

July 11, 2016



Ceapro Inc. Closes an Initial Tranche of a Brokered Private Placement

EDMONTON, ALBERTA -- (Marketwired) -- 07/11/16 -- ***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 that it has closed the first tranche of its previously announced brokered private placement (the "***Offering***") and increased the maximum size of the Offering from \$5,750,000 to \$10,000,000. The first tranche resulted in the issuance of 5,348,592 units (each, a "***Unit***"), including 405,500 Units held in escrow pending final approval of the Offering by the TSX Venture Exchange, each issued at a price of \$1.06 per Unit, which resulted in gross proceeds of \$5,669,508. Each Unit consisted of one common share (each a "***Purchased Share***") and one-half common share purchase warrant (each a "***Warrant***"). Each Warrant entitles the holder thereof to acquire one additional common share (each a "***Warrant Share***") at an exercise price of \$1.50 for a period of 24 months following the closing of the Offering. The second tranche of the Offering is expected to close on or about July 13, 2016.

Echelon Wealth Partners Inc. ("***Echelon***") is acting as sole agent with respect to the Offering pursuant to an agency agreement entered into between Echelon and the Company. In connection with the closing of the first tranche of the Offering, the Company paid Echelon a cash commission of 7% of the gross proceeds raised in the first tranche and 374,401 broker unit warrants (each a "***Broker Unit Warrant***"). Each Broker Unit Warrant entitles Echelon to acquire one common share (each a "***Broker Share***") and one-half of one common share purchase warrant (each a "***Broker Warrant***") at a price of \$1.06 for a period of 24 months following the closing of the first tranche. Each whole Broker Warrant entitles Echelon to acquire one additional common share (each a "***Broker Warrant Share***") at an exercise price of \$1.50 for a period of 24 months following the closing of the first tranche. Challenging market conditions following the announcement of the Offering prompted Ceapro to reduce the exercise price of the Warrants to \$1.50 (representing a 27% premium to the closing market price immediately prior to the announcement of the Offering). Due to recent increased market demand in the Offering, Ceapro has decided to increase the size of the Offering. Proceeds of the Offering will be used for research and development and general working capital purposes. All securities issued pursuant to the Offering will be subject to a statutory hold period expiring four months and one day after closing of the Offering.

None of the securities issued in connection with the Offering will be registered under the *United States Securities Act of 1933*, as amended (the "***1933 Act***"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This press release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

Forward Looking Statements

This press release contains forward-looking statements with respect to Ceapro, including with respect to additional private placement closings, expect closing dates and possible offering size. These statements generally can be identified by the use of forward looking words such as "may", "could", "should", "would", "will", "expect", "intend", "plan", "estimate", "project", "anticipate", "believe" or "continue", or the negative thereof or similar variations. By their nature, forward-looking statements are subject to numerous risks and uncertainties. Readers are cautioned that the assumptions used in the preparation of forward-looking information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Actual results, performance, or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. No assurance can be given that any of the events anticipated will transpire or occur, or if any of them do so, what benefits Ceapro will derive from them.

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.

INVESTOR AND MEDIA CONTACT:

Jenene Thomas

Jenene Thomas Communications, LLC

908-938-1475

jenene@jenenethomascommunications.com

Source: Ceapro Inc.