November 14, 2016

TRADING SYMBOL: The Toronto Stock Exchange/OTCQX:
Village Farms International, Inc. – VFF/VFFIF

Village Farms Announces Third Quarter 2016 Results Reflecting Continued Double Digit Revenue Growth

Vancouver, B.C., November 14, 2016 – Village Farms International, Inc. (the "Company") (TSX: VFF) (OTC:VFFIF) announced today results for the quarter ended September 30, 2016.

Conference Call and Webcast

A conference call will be held **November 21, 2016** to discuss the Company's third quarter 2016 results. The conference call will begin at 8:00 a.m. PST (11:00 a.m. EST) and will be hosted by Messrs. Michael DeGiglio, Chief Executive Officer, and Stephen Ruffini, Chief Financial Officer.

To participate in the conference call, please dial into the conference call a few minutes before the start time: **1-888-390-0546 or 416-764-8688**.

The Company will be presenting at the 7th annual Craig-Hallum Alpha Conference on Wednesday, **November 16th** at 1:30 p.m. EST. The presentation will be webcast by Wall Street Webcasting. The presentation and play back will be made available on the Village Farms web site.

Year to Date Operating Summary:
(Note amounts in U.S. Dollars)

- Sales increased 11% to $118.2 million for the nine months ended September 30, 2016 compared to $106.8 million for the nine months ended September 30, 2015;
- EBITDA decreased ($0.3) million to $5.9 million for the nine months ended September 30, 2016 compared to $6.2 million for the nine months ended September 30, 2015;
- Loss per share of ($0.06) for the nine months ended September 30, 2016 versus ($0.01) for the nine months ended September 30, 2015; and
- Net (loss) increased ($2.0) million to ($2.4) million for the nine months ended September 30, 2016 versus ($0.4) for the nine months ended September 30, 2015.

Michael DeGiglio, Chief Executive Officer, stated: “We continue to demonstrate success increasing our market share due to the addition of 65 acres of capacity from our new supply partner in 2016. As a result of this expanded market share in the northeast and southeast U.S., we remain confident for a stronger 2016/2017 winter operating performance. We are excited about the fourth quarter and 2017 as a significant Texas customer has expanded our product lines to adjacent states and one other large retailer is in the process of expanding our product lines to additional west coast distribution centres.”

“The third quarter results were somewhat challenging. While we continued to deliver on increasing our sales penetration as a result of our increased supply partner capacity, our Canadian asset product margins were adversely impacted by crop issues resulting in a reduction in yields for the quarter, especially on our TOV and beefsteak varieties. While we continued, year over year, to reduce our cost of production as a result of continual improvements in labour and lower energy and fuel charges, our lower yields in the third quarter effectively returned our Canadian cost of sales to 2015 levels solely due to lower production volumes. We have managed through the crop issues which resulted in lower than historical yields. Numerous growers in North America and other parts of the world are experiencing similar issues linked to specific pressures. Thus, while it has not been definitely determined, it appears that the issues we and other growers are facing may be seed borne. We have experienced a few crop issues in our history and do not see this as a long term issue.”

Mr. DeGiglio added: “We announced the results of a CO2 study in July and recently held some encouraging meetings with municipalities in the Greater Vancouver area, which is necessary for us to further our goal of using landfill gas from the City of Vancouver landfill not only as a source of fuel for our existing cogeneration facility but also as a first of its kind renewable source of CO2 for our greenhouse operations. This will lower our cost of production as well as have significant measureable improvements in local air emissions, and our demonstrated commitment to increasing sustainability in the Greater Vancouver area. We continue to focus on improving our operating margins as well as to continue to deliver on success with our unique Gates technology, while focusing on the evaluation of alternative crops and future development strategies.”

Operational Summary - Year to Date:

(In thousands of U.S. Dollars)

Net Sales

Net sales for the nine months ended September 30, 2016 increased $11,381, or 11%, to $118,194 compared to $106,813 for the nine months ended September 30, 2015. The increase in net sales is due to an increase in supply partner revenues of 67% over the comparable period in 2015. Company product revenues decreased (3%) for the nine months ended September 30, 2016 versus the nine months ended September 30, 2015 due to lower tomato pounds as a result of crop issues primarily relating to TOV and beefsteak varieties at our Canadian facilities.

