscal year, occupancy levels of the hotel and duty-free sales improved substantially in spite of continuing weakness in the world economy.

The duty-free shops operate under lease concessions by Transport Canada. Upon expiry of the current leases the Company intends to tender for their renewal. Such renewals, however, are not certain.

#### FINANCIAL CONDITION

Cash and short-term investments declined \$28.6 million during the year, primarily due to the payment of income taxes arising from the sale of Cybermedix. Expenditures on fixed assets, construction of condominium units in Grand Cayman, acquisitions, financing of Carbovan and retirement of long-term debt amounted to \$47 million during the year. New long-term debt of \$22 million was secured during the year, with the remaining cash requirements provided by cash generated by operations and operating credit facilities.

After the year-end, a commitment was received for a new mortgage of \$28 million to replace the \$22-million mortgage maturing on the Cayman Hotel, and \$40 million of special warrants were issued by the Company on November 7, 1991 to be exchanged by February 21, 1992 for 10-year, 8 per cent subordinated debentures, convertible into Class B non-voting shares at \$9. Net proceeds from these financings will be used to pay down current bank indebtedness, for other general

corporate purposes and to provide funds for the ongoing strategic plan of acquisitions.

During the year, the Cayman Hotel project was offered for sale, in keeping with the long-term strategic plans of the Company. No acceptable offers were received due to the effects of the Gulf War and worldwide economic uncertainty; consequently efforts to sell the property have been suspended. During the year, \$8.8 million was invested in the construction of luxury condominium units on the property adjacent to the Hotel. Construction has progressed to the extent that sales are beginning to occur and cash will begin to come out of the project during the next fiscal year.

The Company continues to hold its investment in Cogeco Inc. The public market value, while still below our book value, increased 32 per cent during the year. The underlying net asset value, consisting primarily of cable television systems, remains substantially higher than the present market value and our book value, and is expected to be reflected in the market price of the shares in the future.

As disclosed elsewhere in this report, the investment in Carbovan has been fully written off and all foreseeable liabilities related to the project have been accrued in the accounts. Therefore, it is not expected that any further losses will be sustained from this venture.

#### LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operations in fiscal 1992 will be adequate to cover debt service, planned capital expenditures and normal growth. Cash flow generated by wholly owned subsidiary companies is generally available to AGRA, subject to usual banking requirements. Alders (Canada) Limited, of which AGRA owns 51 per cent of the shares, has distributed its available cash to its shareholders by way of dividends in each of the last three years.

AGRA and its subsidiary companies have adequate bank operating lines of credit and working capital for current and expected levels of operation.

The issue of \$40 million of special warrants after the year-end has strengthened AGRA's capital base so that it can continue its strategic plans for growth and acquisitions in the future.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF AGRA INDUSTRIES LIMITED

We have audited the consolidated balance sheets of AGRA Industries Limited as at July 31, 1991 and 1990 and the consolidated statements of earnings, retained earnings and changes in cash position for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with 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 July 31, 1991 and 1990 and the results of its operations and the changes in its cash position for the years then ended in accordance with generally accepted accounting principles.



CHARTERED ACCOUNTANTS

Calgary, Alberta  
September 20, 1991

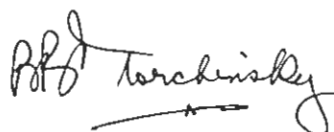
October 25, 1991, as to Note 16



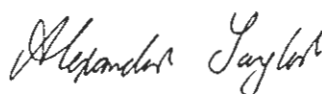
**CONSOLIDATED BALANCE SHEET**

	JULY 31, 1991	1991	1990
<b>ASSETS</b>			
Current			
Cash and Short-term Investments	\$ 11,627,597		40,189,301
Accounts Receivable	72,135,479		63,826,192
Income Taxes Recoverable	8,330,037		-
Inventory and Contracts in Progress	30,561,497		32,086,380
Prepaid Expenses	3,850,544		3,851,734
	<b>126,505,154</b>		<b>139,953,607</b>
Investments and Other (Note 4)	63,757,209		65,054,140
Fixed			
Land	6,811,575		3,663,933
Buildings	20,483,894		14,346,965
Equipment	67,333,945		56,551,599
	<b>94,629,414</b>		<b>74,562,497</b>
Less Accumulated Depreciation	36,436,110		32,635,323
	<b>58,193,304</b>		<b>41,927,174</b>
Resort Hotel and Golf Course (Note 5)	69,378,595		70,051,990
	<b>127,571,899</b>		<b>111,979,164</b>
Goodwill	13,999,107		6,912,223
	<b>\$331,833,369</b>		<b>323,899,134</b>
<b>LIABILITIES</b>			
Current			
Bank Indebtedness (Note 6)	\$ 28,247,998		23,135,989
Accounts Payable	52,473,167		45,213,634
Income Taxes Payable	-		24,292,122
Current Portion of Long-term Debt (Note 7)	7,031,970		6,516,885
Deferred Income Taxes	9,912,014		8,666,812
	<b>97,665,149</b>		<b>107,625,442</b>
Long-term Debt (Note 7)	58,634,034		35,007,917
Deferred Income Taxes	2,123,952		2,264,234
	<b>158,423,135</b>		<b>145,097,593</b>
Minority Interest	2,383,894		3,686,646
<b>SHAREHOLDERS' EQUITY</b>			
Share Capital (Note 10)	60,947,425		60,806,659
Retained Earnings	115,661,541		119,528,855
	<b>176,608,966</b>		<b>180,335,514</b>
Foreign Currency Translation Adjustment	(5,582,626)		(5,220,619)
Total Shareholders' Equity	171,026,340		175,114,895
	<b>\$331,833,369</b>		<b>323,899,134</b>

