



Stake Announces Third Quarter Results; Reports Record Sales and Earnings

TORONTO--Nov. 7, 2002--Stake Technology Ltd. (Stake) (Nasdaq:STKL) (TSX:SOY) today announced results for the third quarter and nine months ended September 30, 2002. All amounts are expressed in US dollars.

The Company achieved record sales and earnings for both the three and nine-month periods ended September 30, representing the 20th consecutive quarter of record sales growth. Sales in the third quarter of 2002 increased by 43% to \$32,800,000 compared to \$22,904,000 for the same quarter last year. For the nine months ended September 30, 2002, sales increased 33% to \$87,605,000 compared to \$66,011,000 in the previous year. These results were led by a 42% increase in the quarter (34% for nine months) in sales within the Company's food operations that are focused on the processing and distribution of natural, organic and non-genetically modified food products. The Environmental Industrial Group realized a 49% increase versus 2001 (30% for nine months), due to the acquisition of the operations of Virginia Materials and International Materials in late 2001.

Net earnings for the third quarter were a record \$1,527,000 or \$0.04 per common share, compared to \$156,000 or \$0.00 per common share for the same period one year earlier. For the nine months ended September 30, 2002, net earnings were also a record \$3,254,000 or \$0.08 per common share, compared to \$703,000 or \$0.02 per common share for the same period one year earlier. The gain over last year is due primarily to continued improvements at Nordic Aseptic, the Company's aseptic packaging operations. Other factors causing the dramatic rise in profitability were: the impact of the 2001 acquisition of Virginia Materials, higher volumes and gross margins in dietary fiber and certain grain and agronomy products, cost reductions throughout the organization and reduced borrowing costs as a result of the new banking arrangements implemented earlier this year.

Stake continued to maintain a strong balance sheet with a working capital position of \$20,666,000 versus \$11,066,000 in 2001 and a long-term debt to equity ratio of 0.32:1 versus 0.56:1 in 2001. The Company has leveraged this financial strength to fund recently announced growth plans. On October 28, 2002, Stake announced a definitive acquisition agreement with Opta Food Ingredients, Inc. (Nasdaq - OPTS), a leading developer and manufacturer of proprietary food ingredients, headquartered in Bedford, MA. One week earlier, the Company entered into an agreement to purchase Simply Organic Co. Ltd, a privately held Toronto, Ontario based distributor of organic and natural foods, and on October 10, Stake signed agreement to acquire Wild West Organic Harvest Co-operative Association, also a privately held organic and natural food distributor based in Vancouver, British Columbia. These acquisitions will further complement the Company's growing natural and organic food operations and are accretive to earnings.

Jeremy N. Kendall, Chairman and CEO of Stake Technology Ltd., commented that, "We are very pleased with the continued growth in both revenues and net earnings across our organization and expect this trend to continue. We believe the three recently announced acquisitions, combined with the strength of our existing businesses, position our Company as a dominant player in the organic and natural foods sector. Stake's commitment to profitable growth in these expanding food categories should produce above average returns for our valued shareholders."

Selected financial information (Expressed in US dollars)

	Sept. 30, 2002	Sept. 30, 2001	% Change
Working Capital	\$20,666,000	\$11,066,000	87%
Total Assets	\$82,994,000	\$72,280,000	15%
Long-Term Debt	\$15,396,000	\$18,472,000	(17)%
Shareholders' Equity	\$48,567,000	\$33,969,000	43%
Equity per Share	\$1.16	\$0.95	22%

	Three months ended Sept. 30, 2002	Three months ended Sept. 30, 2001	% Change
Sales	\$32,800,000	\$22,904,000	43%
Gross Profit	\$5,290,000	\$2,811,000	88%
Operating Earnings	\$2,050,000	\$275,000	645%
Earnings Before Taxes	\$1,456,000	\$326,000	347%
Net Earnings	\$1,527,000	\$156,000	879%
Basic E.P.S.	\$0.04	\$0.00	400%
EBITDA	\$2,782,000	\$1,637,000	70%

	Nine months ended Sept. 30, 2002	Nine months ended Sept. 30, 2001	% Change
Sales	\$87,605,000	\$66,011,000	33%
Gross Profit	\$14,005,000	\$9,284,000	51%
Operating Earnings	\$4,589,000	\$1,874,000	145%
Earnings Before Taxes	\$3,934,000	\$1,133,000	247%
Net Earnings	\$3,254,000	\$703,000	363%
Basic E.P.S.	\$0.08	\$0.02	400%
Weighted # of Shares	41,402,000	30,569,000	35%
EBITDA(1)	\$7,646,000	\$4,903,000	56%

(1) EBITDA is not a recognized measure under Canadian or United States generally accepted accounting principles (GAAP). Management believes that in addition to net income, EBITDA is a useful supplemental measure as it provides investors with an indication of earnings from our operations prior to debt service, amortization and income taxes. Investors should be cautioned however, that EBITDA should not be construed as an alternative to net income determined in accordance with GAAP as an indicator of Stake's performance or to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. Stake's method of calculating EBITDA may differ from other companies and, accordingly, EBITDA may not be comparable to measures used by other companies.

Historical consolidated results have been restated using a translation of convenience, whereby all historical results have been reflected using the exchange rate in effect on December 31, 2001 of \$1 U.S. to \$1.5928 CDN

Stake Technology will be holding a conference call for investors and analysts at 10:00 am. Eastern Standard Time on Friday, November 8, 2002. Jeremy Kendall will discuss third quarter results, as well as recent corporate developments. After opening remarks, there will be a question and answer period. The dial in numbers are 1 (800) 946-0741 or (719) 457-2649 followed by

pass code: 356812#. This conference call will also be distributed live over CCBN's Investor Distribution Network to both institutional and individual investors. Individual investors may listen to the call via www.companyboardroom.com. Institutional investors may access the call via www.streetevents.com. Additionally, the call may be accessed via a link at the Company's website at www.staketech.com. To listen to the live call over the Internet please go to one of the websites at least 15 minutes early to register, download and install any necessary audio software. If you are unable to listen live, the conference call will be archived and can be accessed for approximately 90 days at the websites. A replay number can also be accessed between November 8 - 17 with a toll free dial-in number (888) 203-1112 or (719) 457-0820 followed by pass code: 356812#

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.

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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