

September 30, 2011



## Ceapro Files Statement of Defence

EDMONTON, ALBERTA -- (MARKET WIRE) -- 09/29/11 -- September 29, 2011 - Ceapro Inc. (TSX VENTURE: CZO) ("Ceapro" or the Company") announced today it and its wholly owned subsidiary, Ceapro Veterinary Products Inc., have filed a Statement of Defence in the Court of Queens Bench of Alberta to defend claims made by AVAC Ltd. ("AVAC"). Pursuant to the Statement of Claim, AVAC alleged 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. "The royalties payable in this agreement have been calculated and paid up to date in accordance with the Agreement and we will vigorously contest this claim", said Gilles Gagnon, acting CEO of Ceapro.

### 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](http://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.

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