ON BEHALF OF THE BOARD



Director



Director

**CONSOLIDATED STATEMENT OF EARNINGS**

YEAR ENDED JULY 31, 1991	1991	1990 (Note 2)
Revenue (Note 17)	<b>\$393,225,703</b>	274,181,365
<b>Expenses</b>		
Cost of Sales and Services, Selling, General and Administrative	<b>353,807,336</b>	241,750,628
Depreciation and Amortization	<b>10,348,955</b>	7,076,736
Interest on Long-term Debt	<b>5,388,758</b>	3,882,376
Other Interest	<b>2,033,081</b>	1,272,078
	<b>371,578,130</b>	253,981,818
Earnings Before the Following Unusual Items	<b>21,647,573</b>	20,199,547
	-	(746,581)
	<b>21,647,573</b>	19,452,966
<b>Income Tax (Recovery) (Note 11)</b>		
Current	<b>4,580,834</b>	30,810,999
Deferred	<b>2,519,312</b>	(21,542,719)
	<b>7,100,146</b>	9,268,280
	<b>14,547,427</b>	10,184,686
Minority Interest	<b>(3,126,200)</b>	(4,585,137)
Earnings (Losses) of Non-consolidated Entities	<b>348,497</b>	(752,862)
Earnings from Continuing Operations	<b>11,769,724</b>	4,846,687
Discontinued Operations (Note 12)	<b>(13,009,968)</b>	(3,659,068)
Net Earnings (Loss)	<b>\$ (1,240,244)</b>	1,187,619
<b>Per Share (Notes 10 and 13)</b>		
Earnings from Continuing Operations	<b>\$ .66</b>	.30
Net Earnings (Loss)	<b>\$ (.07)</b>	.07

**CONSOLIDATED STATEMENT OF  
RETAINED EARNINGS**

YEAR ENDED JULY 31, 1991	1991	1990
Balance, Beginning of Year	<b>\$119,528,855</b>	120,189,452
Add Net Earnings (Loss)	<b>(1,240,244)</b>	1,187,619
	<b>118,288,611</b>	121,377,071
Less: Dividends Paid	<b>2,562,133</b>	1,848,216
Excess Cost of Share Redemption (Note 10)	<b>64,937</b>	-
Balance, End of Year	<b>\$115,661,541</b>	119,528,855

**CONSOLIDATED STATEMENT OF  
CHANGES IN CASH POSITION**

YEAR ENDED JULY 31, 1991	1991	1990 (Note 2)
<b>Cash Provided By (Used In)</b>		
<b>Operating Activities</b>		
Earnings from Continuing Operations	<b>\$ 11,769,724</b>	4,846,687
Items Not Affecting Cash Flow	<b>15,741,515</b>	12,040,852
<b>Changes in Non-cash Working Capital</b>		
Accounts Receivable	<b>752,532</b>	(13,698,638)
Inventory and Contracts in Progress	<b>3,003,307</b>	810,564
Prepaid Expenses	<b>(127,877)</b>	(144,399)
Accounts Payable	<b>(2,843,420)</b>	5,587,013
Income Taxes	<b>(29,173,451)</b>	7,766,551
	<b>(877,670)</b>	12,208,630
Discontinued Operations	<b>(801,160)</b>	(2,998,465)
	<b>(1,678,830)</b>	9,210,165
<b>Investing Activities</b>		
Purchase of Fixed Assets	<b>(14,775,875)</b>	(9,665,914)
Proceeds on Disposal of Fixed Assets	<b>4,585,026</b>	2,406,168
Investment in Non-consolidated Entities	<b>(8,899,221)</b>	(58,267,602)
Investment in Condominium Project	<b>(8,876,493)</b>	-
Acquisition of Subsidiary Operations	<b>(11,760,814)</b>	(7,252,441)
Proceeds from Investments	<b>803,194</b>	442,310
Proceeds from Agreement Receivable	<b>-</b>	105,398,071
	<b>(38,924,183)</b>	33,060,592
<b>Financing Activities</b>		
Proceeds from Long-term Debt	<b>21,989,242</b>	1,435,799
Retirement of Long-term Debt	<b>(8,073,638)</b>	(28,106,203)
Issue and Redemption of Share Capital	<b>75,829</b>	20,169,195
	<b>13,991,433</b>	(6,501,209)
<b>Payment of Dividends</b>		
By the Company	<b>(2,562,133)</b>	(1,848,216)
By Subsidiaries to Minority Shareholders	<b>(4,500,000)</b>	(6,750,000)
	<b>(7,062,133)</b>	(8,598,216)
Increase (Decrease) in Cash	<b>(33,673,713)</b>	27,171,332
Cash Position, Beginning of Year	<b>17,053,312</b>	(10,118,020)
Cash Position, End of Year	<b>\$(16,620,401)</b>	17,053,312
<b>Represented By:</b>		
Cash and Short-term Investments	<b>\$ 11,627,597</b>	40,189,301
Bank Indebtedness	<b>(28,247,998)</b>	(23,135,989)
	<b>\$(16,620,401)</b>	17,053,312

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS

YEAR ENDED JULY 31, 1991

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Basis of presentation*

The consolidated financial statements include the accounts of all entities in which the Company holds a controlling interest. The equity method of accounting is applied to investments in other entities in which the Company has significant influence. Other investments are recorded at cost.

