

September 13, 2011



Ceapro Defends Claim from AVAC Ltd.

EDMONTON, ALBERTA -- (MARKET WIRE) -- 09/13/11 -- Ceapro Inc. (TSX VENTURE: CZO) ("Ceapro" or the Company") announced today it and its wholly owned subsidiary, Ceapro Veterinary Products Inc., were served with a Statement of Claim filed in the Court of Queens Bench of Alberta by AVAC Ltd. ("AVAC"). Pursuant to the Statement of Claim, AVAC alleges damages of \$724,500. The amounts claimed relate to a royalty agreement that was entered into in 2005 (the "2005 Agreement"). Pursuant to the 2005 Agreement, AVAC provided project funding of \$362,250 for product innovation development in the area of veterinary therapeutics and active ingredients (the "Project") and obligated Ceapro to pay a royalty calculated with reference to sales generated from products developed out of the Project. Ceapro has complied with all obligations required of it pursuant to the 2005 agreement including making all required royalty payments.

Consequently, Ceapro will be filing a Statement of Defence which denies all allegations contained in the Statement of Claim and will be taking all other steps required of it to vigorously defend AVAC's allegations.

About Ceapro Inc.

Ceapro Inc. is a Canadian growth-stage biotechnology company. Primary business activities relate to the development and commercialization of active ingredients for personal care and cosmetic industries using proprietary technology and natural, renewable resources. To learn more about Ceapro, visit www.ceapro.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contacts:

Ceapro Inc.
Branko Jankovic
Chief Financial Officer
(Edmonton): (780) 917-8376
bjankovic@ceapro.com
www.ceapro.com

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