

November 7, 2022



Ceapro Inc. Launches Next Phase of Scale Up for its Disruptive PGX Technology to Pursue Product Development for Nutraceutical and Pharmaceutical Markets

- *PGX processing unit to be installed at Agri-Food Discovery Place of University of Alberta*
- *Alginate and yeast beta glucan to be the first bio actives to be processed at this location*

EDMONTON, Alberta, Nov. 07, 2022 (GLOBE NEWSWIRE) -- [Ceapro Inc.](#) (TSX-V: **CZO**; OTCQX: **CRPOF**) (“**Ceapro**” or the “**Company**”), a growth-stage biotechnology company focused on the development and commercialization of active ingredients and disruptive technologies for healthcare and cosmetic industries, announced today the signing of a license agreement with The Governors of the University of Alberta to use designated areas within Agri-Food Discovery Place (AFDP) to further scale up the Company’s disruptive Pressurized Gas eXpanded (PGX) technology in preparation for commercial partnerships.

The signing of this agreement comes on the heels of the announcement last month that the Company had successfully demonstrated superior bioavailability results using its new chemical conjugates, PGX Alginate and PGX Yeast Beta-Glucan, as delivery systems for Coenzyme Q10. Ceapro demonstrated significantly improved delivery of this notoriously poorly bioavailable bio-active into the tissues vs. the current gold standard in oral CoQ10 supplementation. This, combined with the data demonstrating that PGX can enable the creation of fast or slow-release versions of CoQ10 and other bioactives, and can enable them to be delivered in unique formats like functional beverages or fast dissolving strips, support the potential of PGX to transform drug and bioactive delivery, and ultimately enable the creation of potential first-in-class nutraceutical and pharmaceutical products.

“These never-before seen results support our investment decision to scale the PGX Technology to the next level with an objective of increasing capacity 5 to 10 times as compared to our current demo plant facility. The signing of the license agreement to use designated areas within Agri-Food Discovery Place (AFDP) to scale up the PGX technology is an additional deliberate step in this process, which we believe will ultimately lead to the expansion of our pipeline, with significant potential across healthcare markets. This next phase of scale up will allow us to work with commercial partners in nutraceuticals and pharmaceuticals to formulate, test, and commercialize novel products and formulations, including novel functional foods and beverages, novel drugs and various forms of delivery systems,” said Gilles Gagnon, M.Sc., MBA, President and CEO.

“The Ceapro team and board are very motivated by all of our findings and developments as it provides a clearer picture of the untapped potential of the PGX Technology. The decision to sign the agreement to use AFDP in Edmonton and to invest for a larger customized PGX unit is based on the fact that AFDP’s facility, which is part of the Agricultural Food & Nutritional Science Department at the University of Alberta, has the right infrastructure required to safely and conveniently scale-up the PGX Technology to produce human grade material designed for oral delivery required to satisfy regulatory agencies and partners. AFDP has been “home” for Dr. Feral Temelli who actively participated in the design and implementation of this unique facility where she developed the PGX Technology as part of her numerous projects. This scale up work will be coordinated with two specialized engineering firms that are currently evaluating the design as well as further defining timelines and costs for this project which will be financed using our current cash on hand,” added Gilles Gagnon, M.Sc., MBA, President and CEO.

The PGX Technology scale-up at AFDP will be focused primarily on processing sodium alginate (ALG) extracted from brown seaweed and yeast beta glucan (YBG) extract from brewers’ yeast to form PGX-processed alginate (PGX-ALG), and PGX-processed yeast beta-glucan (PGX-YBG), both of which have broad applications in both nutraceuticals and pharmaceuticals. “When either of these PGX composites are used as carriers, we have observed a significant increase in the amount of drug or bioactive that can be loaded into a dose, as well as the bioavailability, which refers to the amount of drug, nutrient or bioactive that the body is able to successfully absorb and process,” explained Dr. Bernhard Seifried, Senior Director, Research & Technology at Ceapro.

“PGX-ALG can also be formed into thin strips that instantly dissolve on the tongue as an alternative to pills that must be swallowed with water. Yeast Beta-glucan, which is already recognized as a natural and safe immune system booster, has limited effectiveness, but when it is processed using PGX, our in vitro studies have shown that its immune boosting effectiveness is significantly increased. Also, as previously announced, our research collaboration with McMaster University has shown that, due to its high degree of purity and uniquely small particle size, PGX-YBG can also act as a vehicle to deliver therapeutics through inhalation, reaching tissues that are otherwise unreachable in the lung, which may prove to be transformative in treating difficult to treat conditions like lung fibrosis,” added Dr. Seifried.

About Pressurized Gas eXpanded Liquid Technology (PGX)

Ceapro’s patented Pressurized Gas eXpanded (PGX) Technology is a unique and disruptive technology with several key advantages over conventional drying and purification technologies that can be used to process biopolymers into high-value, fine-structured, open-porous polymer structures and novel biocomposites. PGX Technology is ideally suited for processing challenging high-molecular-weight, water-soluble biopolymers. It has the ability to make ultra-light, highly porous polymer structures on a continuous basis, which is not possible using today's conventional technologies. PGX Technology was invented by Dr. Feral Temelli from the Department of Agricultural, Food & Nutritional Science of the University of Alberta (U of A) along with Dr. Bernhard Seifried, now Senior Director of Research and Technology at Ceapro. The license from U of A provides Ceapro with exclusive worldwide rights in all industrial applications.

About University of Alberta

The University of Alberta in Edmonton is one of Canada's top teaching and research universities, with an international reputation for excellence across the humanities, sciences, creative arts, business, engineering, and health sciences. Home to more than 38,000 students and 15,000 faculty and staff, the university has an annual budget of \$1.9 billion and attracts more than \$500 million in sponsored research revenue. The U of A offers close to 900 rigorous undergraduate, graduate, and professional programs in 18 faculties on five campuses-including one rural and one francophone campus. The university has more than 275,000 alumni worldwide. The university and its people remain dedicated to the promise made in 1908 by founding President Henry Marshall Tory that knowledge shall be used for "uplifting the whole people."

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.

For more information contact:

Jenene Thomas
JTC Team, LLC
Investor Relations and Corporate Communications Advisor
T (US): +1 (833) 475-8247
E: czo@jtcir.com

Neither 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



Source: Ceapro Inc.