

August 29, 2007



Ceapro Growth Continues: First Six Months and Q2 Sales Maintain Operational Profitability

EDMONTON, ALBERTA -- (MARKET WIRE) -- 08/29/07 -- Ceapro Inc. (TSX VENTURE: CZO) is pleased to report steady sales growth during the second quarter of 2007. Revenues reached \$1,118,584 during the quarter and \$2,080,210 for the first six months of the year. Active ingredients sales amounted to \$944,000 and veterinary therapeutic sales were \$175,000. Overall margins were 55% during the second quarter of 2007.

"We are pleased with sales to date, the plant is running at full capacity and we are looking forward to the completion of our plant expansion to meet the growing demand for our products," said Dr. Mark Redmond, Ceapro's President and CEO. "The outlook for the remainder of 2007 and beyond is positive as Ceapro moves into the next stage of evolution. We look forward to growing our business both organically and through new activities in joint ventures, mergers and acquisitions."

Highlights For the First Six Months and Q2

- Increased total sales by 13% for the six months' period and 18% Q2 over the same period in 2006;
- Grew active ingredient sales by 14% and 2% over the same periods in 2006;
- Realized operational profitability of \$8,000 before R&D expenses and currency exchange losses, as well as gross margins of 55% for the quarter and 56% for the six-month period;
- Expanded manufacturing operations, to increase production capacity, allowing streamlined production of pharmaceutical-grade active ingredients.

Private Placement

Over the course of the quarter, the Company completed its first brokered private placement for total gross proceeds of \$2,692,000. The proceeds are being used to increase sales and marketing capabilities, to launch CeaProve®, the Company's diabetes test meal to identify Type 2 diabetes and pre-diabetes, and for general corporate purposes.

Active Ingredients

In May Ceapro announced the development of a line of premium personal care active ingredients based on organically grown and certified extracts. Ceapro Organic(TM) is targeted at high-end, organic markets and captures the health benefits of plants cultivated

using 'green' farming practices, an important untapped market for Ceapro. We expect to capitalize on the growing consumer desire for products that are kind to both the skin and the environment.

CeaProve®

The patent allowance for CeaProve® in Canada will permit Ceapro to take commercial advantage of the technology developed over the past several years. Follow-on patent applications are pending which would give Ceapro an exclusive market position on the diabetes test product until 2021.

BioEnergy

During the second quarter work continued on a feasibility study examining construction of an integrated active ingredient and bioenergy plant. Begun in January 2007, the study has identified areas of opportunity using Ceapro's proprietary processing technology, and highlighted potential partners to develop this opportunity.

The complete unaudited quarterly report and financial statements are available for review on SEDAR at: <http://www.sedar.com> and on the Company's website www.ceapro.com

About Ceapro Inc.

Ceapro Technology Inc., Ceapro Veterinary Products Inc., Ceapro Active Ingredients Inc., and Ceapro Bioenergy Inc. are wholly-owned subsidiaries of Ceapro Inc., which is a Canadian growth-stage biotechnology company. Our primary business activities relate to the development and commercialization of organic products for medical, cosmetic, and animal health industries using proprietary technology and natural, renewable resources. We will apply our technology to participate in the bioenergy sector. We employ our CeaProve® diagnostic technology for health and wellness services.

This release may contain forward-looking statements. Various factors could cause actual results to differ materially from those projected in forward-looking statements. Although the Company believes that the forward-looking statements contained herein are reasonable, it can give no assurance that the Company's expectations are correct. All forward-looking statements are expressly qualified in their entirety by this cautionary statement.

Unaudited Consolidated Financial Statements for the
Second Quarter Ended June 30, 2007

Ceapro Inc.

CEAPRO INC.
Consolidated Balance Sheets

	June 30	December 31
	2007	2006
	(Unaudited)	(Audited)

ASSETS
CURRENT ASSETS

Cash and cash equivalents	\$2,494,742	\$310,926
Accounts receivable	957,964	634,256
Inventories	214,397	160,456
Prepaid expenses and deposits	266,127	178,751
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	3,933,230	1,284,389
PROPERTY AND EQUIPMENT (NET OF ACCUMULATED AMORTIZATION)	1,221,867	610,629
DEPOSITS ON PROPERTY AND EQUIPMENT	190,910	167,828
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	\$5,346,007	\$2,062,846
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LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$888,032	\$335,616
Current portion of deferred revenue	92,611	105,000
Callable debt	12,338	36,313
Current portion of long-term debt	74,900	36,609
Current portion of royalties payable	174,387	130,456
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	1,242,268	643,994
DEFERRED ROYALTY REVENUE	339,221	369,764
EMPLOYEE FUTURE BENEFITS OBLIGATION	251,104	219,340
LONG-TERM DEBT	900,768	400,122
ROYALTIES PAYABLE	97,865	125,827
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	2,831,226	1,759,047
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SHAREHOLDERS' EQUITY		
SHARE CAPITAL	4,889,000	2,508,059
CONTRIBUTED SURPLUS	217,424	128,478
DEFICIT	(2,591,643)	(2,332,738)
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	2,514,781	303,799
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	\$5,346,007	\$2,062,846
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CEAPRO INC.
Consolidated Statements of Net (Loss) Income and Deficit
Unaudited

