



## News Release

### **Fytokem Products Inc. Files Preliminary Prospectus for Unit Offering**

SASKATOON, October 23 -- Fytokem Products Inc. (CDNX: FYT), a Canadian life sciences company engaged in the discovery and commercialization of therapeutic plant extracts and bioactive molecules for the personal care, nutraceutical, pharmaceutical and bio-industrial industries, today announced that it has filed a preliminary prospectus with the Saskatchewan Securities Commission to raise a minimum of \$1,100,000 and a maximum of \$1,500,000 through a Unit offering in Saskatchewan. Under the terms of an agency agreement with Saskatoon-based Sanderson Securities Ltd., Fytokem will offer for sale a minimum of 44,000 Units and a maximum of 60,000 Units, each Unit consisting of common shares, a 10.125% unsecured, redeemable debenture due December 15, 2009, and a common share purchase warrant entitling the holder to purchase common shares. Fytokem has also granted Sanderson Securities Ltd. an over-allotment option to offer up to an additional 9,000 Units upon the same terms.

Fytokem intends to use the proceeds from this offering of Units for the purchase of capital assets, product development, market expansion and for working capital and general corporate purposes.

Saskatchewan residents can obtain a copy of the preliminary prospectus by contacting Sanderson Securities Ltd. at (306) 242-5800.

#### **About Sanderson Securities Ltd.**

Sanderson Securities Ltd. was formed in 1983 as a full-service investment and financial planning house. It is 100% Saskatchewan owned and operated, with more than 50 representatives associated with the firm. The president of the company, Wayne L. Sanderson, CLU, has been involved with the financial services field since 1964.

Mr. Sanderson views the Fytokem Products Inc. offering as “a unique opportunity for Saskatchewan residents to invest in a local life sciences company with worldwide sales and growth potential.”

#### **About Fytokem Products Inc.**

Fytokem Products Inc. is a Canadian life sciences company engaged in the discovery and commercialization of novel Function-Certified™ plant-based substances -- extracts, phytochemicals and bioactive molecules -- for use as ingredients in personal care, nutraceutical, pharmaceutical and bio-industrial products, both domestically and internationally. Fytokem has applied for several scientific patents, and has developed a proprietary commercial scale manufacturing process.

*The Canadian Venture Exchange has neither approved nor disapproved the information herein contained.*

For further information

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