The net price for all tomato pounds sold increased 3% for the nine months ended September 30, 2016 versus the nine months ended September 30, 2015, which was driven by the increase in the volume of specialty tomatoes sold. Pepper prices were flat while pepper pounds decreased (16%) over the comparable period in 2015 and cucumber prices increased 2% and cucumber pieces increased 19% for the nine months ended September 30, 2016 over the comparable period in 2015.

Cost of Sales

Cost of sales for the nine months ended September 30, 2016 increased $10,594, or 11%, to $108,887 from $98,293 for the nine months ended September 30, 2015. The increase is due solely to a 71% increase in supply partner cost of sales. The cost at the Company's facilities decreased (4%) due to lower costs per pound in 2016 versus the same period in 2015 on lower production volumes.

Change in fair value of biological asset, net

The net change in fair value of our biological asset for the nine months ended September 30, 2016 decreased ($2,525) to ($1,344) from $1,181 for the nine months ended September 30, 2015. The decrease is due to a higher beginning value on January 1, 2016 versus the January 1, 2015 value and less tomato pounds in October 2016 versus October 2015.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the nine month period ended September 30, 2016 increased $1,157, or 13%, to $9,826 from $8,669 for the nine month period ended September 30, 2015. The increase is due to increases in sales and marketing costs associated with the increase in supply partner revenues and increasing retailer market share.

Income (Loss) from Operations

Income (Loss) from operations for the nine months ended September 30, 2016 is ($1,863), which was a decrease of ($2,895) from income from operations of $1,032 for the nine months ended September 30, 2015. The decrease in operating results is due to a decrease in the change in fair value of biological asset of ($2,525) and an increase in selling and marketing expenses of ($1,157), which were partially offset by lower Company-owned asset costs of production.

Interest Expense, net

Interest expense, net, for the nine month period ended September 30, 2016 increased $188 to $1,904 from $1,716 for the nine month period ended September 30, 2015. The increase is due to an increase in the interest rate on the Company's long term debt as of May 1, 2016.

Income Taxes (recovery)

Income tax (recovery) for the nine month period ended September 30, 2016 was ($1,391) compared to ($381) for the nine month period ended September 30, 2015. The effective tax rate is 36% for the nine month period ended September 30, 2016 and 49% for the same period in 2015. The difference in tax rates between these two periods is due to the tax effect of the biological asset as of September 30 for each year.

Net (Loss) Income

Net (loss) for the nine month period ended September 30, 2016 increased $2,044 to a loss of ($2,436) from a loss of ($392) for the nine month period ended September 30, 2015. The increased loss is primarily a result of a decrease in the change in biological asset, lower margins on supply partner volumes and higher selling, general and administrative expenses.

EBITDA

EBITDA for the nine month period ended September 30, 2016 decreased ($347) to $5,884 from $6,231 for the nine month period ended September 30, 2015, primarily as a result of lower margins on supply partner volumes and an increase in selling, general and administrative expenses as compared to the same period in 2015, partially offset by improvements in the financial performance of the Company's owned assets. See "Non-IFRS Measures" and "Non-IFRS Measures - Reconciliation of Net Earnings to EBITDA."

Third Quarter Summary:

(In thousands of U.S. Dollars)

- Net Sales increased by 11%, or $4.2 million, to $42.0 million for the third quarter of 2016 compared to $37.9 million for the third quarter of 2015.
- EBITDA decreased ($1.3) million to $0.5 million in the third quarter of 2016 compared to $1.8 million in the third quarter of 2015.
- Net (loss) increased ($1.1) million to ($1.4) million in the third quarter of 2016 compared to ($0.3) million in the third quarter of 2015.

Third Quarter Operational Discussion:

Sales

Sales for the three months ended September 30, 2016 increased by $4,190, or 11%, to $42,045 from $37,855 for the three months ended September 30, 2015. The increase in sales is primarily due to an 84% increase in supply partner revenue resulting from an 89% increase in supply partner volume. The increase in supply partner volume is due to an additional grower agreement that took effect in the fall of 2015. The Company's tomato production decreased by (3%) and the Company's cucumber pieces sold increased by 6%. The increase in cucumber pieces sold is a reflection of the continued improvements in growing techniques and climate control at the Company's Permian Basin facility.