Six Months		Quarters Ended	
Ended June 30		June 30	
2007	2006	2007	2006

Revenue

Sales	\$2,080,210	\$1,844,242	\$1,118,584	\$945,043
Cost of goods sold	911,464	768,800	501,329	331,687

Gross margin	1,168,746	1,075,442	617,255	613,356

Expenses				
General and				
administration	584,834	512,386	338,714	276,645
Royalties (net)	196,538	178,840	105,683	89,287
Sales and marketing	192,755	154,282	119,983	84,066
Amortization	64,803	71,962	32,657	36,231
Interest on long-				
term debt	19,922	20,576	10,291	10,197
Interest on callable				
debt and other	2,129	3,932	1,504	2,399

	1,060,981	941,978	608,832	498,825

Income (loss)				
from operations	107,765	133,464	8,423	114,531

Other income (expenses)				
Research and				
product development	(271,130)	(148,734)	(169,168)	(77,377)
Bio-energy				
feasibility study	(45,670)	-	(22,958)	-
Other income (expenses)	(49,870)	(39,444)	(53,506)	(40,582)

	(366,670)	(188,178)	(245,632)	(117,959)

Income (Loss) before				
income taxes	(258,905)	(54,714)	(237,209)	(3,428)
Income Taxes				
Current	68,500	84,000	4,000	61,000
Reduction as a result				
of applying non-capital				
losses carried forward				
against the current				
period's taxable income	(68,500)	(84,000)	(4,000)	(61,000)

NET (LOSS) INCOME				
FOR THE PERIOD	(258,905)	(54,714)	(237,209)	(3,428)
Deficit, beginning				
of period	(2,332,738)	(2,060,381)	(2,354,434)	(2,111,667)

Deficit, end of period	\$(2,591,643)	\$(2,115,095)	\$(2,591,643)	\$(2,115,095)

Net (loss) income per share:				
Basic	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)

Diluted	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)

CEAPRO INC.
Consolidated Statements of Cash Flows
Unaudited

	Six Months Ended June 30		Quarters Ended June 30	
	2007	2006	2007	2006

Operating Activities				
Net (loss) income for the period	\$ (258,905)	\$ (54,714)	\$ (237,209)	\$ (3,428)
Items not affecting cash				
Amortization	64,803	71,962	32,657	36,231
Employee future benefits obligation	31,764	28,398	15,498	15,498
Recognition of deferred royalty revenue	(23,766)	(21,070)	(12,780)	(10,797)
Stock based compensation	22,242	9,113	11,121	4,557
	(163,862)	33,689	(190,713)	42,061

Changes in Non-Cash Working Capital Items				
Accounts receivable	(323,708)	278,730	21,768	168,594
Inventories	(53,941)	38,506	34,345	(6,074)
Prepaid expenses and deposits	(87,376)	22,659	(132,131)	(2,449)
Accounts payable and accrued liabilities	552,416	389,000	230,378	201,113
Deferred revenue	(19,166)	(229,676)	(7,909)	(114,644)
	(95,637)	532,908	(44,262)	288,601

Investing Activities				
Purchase of property and equipment	(676,041)	(20,074)	(660,156)	(9,626)
Deposits for the purchase of property and equipment	(23,082)	-	32,703	-
	(699,123)	(20,074)	(627,453)	(9,626)

Financing Activities				

Repayment of long-term debt	(17,901)	(16,390)	(9,048)	(8,284)
Repayment of callable debt	(23,975)	(22,200)	(12,103)	(11,206)
Proceeds from long term debt	556,838	-	556,838	-
Proceeds from issuance of share capital	2,692,100	-	2,692,100	-
Share capital issue costs	(277,692)	-	(277,692)	-
Proceeds from exercise of stock options	33,237	5,625	33,237	-
Increase (decrease) in royalties payable	15,969	35,520	2,641	(64,307)
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	2,978,576	2,555	2,985,973	(83,797)
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Increase (decrease) in cash and cash equivalents	2,183,816	515,389	2,314,258	195,178
Cash and cash equivalents at beginning of period	310,926	438,045	180,484	758,256
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Cash and cash equivalents at end of period	\$2,494,742	\$953,434	\$2,494,742	\$953,434
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The TSX Venture has neither approved nor disapproved of the information contained herein

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