



Stake Technology's Sunrich Valley Signs Exclusive Distribution Agreement With Natrel

TORONTO--Oct. 1, 2002--Stake Technology Ltd. (Stake) (Nasdaq:STKL) (TSX:SOY) today announced that its' Sunrich Valley, organic dairy products division, has signed a distribution agreement with Natrel, a division of Agropur cooperative. Under the agreement, Natrel acquires certain exclusive rights for the distribution of Sunrich Valley certified organic dairy products in Ontario and Quebec.

Sunrich Valley is a division of Stake Technology Ltd. Sunrich Valley was launched in March 2002 and markets a full range of certified organic dairy products under the brand name mu(TM).

Natrel, a leading Canadian producer and supplier of fresh milk, cream, butter, cottage cheese, sour cream and other fine dairy products, has a network of 83 distribution centers and serves over 30,000 outlets. Natrel is a division of Agropur, a Canadian dairy cooperative, whose head office is located in Granby, Quebec.

Mr. Richard Graham, President of Sunrich Valley, commented that "Natrel's extensive distribution network will make our high quality mu brand organic milk, cream and other dairy products available to a much wider consumer base and should lead to a substantial increase in our market share. Natrel is a leader in the Canadian dairy sector and has made innovation its trademark."

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 foodproducts; 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.staketechnology.com www.sunrich.com www.bei.ca www.steamexplosion.com www.sunrichvalley.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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