The average selling price for tomatoes was flat for the three months ended September 30, 2016 versus the three months ended September 30, 2015. Cucumber pricing decreased by (4%) and pepper pricing decreased by (5.4%) in the third quarter of 2016 versus the comparable quarter in 2015.

Cost of Sales

Cost of sales for the three months ended September 30, 2016 increased by $4,981, or 14%, to $40,329 from $35,348 for the three months ended September 30, 2015. The increase is due to an 89% increase in supply partner product volume versus the same period in 2015 and incremental catch-up charges on the Company's Canadian production due to ongoing crop issues impacting the facilities yields on TOV and beefsteak varieties. The cost per tomato pound at the Company's Canadian facilities had been tracking ahead of prior year through June 30, 2016 due to lower costs, but based on the lower yields during the third quarter caused by crop issues, the cost per tomato pound on the Company's Canadian crop returned to the prior year average cost per pound. The incremental increase in cost of sales was close to $2,100.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended September 30, 2016 increased $547, or 20%, to $3,349 from $2,802 for the three months ended September 30, 2015. The increase is primarily the result of an increase in sales and marketing personnel and marketing expenses.

Change in Biological Asset

The net change in fair value of the biological asset for the three months ended September 30, 2016 decreased by ($91) to $420 from $511 for the three months ended September 30, 2015. The decrease is primarily due to lower production in October 2016 versus the same month in 2015. The fair value of the biological asset at September 30, 2016 is $6,540 and was $7,016 at September 30, 2015.

Income (Loss) from Operations

There was a (loss) from operations for the three months ended September 30, 2016 of ($1,213) versus income from operations of $216 for the three months ended September 30, 2015. The decrease in operating results is due to a decrease in the Company's gross profit as a result of crop issues, higher selling and marketing costs in the third quarter of 2016 versus the third quarter of 2015, and the change in fair value of the biological asset.

Interest Expense, net

Interest expense, net, for the three months ended September 30, 2016 increased by $136 to $706 from $570 for the three months ended September 30, 2015. The increase is due to an increase in the interest rate on the Company's long term debt versus the prior year.

Income Taxes

Income tax (recovery) for the three months ended September 30, 2016 was a recovery of ($521) compared to income tax (recovery) of ($23) for the three months ended September 30, 2015. The income tax (recovery) in the third quarter of 2016 as compared to the income tax expense in the third quarter of 2015 is due to the (loss) from operations in 2016 versus operating income for the same period in 2015.

Net (Loss)

Net (loss) for the three months ended September 30, 2016 increased by ($1,107) to ($1,425) from ($318) for the three months ended September 30, 2015. The increase was the result of a decrease in the Company's gross profit percentage for the three months ended September 30, 2016 due to crop issues, which caused incremental cost of sale charges during the quarter, an increase in selling, general and administrative expenses and a decrease in the fair value change in the biological asset.

EBITDA

EBITDA for the three months ended September 30, 2016 decreased by ($1,234), or (69%), to $547 from $1,781 for the three months ended September 30, 2015, principally as a result of the lower margins from our Canadian facilities during the quarter due to a decrease in the sales prices from these facilities, an increase in the cost of sales due to lower yields resulting from crop issues and an increase in personnel and marketing costs offset by the increase in supply party sales. See "Non-IFRS Measures" and "Non-IFRS Measures - Reconciliation of Net Income to EBITDA."

Update on Solar Project

On April 5, 2016, the Company announced that it had entered into an agreement with SolarCity and MP2 Energy to build a 2 megawatt solar array adjacent to its Permian Basin GATES greenhouse in Monahans, Texas. While the Company understands that SolarCity has constructed the solar array, it has yet to install the system at the greenhouse. With the outside commercial operation date rapidly approaching, the existing solar contract may expire, in which case the Company and its partners will have to renegotiate the contract or pass on the opportunity. The solar array would not only make the facility even more sustainable – receiving all of its power from renewable wind and solar sources - but would also fix the Company's daytime electricity rate at an attractive rate, thereby avoiding future rate increases or congestion charges.

