



# News Release

**For Immediate Release**

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CDNX Symbol: FYT

## **Fytokem Announces Completion of Private Placement Financing**

**SASKATOON, SASKATCHEWAN--** Fytokem Products Inc. (the "Corporation") announced today that it has completed a private placement of 1,808,997 special warrants, at a price of \$0.60 per special warrant, raising gross proceeds of \$1,085,425. The Corporation also issued a further 121,167 special warrants to its agent, Yorkton Securities Inc., in lieu of commission payable on that portion of the placement facilitated by Yorkton, and a special compensation option which allows Yorkton to purchase, at a price of \$0.60 for a period of one year from the date of closing, up to 121,167 units comprised of one common share and one half of one common share purchase warrant. The closing remains in escrow pending finalization of certain documents and final CDNX approval.

The holder of each special warrant shall receive, on exercise, for no additional consideration, one common share and one-half of one common share purchase warrant. Each whole warrant received on exercise of the special warrants or the agent's option shall entitle the holder to purchase one common share at a price of \$1.00 per common share for a period of one year from the date of closing.

The proceeds of the financing will be used principally for ongoing product development and marketing, including the development of new products based on Canadian Willowherb™ and other northern plants, as well as the expansion of Fytokem's global sales and distribution network, and current production facility.

The Corporation intends to file a prospectus in all applicable jurisdictions to qualify for distribution the common shares and warrants underlying the special warrants, as well as the agent's option underlying the special compensation option. In the event that a final receipt for such prospectus has not been received within 180 days from the date of closing, the Corporation will be obligated to issue 1.1 common shares and 0.55 common share purchase warrants on exercise of each special warrant.

All securities issued in connection with this private financing are subject to trading restrictions for a period of at least one year from the date of issue, unless such trade is conducted pursuant to registration and prospectus exemptions under applicable securities laws or unless the securities are qualified for distribution pursuant to the filing of a prospectus.

### **About Fytokem**

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

*The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release*