*Inventory and contracts in progress*

Inventory is valued at the lower of cost and net realizable value using the first-in, first-out method. Engineering and construction contracts in progress are recorded at estimated realizable value on the percentage of completion basis.

*Fixed assets*

Fixed assets (including equipment under capital lease) are stated at cost. Depreciation has been recorded in the accounts on a straight-line basis at annual rates of 2½% to 33% providing for amortization of the cost of buildings and equipment over their estimated useful lives. The hotel buildings and golf course are being depreciated using the sinking fund method over their estimated useful life of 50 years.

*Goodwill*

For those companies acquired subsequent to August 1, 1973, the excess of the purchase price over the net fair value of identifiable assets is amortized on a straight-line basis over forty years.

For those companies acquired prior to August 1, 1973, the excess of the purchase price over the net book value of the underlying assets at date of acquisition is not being amortized, since in the opinion of management, no diminution of value has occurred.

*Foreign currency translation adjustment*

The accounts of the Company's self-sustaining foreign operations are translated into Canadian dollars using the current-rate method by which assets and liabilities are translated at the year-end exchange rate and revenues and expenses are translated at average exchange rates. Gains and losses arising from the translation of the financial statements of the foreign operations are deferred in a "foreign currency translation adjustment" account in shareholders' equity.

2. ACCOUNTING CHANGE

On August 1, 1990, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants regarding disclosure of extraordinary items and discontinued operations. These recommendations have been applied retroactively, resulting in the reclassification of extraordinary items reported in 1990 to discontinued operations and to earnings from continuing operations. Earnings per share for 1990 have been recomputed taking these changes into account.

3. ACQUISITIONS

*During the year, the Company acquired the following:*

100% of the outstanding shares of Northern Engineering Inc. effective August, 1990 for total consideration of U.S. \$1,524,278 cash, plus additional amounts equivalent to its aggregate net earnings during the three years following the acquisition in excess of U.S. \$1,143,208 to a

maximum payment of U.S. \$1,975,722, plus 50% of the three-year aggregate net earnings in excess of U.S. \$3,500,000.

100% of the outstanding shares of Howe International (1988) Limited effective August, 1990 for \$3,623,900 cash.

100% of the outstanding shares of Midwest Management (1987) Ltd. effective January, 1991 for cash and notes totalling \$2,346,510, plus a special bonus based on earnings to July 31, 1994 to a maximum of \$600,000.

100% of the outstanding shares of The Environmental Applications Group Limited effective November, 1990 for cash and notes totalling \$1,100,000.

100% of the outstanding shares of Dominion Ecological Consulting Ltd. effective April, 1991 for \$300,000 cash.

*A financial summary of these acquisitions together with the 1990 acquisitions, all of which were accounted for as purchases, is as follows:*

	1991	1990
<b>Assets Acquired</b>		
Non-cash Working Capital	<b>\$ 2,941,042</b>	1,354,451
Fixed and Other Long-term Assets	<b>6,343,700</b>	16,797,958
Goodwill	<b>7,958,050</b>	3,126,438
	<b>17,242,792</b>	21,278,847
<b>Liabilities Assumed</b>		
Long-term Debt	<b>4,572,566</b>	13,109,740
Deferred Income Taxes	<b>909,412</b>	916,666
	<b>5,481,978</b>	14,026,406
<b>Net Non-cash Assets Acquired</b>	<b>11,760,814</b>	7,252,441
<b>Bank Loans Assumed</b>	<b>(740,349)</b>	(710,475)
<b>Net Assets Acquired at Fair Value</b>	<b>\$11,020,465</b>	6,541,966

During the year ended July 31, 1990, the Company acquired several companies, as summarized above, whose operations were consolidated from the respective dates of acquisition. In addition, on July 31, 1990, the Company gained effective control of Ellesmere Developments Ltd. Accordingly, the assets and liabilities of Ellesmere, which relate primarily to its resort hotel and condominium development project, were included in the Company's consolidated balance sheet at July 31, 1990, whereas the 1990 operating results were accounted for on the equity basis.

**NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS**

YEAR ENDED JULY 31, 1991

4. INVESTMENTS AND OTHER

	1991	1990
<b>Investments</b>		
Cogeco Inc. (788,022 Subordinate Voting and 3,958,914 Class B Preferred Shares at Cost – Market Value \$22,629,569; 1990 – \$17,130,492)	\$30,669,493	30,634,098
Non-consolidated Entities – Equity Basis	5,795,148	16,551,988
Other – at Cost	2,245,747	1,654,351
	38,710,388	48,840,437
Condominium Project Under Development – at Lower of Cost and Net Realizable Value	25,046,821	16,213,703
	\$63,757,209	65,054,140

The decline in market value of Cogeco Inc. shares is considered to be temporary.

5. RESORT HOTEL AND GOLF COURSE

	1991	1990
Land	\$ 8,499,666	8,506,839
Hotel and Golf Course	65,124,105	64,329,737
	73,623,771	72,836,576
Less Accumulated Depreciation	4,245,176	2,784,586
	\$69,378,595	70,051,990

6. BANK INDEBTEDNESS

	1991	1990
Bank loans	\$21,537,889	18,992,145
Cheques issued and uncashed	6,710,109	4,143,844
	\$28,247,998	23,135,989

The bank loans are secured by general assignments of accounts receivable, inventory, contracts in progress and fixed and floating charge debentures on certain fixed assets.

