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Ceapro Announces Payout of Royalty Obligation

EDMONTON, ALBERTA, CANADA -- (MARKET WIRE) -- 06/07/11 -- Ceapro Inc. (TSX VENTURE: CZO) today announced that it is issuing cash payments totaling approximately \$378,000 to its royalty holders which represents the full payment of this accrued obligation at December 31, 2010, Ceapro's last publically reported quarter.

"Since 2008 when I came on board as your Acting CEO, we have regretted not being able to pay our royalty obligations promptly as we dealt with numerous difficult issues and a severe recession to turn our Company around. During 2010, we made significant progress in reducing these accrued obligations and today I am proud to say that Ceapro is current on all of its obligations" said Gilles Gagnon, Acting CEO of Ceapro. "We wish to thank our royalty holders for their patience and understanding as the new Ceapro evolved."

"With the difficult past now completely in our rear view mirror, we are now focused on closing some transactions that we believe will generate significant value for our shareholders", added Mr. Gagnon.

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. The commercial line of natural active ingredients include beta glucan, avenanthamides (colloidal oat extract), oat powder, oat oil, oat peptides, and lupin peptides.

To learn more about Ceapro, visit www.ceapro.com

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