



CLOSURE OF RIGHTS ISSUE

Closure of Rights Issue

Capilano Honey Limited is pleased to announce that its recent Rights Issue Offer under the prospectus dated 12 February 2010 has closed. All applications under the Rights Issue Offer have been accepted. Details of the capital raised and shares issued are as follows:

New capital raised	\$2,028,597.90
Ordinary Shares on Issue before Rights Issue	5,151,066
Ordinary Shares Issued in response to Rights Issue Applications	2,897,997
Total Ordinary Shares on Issue after Rights Issue	8,049,063

Share certificates will be dispatched on Thursday 22 April 2010 and it is expected that the new shares will commence trading on BSX on Tuesday 27 April 2010.

Directors have declared the Rights Issue a success, particularly in light of the Company's new banking facility and debt reduction targets. The Directors wish to thank Capilano's shareholders for their ongoing support.

Additional Capital Raising

As announced on 9 April 2010, Capilano has accepted an offer for banking facilities with another bank. The new banking facility gives Capilano additional options not available to it under its old facility. Under the old facility, to meet debt reduction targets Capilano would have been required to either place the shortfall under the Rights Issue or arrange a sale and leaseback of its land and buildings.

The new facility, however, allows for lower debt reduction targets. The Directors have taken into account the actual amount raised under the Rights Issue and believe that the revised debt reduction targets can be met from a combination of net proceeds raised and Capilano's ongoing cash flows. As a result, the Directors have resolved not to raise any additional funding at this stage, either by placing any of the shortfall under the Rights Issue or by taking steps to sell the Company's land and buildings. The debt reduction program will continue to be closely monitored by the Company.

Trevor Morgan
Chairman