



## **Ceapro Inc. to Consider Judgements in AVAC Ltd. Actions**

**EDMONTON, ALBERTA – January 29, 2018 – [Ceapro Inc.](#) (TSX-V: 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 Mr. Justice C.M. Jones issued his written decision with respect to the two claims brought by AVAC Ltd. (“AVAC”) in 2011 and 2012 against Ceapro and certain of its wholly owned subsidiaries.

Pursuant to the initial claim (the “VET Claim”), AVAC sought damages against Ceapro and Ceapro Veterinary Products Inc. (“VET”) with respect to a royalty agreement that was entered into by AVAC, VET and Ceapro in 2005. Pursuant to such agreement, AVAC provided project funding for product innovation development in the area of veterinary therapeutics and active ingredients.

Pursuant to the claim (the “CTI Claim”), AVAC sought damages against Ceapro and Ceapro Technology Inc. (“CTI”) with respect to royalty agreements that were entered into by AVAC and CTI in 2004 and 2006. Ceapro itself was not a party to these agreements. Pursuant to such agreements, AVAC provided project funding for product innovation development in the areas of pre-diabetes and Type II diabetes screening and detection, and diabetes therapy efficacy monitoring.

With respect to the VET Claim, Mr. Justice Jones awarded damages against Ceapro and VET in the amount of \$723,900 plus pre-judgement interest.

With respect to the CTI Claim, Mr. Justice Jones awarded damages against CTI in the amount of \$1,215,000 plus pre-judgement interest. However, Mr. Justice Jones declined to pierce the corporate veil and therefore did not grant judgement against Ceapro with respect to the CTI Claim.

Consequently, the total amount of judgment against Ceapro arising from the AVAC actions totals \$723,900 plus pre-judgement interest. Ceapro intends to consider its position with respect to the judgements.

### **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](http://www.ceapro.com).



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