



Stake Signs Agreement to Acquire Wild West Organic Harvest Co-Operative Association

TORONTO--Oct. 15, 2002--Stake Technology Ltd. (Stake) (Nasdaq:STKL) (TSX:SOY) today announced that it has signed an agreement to acquire privately owned Simply Organic CO. LTD. (Simply Organic), a Toronto based distributor of organic and natural food products. Closing, which is subject to mutual and customary due diligence, is scheduled for November 30, 2002. The proposed purchase price has not been disclosed but will be comprised of a combination of cash and notes. This acquisition is expected to be immediately accretive to earnings. Simply Organic will celebrate its second year in business in November of this year and forecasts revenue of \$5.0 million CDN in its current fiscal year.

Simply Organic distributes a broad range of regionally and internationally grown and produced certified organic food products including Stake's line of organic dairy products, sold under the brand name mu, throughout much of Ontario to both the mass market and natural food retail outlets. It is currently expanding to a new 14,000 square foot refrigerated and frozen warehouse to serve as the distribution hub for its extensive full line of certified organic food products.

Jeremy N. Kendall, Chairman and CEO of Stake Technology Ltd., commented, "Simply Organic represents the second step in creating a unique organic and natural distribution network, and comes on the heels of last week's announcement of the proposed acquisition of Wild West, a company with a similar mission operating in Western Canada. We believe that these are among the best companies in this market and offer us a platform from which to expand product and market distribution geographically."

Simply Organic's President and founder, Michael Fronte, who will continue in that position once the acquisition is completed, said, "Partnering with Stake and the other food companies under its corporate umbrella makes sense. The efficiencies of integrated purchasing, cross selling opportunities, the potential to enhance our product line and most importantly, to be part of a national organic product distribution company, are among the reasons we are excited about this transaction."

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; 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.wildwestorganic harvest.com

Note: This news release may contain forward-looking information.

Actual future results may differ materially. The risks, uncertainties, and other factors that could influence actual results are described in the Company's Annual Report to shareholders and in SEC reports.

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