

News Release

FOR IMMEDIATE RELEASE:

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Fytokem Products Inc.

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Fytokem Products Inc.

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ASE Symbol: FYT

The Alberta Stock Exchange has neither approved nor disapproved the information contained herein.

New process technology for Fytosterol™ opens new market opportunities

Mr. John Schaw, President and CEO, announced today that Fytokem has filed for a patent on a new process to produce Fytosterol™, a phytosterol extract from canola.

“This is a major breakthrough for the company,” says John Schaw. “This process will allow the company to produce Fytosterol™ at a significantly lower cost. This development opens up new opportunities in the food and therapeutic markets.”

Canola phytosterols, if taken as a dietary supplement, can reduce serum cholesterol levels according to medical research. Fytokem has received several inquiries from European companies interested in adding this ingredient to their food products. “Cost was a major concern to these prospective customers. This extraction process will allow Fytokem to produce and market Fytosterol™ at a price more acceptable to the marketplace while maintaining a healthy profit margin,” says John Schaw.

Canola phytosterols also has excellent potential as a skin moisturizer for dry, irritated skin according to Swedish research. Fytosterol™ is being evaluated by several of the world’s largest skin care companies.

Fytokem Products Inc. is a phytochemical company which develops, manufactures and markets extracts from plants of the northern Canadian prairies to the cosmetic, skin care, nutraceutical, and therapeutic industries. Fytokem markets its products through three agents in the United States, a distributor in Japan and a distributor in Canada.