



# News Release

**For Immediate Release**

**December 6, 1999**

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## **Fytokem Announces Research Breakthrough**

*Isolates molecule with remarkable therapeutic properties and significant market potential*

Fytokem Products Inc. announced today that its technology development group has isolated and identified the principal active molecule responsible for the remarkable topical anti-irritant/anti-inflammatory and free radical scavenging activity of one of their premier personal care products – Canadian Willowherb Extract. Fytokem has filed for patent protection for this exciting new discovery in both Canada and the United States and is in the process of extending the protection to include Europe.

“The ability to produce the active molecule is a significant breakthrough for the company. This particular molecule belongs to a family of polyphenolic compounds that possess known anti-viral (herpes, HIV) and anti-tumor activity and have proven effective in the management of other medical disorders,” said Mark Hetherington, Director of Laboratories at Fytokem. “Moreover, they are extremely difficult to synthesize chemically, providing Fytokem with proprietary and valuable knowledge in the production of this rare and potent natural molecule.”

The discovery opens up two new large markets for Fytokem – nutraceuticals and pharmaceuticals. These markets represent reported annual sales of US \$91 billion and US \$110 billion respectively with active ingredients accounting for about 10-20% of sales.

In topical applications, this molecule could potentially be used to treat sunburn and psoriasis and to help prevent some age-related skin disorders. Fytokem is already capitalizing on the beneficial properties of Canadian Willowherb extracts through its Fytosoothe™ line of anti-irritants and Fytosorb™ free radical absorbers, both marketed to personal and sun care product manufacturers. This bioactivity also gives this molecule strong potential as both a nutraceutical and pharmaceutical.

John Schaw, President and CEO of Fytokem said, “We expect to see the immediate benefits of this discovery in our personal care business through the enhancement of our existing lines of products. Longer term, our strategy is to partner with major nutraceutical and pharmaceutical companies to develop products containing our active ingredients for those markets. Preliminary discussions are underway with several multinational companies.”

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Fytokem has identified a number of extracts with exceptional functionality from research it has conducted into the properties of more than 500 northern prairie plants. The company's research has focussed on further refining these extracts to isolate and identify the principal active molecules responsible for the curative and preventative benefits inherent in the extracts. The isolation process, developed over the past three years by Fytokem's technology development group, will allow for the production of commercial scale quantities.

**About Fytokem**

Fytokem Products Inc. develops, produces and markets high-value extracts and refined natural chemicals from plants found in northern Canada for use as ingredients in personal care, nutraceutical/therapeutic and bio-industrial products. The company's shares are listed on the Canadian Venture exchange under the symbol FYT.

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