Non-IFRS Measures

References in this press release to "EBITDA" are to earnings before interest, taxes, depreciation, amortization, foreign currency exchange gains and losses on translation of long-term debt, unrealized change in biological asset, stock compensation, and gains and losses on asset sales. EBITDA is a cash flow measure that is not recognized under IFRS and does not have a standardized meaning prescribed by IFRS. Therefore, EBITDA may not be comparable to similar measures presented by other issuers. Investors are cautioned that EBITDA should not be construed as an alternative to net income or loss determined in accordance with IFRS as an indicator of the Company's performance or to cash flows from operating, investing and financing activities as measures of liquidity and cash flows. Management believes that EBITDA is an important measure in evaluating the historical performance of the Company.

Reconciliation of Net Income to EBITDA

The following table is the reconciliation of net income to EBITDA, as presented by the Company:

(in thousands of U.S. dollars)	**For the three months ended September 30,**		**For the nine months ended September 30,**	
	2016	**2015**	**2016**	**2015**
Net loss	($1,425)	($318)	($2,436)	($392)
Add:				
Amortization	2,100	2,046	6,247	6,226
Foreign currency exchange (gain) loss	52	(20)	55	106
Interest expense	706	570	1,904	1,716
Income taxes	(521)	(23)	(1,391)	(381)
Stock compensation	55	37	149	137
Loss on asset disposal	0	0	12	-
Change in biological asset	(420)	(511)	1,344	(1,181)
EBITDA	$547	$1,781	$5,884	$6,231

About Village Farms

Village Farms is one of the largest producers, marketers and distributors of premium-quality, greenhouse-grown tomatoes, bell peppers and cucumbers in North America. This premium product as well as premium product produced under exclusive arrangements with other greenhouse producers is grown in sophisticated, highly efficient and intensive agricultural greenhouse facilities located in British Columbia and Texas. Product is marketed and distributed under the Village Farms® brand primarily to retail grocers and dedicated fresh food distributors throughout the United States and Canada. Since its inception, Village Farms has been guided by sustainable growing methods and producing vegetables 365 days a year from its facilities that are healthier for people and the planet. Village Farms is Good for the Earth®.

Forward Looking Statements

This press release contains certain “forward looking statements”. These statements relate to future events or future performance and reflect the Company’s expectations regarding its growth, results of operations, performance, business prospects, opportunities, industry performance and trends and capital availability. These forward looking statements reflect the Company’s current internal projections, expectations or beliefs and are based on information currently available to the Company. In some cases, forward looking statements can be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict” , “potential”, “continue” or the negative of these terms or other comparable terminology. A number of factors could cause actual events or results to differ materially from the results discussed in the forward looking statements. In evaluating these statements, you should specifically consider various factors, including, but not limited to, such risks and uncertainties as availability of resource, competitive pressures and changes in market activity, risks associated with U.S. and Canadian sales and foreign exchange, regulatory requirements and all of the other "Risk Factors" set out in the Company’s current annual information form and management’s discussion and analysis for the year ended December 31, 2015, which is available electronically at www.sedar.com. Actual results may differ materially from any forward looking statement. Although the Company believes that the forward looking statements contained in this press release are based upon reasonable assumptions, you cannot be assured that actual results will be consistent with these forward looking statements. These forward looking statements are made as of the date of this press release, and other than as specifically required by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances.

For further information

Stephen C. Ruffini, Executive Vice President and Chief Financial Officer, Village Farms International, Inc., (407) 936-1190 ext. 340.

Village Farms International, Inc.
Condensed Consolidated Interim Statements of Financial Position
(In thousands of United States dollars)

	September 30, 2016	December 31, 2015
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 5,159	$ 4,957
Trade receivables	11,935	9,144
Other receivables	378	425
Inventories	13,028	13,301
Prepaid expenses and deposits	1,607	298
Biological asset	6,540	6,079
Total current assets	38,647	34,204
Non-current assets		
Property, plant and equipment	90,093	94,285
Other assets	1,504	1,521
Total assets	$ 130,244	$ 130,010
LIABILITIES		
Current liabilities		
Trade payables	$ 10,584	$ 8,857
Accrued liabilities	5,218	2,623
Income taxes payable	-	662
Operating loan	3,000	-
Current maturities of long-term debt	3,275	4,388
Current maturities of capital lease obligations	38	28
Total current liabilities	22,115	16,558
Non-current liabilities		
Long-term debt	42,844	44,428
Long-term maturities of capital lease obligations	95	7
Deferred tax liability	3,512	5,184
Deferred compensation	906	902
Total liabilities	69,472	67,079
SHAREHOLDERS' EQUITY		
Share capital	24,927	24,903
Contributed surplus	1,346	1,197
Accumulated other comprehensive loss	(498)	(602)
Retained earnings	34,997	37,433
Total shareholders' equity	60,772	62,931
Total liabilities and shareholders' equity	$ 130,244	$ 130,010

Village Farms International, Inc.

Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)

For the Three and Nine Months Ended September 30, 2016 and 2015

(In thousands of United States dollars, except per share data)

(Unaudited)

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Sales	$ 42,045	$ 37,855	$ 118,194	$ 106,813
Cost of sales	(40,329)	(35,348)	(108,887)	(98,293)
Change in biological asset	420	511	(1,344)	1,181
Selling, general and administrative expenses	(3,349)	(2,802)	(9,826)	(8,669)
(Loss) income from operations	(1,213)	216	(1,863)	1,032
Interest expense	706	570	1,904	1,716
Foreign exchange loss (gain)	52	(20)	55	106
Other (income) expense, net	(25)	7	(7)	(17)
Loss on sale of assets	-	-	12	-
Loss before income taxes	(1,946)	(341)	(3,827)	(773)
Recovery of income taxes	(521)	(23)	(1,391)	(381)
Net loss	$ (1,425)	$ (318)	$ (2,436)	$ (392)
Basic loss per share	$ (0.04)	$ (0.01)	$ (0.06)	$ (0.01)
Diluted loss per share	$ (0.04)	$ (0.01)	$ (0.06)	$ (0.01)
Other comprehensive income (loss):				
Foreign currency translation adjustment	(28)	(174)	104	(321)
Comprehensive loss	$ (1,453)	$ (492)	$ (2,332)	$ (713)

Village Farms International, Inc.

Condensed Consolidated Interim Statements of Cash Flows

For the Three and Nine Months Ended September 30, 2016 and 2015

(In thousands of United States dollars)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Cash flows from operating activities:				
Net loss	$ (1,425)	$ (318)	$ (2,436)	$ (392)
Adjustments to reconcile net loss to net cash provided by/(used in) operating activities:				
Depreciation and amortization	2,100	2,046	6,247	6,226
Amortization of deferred charges	55	-	161	-
Loss on sale of assets	-	-	12	-
Unrealized foreign exchange (gain) loss	-	(20)	-	106
Interest paid	648	570	1,708	1,727
Share-based compensation	55	37	149	137
Deferred income taxes	(578)	(783)	(1,672)	(1,517)
Change in biological asset	(420)	(511)	1,344	(1,181)
Changes in non-cash working capital items	297	3,311	(2,199)	392
Net cash provided by operating activities	732	4,332	3,314	5,498
Cash flows from investing activities:				
Purchases of property, plant and equipment	(93)	(590)	(1,485)	(1,537)
Net cash used in investing activities	(93)	(590)	(1,485)	(1,537)
Cash flows from financing activities:				
Proceeds from borrowings	-	2,000	4,000	7,000
Repayments on borrowings	(817)	(3,098)	(3,921)	(10,298)
Interest paid on long-term debt	(649)	(570)	(1,708)	(1,727)
Proceeds from exercise of stock options	-	-	24	-
Payments on capital lease obligations	(15)	(7)	(28)	(20)
Net cash used in financing activities	(1,481)	(1,675)	(1,633)	(5,045)
Effect of exchange rate changes on cash and cash equivalents	(1)	20	6	(106)
Net increase/(decrease) in cash and cash equivalents	(843)	2,087	202	(1,190)
Cash and cash equivalents, beginning of period	6,002	3,060	4,957	6,337
Cash and cash equivalents, end of period	$ 5,159	$ 5,147	$ 5,159	$ 5,147
Supplemental cash flow information:				
Income taxes paid	$ 74	$ 220	$ 1,222	$ 885
Supplemental disclosure of non-cash information:				
Purchases of capital expenditures by financing capital lease	$ -	$ -	$ 126	$ -
Purchases of capital expenditures by use of accounts payable	$ 253	$ -	$ 253	$ -