7. LONG-TERM DEBT

	1991	1990
Mortgages, Chattel Mortgages and Obligations Under Capital Lease with Interest Rates Averaging 12.0% (Maturity Dates to 1999)	\$ 4,961,768	4,327,963
Notes, Agreements and Loans Payable with Average Interest Rates at 10.3%, Secured by Certain Assets (Maturity Dates to 2003)	60,421,236	36,908,839
6 1/2% Convertible Subordinated Debentures, Unsecured, Maturing March 15, 1992	283,000	288,000
	65,666,004	41,524,802
Less Current Portion	7,031,970	6,516,885
	\$58,634,034	35,007,917

Principal payments for the five succeeding years are: \$7,031,970; \$3,951,178; \$3,324,714; \$1,941,719 and \$1,936,472.

Included in notes, agreements and loans payable is a loan for U.S. \$19,244,846 which is due on December 31, 1991. The Company has obtained a loan to replace this financing (Note 16). The current portion and the five-year principal repayments reflect the terms of the new loan.

8. LEASE COMMITMENTS

Minimum annual payments under long-term operating leases, the longest of which will expire in 2000, for the five succeeding years are: \$17,248,673; \$16,553,482; \$17,150,370; \$17,728,502 and \$7,629,105. These commitments arise primarily from concession agreements with Transport Canada for the operation of duty-free shops.

9. CONTINGENT LIABILITIES

The Company has guaranteed indebtedness totalling \$805,000 (1990 - \$6,772,000) of non-consolidated entities and others.

The Company and its subsidiaries are defendants in lawsuits involving various amounts. The results of these actions should not have any material effect on the financial position of the Company.

10. SHARE CAPITAL

Authorized:

Unlimited Class A voting convertible shares, without nominal or par value

Unlimited Class B non-voting shares, without nominal or par value

The Class A voting shares are convertible into Class B non-voting shares on a one-for-one basis. In restricted circumstances Class B non-voting shares can be converted into Class A voting shares.

The Class B non-voting shares are entitled to receive a quarterly non-cumulative preferential dividend at the rate of one-half of one cent per share. Subject to such preferential dividend, the directors are not permitted to declare dividends on the Class A voting shares without declaring dividends of at least an equal amount on the Class B non-voting shares.

Issued and outstanding:	1991		1990	
	Shares	Amount	Shares	Amount
<b>Class A Voting</b>				
Outstanding, Beginning of Year	4,748,169	\$ 5,719,810	4,751,740	\$ 5,706,755
Converted from Debentures	768	2,496	8,459	27,491
Conversions to Class B	(53,476)	(64,439)	(12,030)	(14,436)
Repurchased by the Company	(9,400)	(11,326)	-	-
Outstanding, End of Year	4,686,061	5,646,541	4,748,169	5,719,810
<b>Class B Non-Voting</b>				
Outstanding, Beginning of Year	12,972,333	55,086,849	9,939,044	34,930,709
Converted from Debentures	768	2,496	8,459	27,491
Conversions from Class A	53,476	64,439	12,030	14,436
Exercise of Warrants	-	-	3,000,000	20,062,500
Exercise of Options	33,830	165,765	12,800	51,713
Repurchased by the Company	(4,400)	(18,665)	-	-
Outstanding, End of Year	13,056,007	55,300,884	12,972,333	55,086,849
Total Share Capital		\$60,947,425		\$60,806,659

**NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS**

YEAR ENDED JULY 31, 1991

At July 31, 1991, there were employee stock options outstanding in respect of 416,680 Class B non-voting shares (1990 – 320,440) exercisable at prices not less than the market price at the time the options were granted which range from \$6.00 to \$8.37. These options expire at various dates between 1991 and 1996. In addition, 43,538 Class A voting and 43,538 Class B non-voting shares are reserved for issue on conversion of \$283,000 of convertible subordinated debentures, maturing March 15, 1992.

11. INCOME TAX

The Company's effective income tax rate differs from the Canadian statutory rate for the following reasons:

	1991	1990
Combined Basic Canadian Federal and Provincial Income Tax Rate	44.0%	44.0%
Increase (Decrease) in the Income Tax Rate Resulting from:		
Foreign Tax Rates	(1.5)	2.0
Utilization of Previously Unrecorded Benefits from Tax Losses	(8.0)	-
Other	(1.7)	1.6
<b>Effective Income Tax Rate</b>	<b>32.8%</b>	<b>47.6%</b>

Deferred income taxes represent the estimated future tax liability that may arise as a result of timing differences between the recording of income for accounting purposes and for income tax purposes. This liability is reduced by the estimated future tax benefit from operating losses when, in the opinion of management, the realization of such benefits is virtually certain.

12. DISCONTINUED OPERATIONS

1991

Pursuant to a decision early in the year, sale of the net assets of Dixie Lee Food Systems Inc. was concluded in August, 1991. The effect of the sale was recorded at July 31, 1991. In May, 1991, the operations of Carbovan Inc. were indefinitely suspended and efforts undertaken to sell the plant. The Company's investment in Carbovan Inc. has been written off. The loss from discontinued operations also includes a provision of \$6,394,069 for losses arising from anticipated costs, debt service and guarantees. Revenues of these operations were not significant during the year.

