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Ceapro Reports Record Full-Year 2014 Financial Results

- Company posts best full-year financial performance in its history -

- FY 2014 Revenues increased 36% vs. 2013 -

- FY 2014 Net Profit increased 806% vs. 2013 -

EDMONTON, ALBERTA -- (Marketwired) -- 04/22/15 -- [Ceapro Inc. \(TSX VENTURE:CZO\)](#) (**Ceapro or the Company**), a growth-stage biotechnology company focused on the development and commercialization of active ingredients for healthcare and cosmetic industries, announced today its financial results for the twelve-months ended December 31, 2014 and provided an overview of recent operational highlights and expected business milestones for 2015.

Financial Highlights Full-Year 2014 vs. 2013

	2014	2013
Sales	\$ 8,890,000	\$ 6,524,000
Income from Operations	\$ 2,000,000	\$ 447,000
Net Profit	\$ 1,594,000	\$ 176,000
Cash from Operations	\$ 2,443,000	\$ 490,000

Gilles Gagnon, M.Sc., MBA, President and CEO of Ceapro, stated, "We are very pleased to report that 2014 was a record-breaking year on many fronts for Ceapro. These best ever financial results were achieved because of an all-time record demand for our flagship product, avenanthramides. Importantly, these impressive results were realized while transitioning to a new site and focusing our resources on selected product development which we believe will be integral to our growth and expansion plans in the coming years. We are thankful and proud of our dedicated employees who have successfully delivered on such increased demand in a timely manner."

Recent Operational Highlights

- Signed a Development and Licensing Agreement with the University of Alberta for the use of an enabling **P**ressurized **G**as **eX**panded Technology (PGX) for the development and large scale production of dry formulations;
- Received a prestigious BIOTECanada Gold Leaf Award as Emerging Company of the year in Agriculture/Industrial;
- Awarded a non-reimbursable research grant from Alberta Innovates Bio Solutions to develop a novel functional energy drink formulation utilizing Ceapro's proprietary high-

purity dry form beta glucan as an active ingredient in collaboration with University of Alberta;

- Obtained encouraging results for increased yield of avenanthramides through the use of a malting technology licensed from Agriculture Canada;
- Moved offices and research and development laboratories to Ceapro's new facility in South Edmonton;
- Announced the Scientific Achievement & Innovation Award from BioAlberta honoring Ceapro's research scientist, Bernhard Seifried, Ph.D., a PGX Technology co-inventor; and
- Appointed world renowned health and disease management expert, William W. Li, M.D., to the Board of Directors.

Highlights Subsequent To Year End

- Expanded the Company's license agreement with University of Alberta to include worldwide rights to develop and commercialize PGX Technology in all industrial fields;
- Signed a financing agreement with Agriculture Financial Services Corporation for a commercial financing of up to \$900,000;
- Completed a non-brokered private placement totaling \$960,000; and
- Signed a license agreement with Arrgo for the continuity of a research project with flagship product, avenanthramides.

Mr. Gagnon added, "We are very pleased with the advancements we have made over the last year and the momentum we have built preparing the company for its next stage of growth. We are more confident than ever that Ceapro has the key to new successes by offering: a de-risked business model with a base business in the cosmetic sector, which provides a revenue stream; well advanced near-term catalysts with dry beta glucan as a potential functional food/nutraceutical; and long-term catalysts with dry formulations of avenanthramides for the nutraceutical and/or pharmaceutical markets. Also, we view the development of our proprietary PGX platform technology for which we have recently obtained the worldwide rights for all industrial applications as a game changer for Ceapro."

"We have moved our offices and research laboratories to our new site in 2014. While the successful completion, implementation and commissioning of the production area remains our top priority for 2015, in parallel, we are committed to remain laser focused on executing our strategic imperatives for growth that should drive significant value to all of our shareholders," concluded Mr. Gagnon.

Financial Results for the Twelve Month Period Ended December 31, 2014

Total revenue for the twelve-months ending December 31, 2014 was \$8,890,000 as compared to \$6,524,000 for the twelve-month period ending December 31, 2013, an increase of 36% primarily as a result of higher sales volumes of avenanthramides and oat oil. Total revenues were also positively impacted by a stronger U.S. dollar relative to the Canadian dollar.

Net income was \$1,594,000 for the twelve months ending December 31, 2014 compared to a net income of \$176,000 for the same period in 2013.

Research and Development investments net of grants for the twelve-month period ended

December 31, 2014 were \$578,000 compared to \$731,000 in 2013 period.

General and Administration expenses were \$1,984,000 for the twelve-months ending December 31, 2014 compared to \$1,709,000 for the same period in 2013 primarily due to higher board and directors' compensation from share based payments, accounting and audit fees, rent, depreciation and legal expenses.

Sales and Marketing expenses for the twelve-months ending December 31, 2014 were only \$14,000 compared to \$85,000 in the 2013 period, as a result of a strategic change in sales and marketing strategy related to distribution partnering.

As of December 31, 2014, the Company had cash and cash equivalents totaling \$272,845 as compared to \$1,953,019 as of December 31, 2013.

CEAPRO INC.

Consolidated Statements of Net Income and Comprehensive Income

	Year Ended December 31,	
	2014	2013
	\$	\$
Revenue (note 13)	8,890,256	6,524,062
Cost of goods sold	4,126,484	3,425,248
Gross margin	4,763,772	3,098,814
Research and product development	578,361	731,174
General and administration	1,984,025	1,709,053
Sales and marketing	13,700	84,897
Finance costs (note 16)	187,969	126,663
Income from operations	1,999,717	447,027
Other operating loss (note 15)	(405,922)	(271,219)
Net income for the year	1,593,795	175,808
Other comprehensive loss		
Actuarial loss on employee future benefit obligation (note 10)	-	(16,916)
Total comprehensive income for the year	1,593,795	158,892
Net income per common share (note 25):		
Basic	0.03	0.00
Diluted	0.03	0.00
Weighted average number of common shares outstanding	60,901,619	60,278,948

About Ceapro Inc.

Ceapro Inc. is a Canadian biotechnology company involved in the development of proprietary extraction technology and the application of this technology to the production of extracts and "active ingredients" from oats and other renewable plant resources. Ceapro adds further value to its extracts by supporting their use in cosmeceutical, nutraceutical, and therapeutics products for humans and animals. The Company has a broad range of expertise in natural product chemistry, microbiology, biochemistry, immunology and process engineering. These skills merge in the fields of active ingredients, biopharmaceuticals and drug-delivery solutions. For more information on Ceapro, please visit the Company's website

at www.ceapro.com.

Neither the TSX Venture Exchange nor its Regulation Service 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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