



Stake Technology Announces Closing of US \$49 Million Equity Issue

TORONTO--Aug. 28, 2003--Stake Technology Ltd. (Stake) (Nasdaq:STKL) (TSX:SOY) is pleased to announce today that it has closed its previously announced offering of 7,000,000 common shares in the United States and in certain provinces of Canada at a price of US \$7.00 per common share for total gross proceeds of US \$49 million (or approximately Cdn. \$67.6 million). The offering was managed by a syndicate of underwriters led by Desjardins Securities Inc., BMO Nesbitt Burns Inc. and TD Securities Inc. and including Octagon Capital Corporation, Loewen, Ondaatje, McCutcheon Limited and Miller Johnson, Steichen, Kinard, Inc. The Company has also granted to the underwriters an over-allotment option to purchase, at any time on or before September 27, 2003, up to an additional 500,000 common shares for additional aggregate gross proceeds of up to US \$3.5 million. If the over-allotment option were fully exercised, the total aggregate gross proceeds to the Company would increase to US \$52.5 million (or approximately Cdn. \$72.5 million).

The net proceeds from the offering will be used primarily for general corporate purposes, including future acquisitions, internal expansion projects and working capital requirements and to reduce outstanding indebtedness.

This news release does not constitute an offer to sell or the solicitation of any offer to buy, nor will there be any sale of these securities in any state, province or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state, province or jurisdiction. The offering is being made in certain provinces of Canada only by means of a short form prospectus and in the United States only by means of a shelf registration statement and a related prospectus supplement, copies of which may be obtained from Desjardins Securities Inc., BMO Nesbitt Burns Inc. or TD Securities Inc.

Stake Technology Ltd., soon to be SunOpta Inc., is an owner/operator of high-growth ethical businesses, focusing on integrated business models in the natural and organic food markets. For the last five consecutive years, Stake was included in Profit magazine's 'Profit 100' list of the 100 fastest growing companies in Canada. The company has three business units: the Food Group, which specializes in sourcing, processing and distribution of natural and organic food products integrated from seed through packaged products; the Environmental Industrial Group, a producer, distributor, and recycler of environmentally friendly industrial materials; and the Steam Explosion Technology Group which engineers and markets clean pulping systems using patented steam explosion technology. Each of these business units has proprietary products and services that give it a solid competitive advantage in its sector.

For further information, please contact:

Stake Technology Ltd.
Jeremy N. Kendall, Chairman & C.E.O.
Steve Bromley, Executive Vice President & CFO
Susan Wiekenkamp, Information Officer
Tel: 905-455-2528, ext 103
info@staketechnology.com

Investor Relations Counsel
The Equity Group Inc.
Linda Latman 212-836-9609
www.theequitygroup.com

Websites: www.staketechnology.com or www.sunopta.com www.sunrich.com www.bei.ca www.steamexplosion.com
www.sunrichvalley.com www.organickitchen.ca www.wildwestorganicharvest.com www.kettlevalley.net www.opta-food.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.

CONTACT: Stake Technology Ltd.
Jeremy N. Kendall, Steve Bromley or Susan Wiekenkamp,

905-455-2528, ext 103
info@staketechnology.com
or
Investor Relations Counsel
The Equity Group Inc.
Linda Latman, 212-836-9609
www.theequitygroup.com

SOURCE: Stake Technology Ltd.