	Carbovan Inc.	Dixie Lee Food Systems Inc.	Total
Loss Before Income Tax Recovery	\$17,530,918	1,214,480	18,745,398
Income Tax Recovery	5,344,500	390,930	5,735,430
<b>Loss on Discontinued Operations</b>	<b>\$12,186,418</b>	<b>823,550</b>	<b>13,009,968</b>

1990

During the year ended July 31, 1990, the Company discontinued certain operations of Frontier Foundations, Inc. and other businesses, which it originally reported as extraordinary items. These items have been reclassified as losses from discontinued operations (Note 2). These



operations produced revenues of \$5,462,913, and losses of \$3,659,068, net of income tax recoveries of \$2,014,810. The assets remaining at July 31, 1990 were redeployed or sold and the liabilities discharged.

13. EARNINGS PER SHARE

The computation of earnings per share is based on the average number of Class A voting shares and Class B non-voting shares issued and outstanding during the year.

The fully diluted earnings per share reflects earnings (losses) that would have been reported had all options and conversion rights been exercised.

	1991	1990
Earnings from Continuing Operations	\$ .65	30
Net Earnings (Loss)	\$(.07)	07

14. PENSION FUNDS

The Company sponsors defined benefit and defined contribution pension plans for its employees. For the defined benefit plans, pension costs are determined using the projected benefit method and funded on the same basis. Gains and losses arising from actuarial valuations are determined every three years and from asset performance annually. Such gains and losses are deferred and amortized on a straight-line basis. The value of defined benefit pension fund assets at July 31, 1991 was \$9,636,000 and there is no material surplus or unfunded liability.

15. RELATED PARTY TRANSACTIONS

During 1990, the Company earned fees and interest income of \$3,067,304 and incurred interest on long-term debt of \$1,397,723 resulting from transactions with non-consolidated entities. There were no significant similar items in 1991.

16. TRANSACTIONS SUBSEQUENT TO YEAR END

The Company plans to issue special warrants for up to \$40 million which will subsequently be exchanged for an equivalent principal amount of 8% convertible subordinated debentures, to mature in 2001. The debentures will be convertible into Class B non-voting shares, at a conversion price anticipated to be \$9.25 per share.

On October 25, 1991, the Company obtained a bank term loan of U.S. \$25,000,000 repayable over thirteen years in semi-annual principal amounts with interest based on the LIBOR rate. A portion of the proceeds of this loan are to be used to repay a bank loan of U.S. \$19,244,846 due December 31, 1991, included in long-term debt (Note 7).

The Company acquired 100% of the outstanding shares of Allied Architectural Systems Ltd. for a nominal amount.

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS

YEAR ENDED JULY 31, 1991

17. SEGMENTED INFORMATION (in thousands of dollars)

A. INDUSTRY SEGMENTS

	Engineering, Construction & Technology		Waste Management & Recycling		Asset Development & Investments		Consolidated Total	
	1991	1990	1991	1990	1991	1990	1991	1990
<b>Revenue</b>	<b>\$249,571</b>	155,085	<b>33,054</b>	27,461	<b>110,601</b>	91,635	<b>393,226</b>	274,181
<b>Earnings (Losses)</b>								
Before the Following	<b>9,796</b>	3,619	<b>(1,561)</b>	(3,595)	<b>6,312</b>	10,161	<b>14,547</b>	10,185
Minority Interest	<b>4</b>	76	<b>-</b>	-	<b>(3,130)</b>	(4,661)	<b>(3,126)</b>	(4,585)
Earnings (Losses) of								
Non-consolidated Entities	<b>231</b>	112	<b>-</b>	(216)	<b>117</b>	(649)	<b>348</b>	(753)
Before Discontinued Operations	<b>10,031</b>	3,807	<b>(1,561)</b>	(3,811)	<b>3,299</b>	4,851	<b>11,769</b>	4,847
Discontinued Operations	<b>-</b>	(2,684)	<b>-</b>	-	<b>(13,009)</b>	(975)	<b>(13,009)</b>	(3,659)
<b>Net Earnings (Losses)</b>	<b>\$ 10,031</b>	1,123	<b>(1,561)</b>	(3,811)	<b>(9,710)</b>	3,876	<b>(1,240)</b>	1,188
<b>Assets</b>	<b>\$139,395</b>	100,349	<b>16,128</b>	21,576	<b>176,310</b>	201,974	<b>331,833</b>	323,899
<b>Depreciation and Amortization</b>	<b>\$ 5,730</b>	3,930	<b>1,680</b>	1,708	<b>2,939</b>	1,439	<b>10,349</b>	7,077
<b>Capital Expenditures, Net of Disposals</b>	<b>\$ 6,806</b>	4,530	<b>710</b>	1,767	<b>2,674</b>	963	<b>10,190</b>	7,260

B. GEOGRAPHIC SEGMENTS

	Domestic		Foreign		Total	
	1991	1990	1991	1990	1991	1990
<b>Revenue</b>	<b>\$252,342</b>	209,433	<b>140,884</b>	64,748	<b>393,226</b>	274,181
<b>Earnings (Losses)</b>						
Before the Following	<b>9,041</b>	12,968	<b>5,506</b>	(2,783)	<b>14,547</b>	10,185
Minority Interest	<b>(3,126)</b>	(4,585)	<b>-</b>	-	<b>(3,126)</b>	(4,585)
Earnings (Losses) of Non-consolidated Entities	<b>117</b>	(139)	<b>231</b>	(614)	<b>348</b>	(753)
Before Discontinued Operations	<b>6,032</b>	8,244	<b>5,737</b>	(3,397)	<b>11,769</b>	4,847
Discontinued Operations	<b>(13,009)</b>	(1,050)	<b>-</b>	(2,609)	<b>(13,009)</b>	(3,659)
<b>Net Earnings (Losses)</b>	<b>\$ (6,977)</b>	7,194	<b>5,737</b>	(6,006)	<b>(1,240)</b>	1,188
<b>Assets</b>	<b>\$161,238</b>	174,008	<b>170,595</b>	149,891	<b>331,833</b>	323,899
<b>Depreciation and Amortization</b>	<b>\$ 5,845</b>	4,518	<b>4,504</b>	2,559	<b>10,349</b>	7,077
<b>Capital Expenditures, Net of Disposals</b>	<b>\$ 7,201</b>	4,437	<b>2,989</b>	2,823	<b>10,190</b>	7,260

