



Stake Targets More Than \$175 Million US in 2003 Sales a 46% Increase Vs. 2002

TORONTO--Jan. 21, 2003--Stake Technology Ltd. (Nasdaq:STKL)(TSX:SOY) today announced that 2002 sales should approximate \$120 million (US)/\$185 million (CN), an increase of 34% over 2001 sales. Fourth quarter '02 sales of approximately \$32.4 million represent the Company's 21st consecutive comparative quarter of record sales. Audited sales and earnings for the year will be issued on March 20, 2003.

Based on current business conditions, Jeremy N. Kendall, Chairman and CEO of Stake Technology, estimated that 2003 sales should exceed \$175 million (US)/\$270 million (CN), a 46% increase over 2002 levels. The significant increase in sales is attributable to both internal growth and the acquisitions completed during 2002. Mr. Kendall pointed out that the 2003 sales projections exclude additional acquisitions that may be consummated during the year.

All of the Company's subsidiaries are forecasting sales growth and profit improvement in the current year. Of special note, the Company's aseptic packaging plant, Nordic Aseptic, experienced a dramatic turnaround in 2002. This plant, which was in a start-up mode and losing money in 2001, turned the corner by the second quarter of 2002, and has been profitable ever since. The plant has also continued to add production capabilities to keep pace with growing order levels.

Mr. Kendall also confirmed the promotion of Steve Bromley as Executive Vice President and CFO of the Company, with initial responsibility to lead the team responsible for integrating the Company's food based operations.

Stake Technology Ltd. is an owner/operator of high-growth ethical businesses, focused on environmental responsibility and the health and well being of its communities. For the last four consecutive years, Stake was included in Profit magazine's 'Profit 100' list of the 100 fastest growing companies in Canada. Currently, the Company has three business units: the Food Group, which specializes in identity-preserved (IP) grain products and natural and organic food products and ingredients integrated from seed to packaged product; the Environmental Industrial Group; a producer, distributor, and recycler of industrial materials; and the Steam Explosion Technology Group who market clean pulping technologies. Each of these business units has proprietary products and services that give it a solid competitive advantage in its sector.

Websites: www.staketech.com www.sunrich.com www.bei.ca www.steamexplosion.com www.sunrichvalley.com
www.organickitchen.ca www.wildwestorganicharvest.com www.opta-food.com

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