**ELEVEN YEAR REVIEW**

	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981
<b>EARNINGS STATISTICS</b>											
(In thousands of dollars)											
Revenue**	<b>\$393,226</b>	274,181	247,089	231,116	207,798	171,499	135,304	140,308	132,335	151,923	160,008
Depreciation and Amortization	<b>10,349</b>	7,077	8,640	5,892	4,484	3,267	3,107	4,412	4,293	3,839	5,667
Net Earnings (Loss)	<b>(1,240)</b>	1,188	56,800	7,775	7,291	2,320	10,610	7,724	4,509	4,144	6,599
Dividends Paid	<b>2,562</b>	1,848	1,651	1,510	1,494	1,179	1,032	1,001	461	354	-
<b>BALANCE SHEET STATISTICS</b>											
(In thousands of dollars)											
Current Assets	<b>\$126,505</b>	139,954	190,767	87,706	85,366	74,371	58,660	51,885	46,074	46,705	52,874
Current Liabilities	<b>97,665</b>	107,826	85,443	48,418	42,858	36,014	33,822	33,229	23,649	24,901	33,924
Working Capital	<b>28,840</b>	32,128	105,324	39,288	42,508	38,357	24,838	18,656	22,425	21,804	18,950
Fixed Assets - Net	<b>127,572</b>	111,979	39,438	39,746	32,525	31,351	23,557	40,836	40,297	40,696	27,551
Long-term Debt	<b>58,634</b>	35,008	47,960	40,703	19,609	17,488	19,550	34,933	36,581	38,739	28,062
Shareholders' Equity	<b>171,026</b>	175,115	159,015	103,581	93,101	90,009	66,944	51,817	44,804	41,379	38,198
<b>COMMON SHARE STATISTICS*</b>											
Earnings Per Share (Loss)	<b>\$(.07)</b>	.07	3.90	.58	.55	.21	1.13	.84	.49	.44	.70
Dividends Per Share (A/B)	<b>.13/.15</b>	.10/.12	.10/.12	.10/.12	.10/.12	.10/.12	.10/.12	.10/.12	.05	.0375	
Equity Per Share	<b>9.64</b>	9.88	10.82	7.15	6.99	6.83	6.82	5.42	4.75	4.48	4.01
Return on Equity (Average)	<b>(1)%</b>	1%	43%	8%	8%	3%	16%	16%	10%	10%	19%
<b>OTHER STATISTICS*</b>											
Average Shares Outstanding	<b>17,735,139</b>	16,333,238	14,561,120	13,376,952	13,262,762	10,997,734	9,396,018	9,174,492	9,199,830	9,492,500	9,507,596
Number of Shareholders	<b>800</b>	700	900	1,000	1,000	1,300	1,200	1,200	1,100	1,300	1,500
Total Shares Traded	<b>2,275,922</b>	2,458,916	4,366,305	2,816,541	3,441,786	5,473,258	2,699,800	1,877,074	1,768,898	1,085,076	2,766,412
Price - High	<b>\$9.30</b>	9.75	12.00	8.75	8.50	8.875	4.688	3.50	3.50	2.313	2.594
- Low	<b>\$5.70</b>	7.00	6.50	5.00	6.00	3.875	2.125	2.00	2.25	1.625	1.287

\* A two-for-one share split took place in fiscal 1988 and in fiscal 1983. Statistics for prior years have been restated to provide comparability.

\*\*Revenues for 1989 and prior years include revenues from discontinued operations

## Worldwide Office Locations

- 1 Office
- 2 - 5 Offices
- 6 - 10 Offices
- More than 10 Offices



## ENGINEERING, CONSTRUCTION &amp; TECHNOLOGY (ECT)

## EARTH &amp; ENVIRONMENTAL GROUP

## Headquarters

221 - 18th Street S.E.  
Calgary, Alberta  
Canada T2E 6J5

USA and Canada  
1-800-248-AGRA (2472)

Mexico  
95-800-248-AGRA (2472)

Hardy BBT Limited  
219 - 18 Street S.E.  
Calgary, Alberta  
Canada T2E 6J5

Tel: 1-403-248-4331  
Fax: 1-403-248-2188

## Other locations:

Burnaby, British Columbia  
Dawson Creek, British Columbia  
Kamloops, British Columbia  
Nanaimo, British Columbia  
Prince George, British Columbia  
Victoria, British Columbia  
Bonnyville, Alberta  
Calgary, Alberta  
Edmonton, Alberta  
Fort McMurray, Alberta  
Lethbridge, Alberta  
Lloydminster, Alberta  
Medicine Hat, Alberta  
Peace River, Alberta  
Red Deer, Alberta  
Estevan, Saskatchewan  
Prince Albert, Saskatchewan  
Regina, Saskatchewan  
Saskatoon, Saskatchewan  
Winnipeg, Manitoba  
Yellowknife, N.W.T.  
Markham, Ontario  
Ottawa, Ontario

Toronto, Ontario  
Dar Es Salaam, Tanzania  
Bangkok, Thailand  
Moscow, Russia

Moore & Taber  
P.O. Box 19079  
Anaheim, California  
U.S.A. 92817

Tel: 714-779-2591  
Fax: 714-779-8377

## Other locations:

Bakersfield, California  
San Diego, California  
Ventura, California

RZA-AGRA Inc.  
11335 N.E. 122nd Way, Ste. 100  
Kirkland, Washington  
U.S.A. 98034

Tel: 206-820-4669  
Fax: 206-821-3914

## Other locations:

Portland, Oregon  
Spokane, Washington  
Honolulu, Hawaii  
Anchorage, Alaska  
Fairbanks, Alaska  
Sacramento, California

Sergent, Hauskins & Beckwith  
Geotechnical Engineers, Inc.  
3232 West Virginia Avenue  
Phoenix, Arizona  
U.S.A. 85009

Tel: 602-272-6848  
Fax: 602-272-7239

## Other locations:

Albuquerque, New Mexico  
El Paso, Texas  
Salt Lake City, Utah  
Denver, Colorado  
Reno, Nevada  
Tucson, Arizona  
Mexico City, Mexico

## ENGINEERING, PROCUREMENT &amp; CONSTRUCTION MANAGEMENT GROUP

Cambrian Engineering Limited  
2233 Argentia Road, Ste. 400  
Mississauga, Ontario  
Canada L5N 2X7

Tel: 416-858-8010  
Fax: 416-858-3332

## Other Inorations:

Timmins, Ontario  
Saskatoon, Saskatchewan

Campro AGRA Limited  
2233 Argentia Road, Ste. 400  
Mississauga, Ontario  
Canada L5N 2X7

Tel: 416-858-8010  
Fax: 416-858-3332

Camrec Facilities  
Consultants Ltd.  
9808 - 42nd Avenue  
Edmonton, Alberta  
Canada T6E 5V5

Tel: 403-436-5525  
Fax: 403-436-5510

## Other locations:

Mississauga, Ontario

Canadian International Power  
Services Inc.  
2233 Argentia Road, Ste. 400  
Mississauga, Ontario  
Canada L5N 2X7

Tel: 416-858-8020  
Fax: 416-858-3332

Canuck Engineering Inc. (80%)  
200, 708 - 11th Avenue S.W.  
Calgary, Alberta  
Canada T2R 0E4

Tel: 403-267-6000  
Fax: 403-267-6099

Consultores Occidentales S.A.  
(20%)

Boulevard 5 De Julio Con AV. 13A  
Apartado 1342  
Maracaibo, Venezuela

Tel: 011-58-61-511422 & 511722  
Fax: 011-58-61-511616

Howe International Limited  
237 Metcalfe Street  
Ottawa, Ontario  
Canada K2P 1R2

Tel: 613-233-6764  
Fax: 613-233-8343

## Other Locations:

Vancouver, British Columbia  
Thunder Bay, Ontario  
Montreal, Quebec  
Singapore  
New Delhi, India

Northern Engineering Inc.  
11011 Richmond Avenue  
Ste. 900, P.O. Box 42129  
Houston, Texas  
U.S.A. 77242-2129

Tel: 713-268-8000  
Fax: 713-268-8028

Torchinsky Engineering Ltd.  
202, 6420 - 6A Street S.E.  
Calgary, Alberta  
Canada T2H 2B7

121 - 105th Street East  
Saskatoon, Saskatchewan  
Canada S7N 1Z2

Other locations:

Hanna, Alberta  
Lethbridge, Alberta  
Lloydminster, Alberta  
Peace River, Alberta  
Red Deer, Alberta  
Sherwood Park, Alberta  
Prince Albert, Saskatchewan  
Swift Current, Saskatchewan  
Yorkton, Saskatchewan

**SYSTEMS INTEGRATION  
GROUP**

Coast Steel Fabricators Ltd.  
1515 Kingsway Avenue  
Port Coquitlam  
British Columbia  
Canada V3C 1S2  
Tel: 604-941-9481  
Fax: 604-941-7447

Vadeco International Inc. (80%)  
2600 Argenta Road  
Mississauga, Ontario  
Canada L5N 5V4  
Tel: 416-821-3222  
Fax: 416-821-2232

Other locations:  
Ottawa, Ontario

Vadeco U.S.A. Inc.  
3016 - 75th Avenue North  
Minneapolis, Minnesota  
U.S.A. 55444

Tel: 612-561-8900  
Fax: 612-561-9018

**CONSTRUCTION GROUP**

Allied Architectural  
Systems Ltd.  
5526 Timberlea Boulevard  
Mississauga, Ontario  
Canada L4W 2T7

Tel: 416-629-7756  
1-800-263-4388  
Fax: 416-629-7928

Beck Drilling &  
Environmental Services  
416 Monumental Place S.E.  
Meridian Industrial Estates  
Calgary, Alberta  
Canada T2A 1X3

Tel: 403-272-5531  
Fax: 403-248-1050

Other locations:

Port Coquitlam,  
British Columbia

Beer Precast Concrete Ltd.  
110 Manville Road  
Scarborough, Ontario  
Canada M1L 4J4

Tel: 416-759-4151  
Fax: 416-759-4151 Ext. 226

Frontier Foundations Inc.  
112 - 1404 South Central  
Kent, Washington  
U.S.A. 98032

Tel: 206-850-1582  
Fax: 206-854-1247

Other locations:

Kaneohe, Hawaii

Hanlon Construction Limited  
16031 River Road  
Richmond, British Columbia  
Canada V6V 1L5

Tel: 604-278-3674  
Fax: 604-279-9097

Mitchell Consulting Ltd.  
6A - 11240 Bridgeport Road  
Richmond, British Columbia  
Canada V6X 1T2

Tel: 604-270-1115  
Fax: 604-270-1056

Midwest Management  
(1987) Limited  
P.O. Box 5296, Stn. E.  
Edmonton, Alberta  
Canada T5P 4C5

Tel: 403-962-1993  
Fax: 962-1014

Seacore Limited (50%)  
Lower Quay, Gweek  
Helston, Cornwall  
U.K. TR12 6UD

Tel: 011-44-32-622771  
Fax: 011-44-32-622553

Vibroflotation Inc.  
322 North Commercial Street  
Ste. 203  
Bellingham, Washington  
U.S.A. 98225

Tel: 206-671-1988  
Fax: 206-671-2339

Other locations:

Coral Gables, Florida  
Pittsburgh, Pennsylvania

Western Caissons Limited  
7708 Wagner Road  
Edmonton, Alberta  
Canada T6E 5B2

Tel: 403-468-3392  
Fax: 403-466-7465

Other locations:

Port Coquitlam, British Columbia  
Calgary, Alberta  
Fort Whyte, Manitoba  
Saskatoon, Saskatchewan  
Regina, Saskatchewan

**WASTE MANAGEMENT  
& RECYCLING**

AGRA Plastics Inc.  
2220 Argenta Road, Unit 3  
Mississauga, Ontario  
Canada L5N 2K7  
Tel: 416-567-0012  
Fax: 416-567-7841

AGRA Recycling  
6910 - 34 Street  
Edmonton, Alberta  
Canada T6H 2X2  
Tel: 403-465-6158  
Fax: 403-465-8074

Contain-A-Way Ltd.  
1331 - 44th Avenue  
Calgary, Alberta  
Canada T2E 6L5  
Tel: 403-250-9141  
Fax: 403-250-6845

Other locations:  
Edmonton, Alberta

Contain-A-Way Inc.  
d.b.a. 20/20 Recycle Centers  
1731 Pomona Road  
Corona, California  
U.S.A. 91720  
Tel: 714-279-2200  
Fax: 714-279-1619

**ASSET DEVELOPMENT  
& INVESTMENTS**

Allders International  
Canada Limited (51%)  
93 Skyway Avenue  
Ste. 205  
Rexdale, Ontario  
Canada M9W 6C7

Tel: 416-674-2850  
Fax: 416-674-2854

Other locations:  
Vancouver, British Columbia  
Richmond, British Columbia  
Calgary, Alberta

CPG Contractors Planning  
Group Inc. (25%)  
2255 Sheppard Ave. E., #E440  
Willowdale, Ontario  
Canada M2J 4T1  
Tel: 416-498-9515  
Fax: 416-498-5453

Ellesmere Britannia Ltd.  
Box 1698  
Grand Cayman Island, B.W.I.  
Tel: 809-949-7440  
Fax: 809-949-8032

Research Foods Limited  
77 Champagne Drive  
Downsview, Ontario  
Canada M3J 2C6

Tel: 416-635-8434  
Fax: 416-635-8444

W.T. McMullen & Associates Inc.  
(49%)  
2255 Sheppard Ave. E., #E440  
Willowdale, Ontario  
Canada M2J 4T1

Tel: 416-498-4044  
Fax: 416-498-5433

*Note: Companies are wholly  
owned subsidiaries of AGRA  
Industries Limited except where  
AGRA's percentage interest is  
indicated in brackets.*

Annual meeting

The annual meeting of shareholders will be held at 2:30 p.m. on Thursday, January 23, 1992, in the Vanity Fair Ballroom of the King Edward Hotel, 37 King Street East, Toronto, Ontario, Canada.

Head Office  
 Royal Bank Tower  
 Suite 1900  
 335 – 8th Avenue S.W.  
 Calgary, Alberta  
 Canada T2P 1C9  
 Tel: (403) 263-9606  
 Fax: (403) 263-9676

Company Auditors  
 Deloitte & Touche  
 Calgary, Alberta, Canada

Registrar and Transfer Agent  
 Common shares:  
 Montreal Trust Company of Canada  
 Convertible debentures:  
 Montreal Trust Company of Canada

Executive Office  
 2233 Argentia Road  
 Ste. 400  
 Mississauga, Ontario  
 Canada L5N 2X7  
 Tel: (416) 858-8000  
 Fax: (416) 858-3321

Securities Exchange Listing  
 Toronto Stock Exchange  
 Montreal Stock Exchange

Ottawa Office  
 237 Metcalfe Street  
 Ottawa, Ontario  
 Canada K2P 1R2  
 Tel: (613) 237-7047  
 Fax: (613) 237-3931

Office of the Chairman  
 39 Old Mill Road  
 1201 Old Mill Towers  
 Toronto, Ontario  
 Canada M8X 1G6  
 Tel: (416) 858-8000  
 Tel: (416) 233-9633  
 Fax: (416) 233-6127



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