



**FOR IMMEDIATE RELEASE**

**TSX Venture Exchange: FYT**

**GOVERNMENT OF SASKATCHEWAN EXTENDS LOAN AGREEMENT**

**Saskatoon, Saskatchewan, November 17, 2006** - Fytokem Products Inc. (the Company) is pleased to announce that Agriculture Credit Corporation of Saskatchewan (ACS) has agreed to extend the payment terms of the original debenture agreement dated May 15, 2002, made between the Company and the Agri-Food Equity Fund (AFEFF), a further four years to July 1, 2011.

An amending agreement has been signed which allows for the extension of principal payments over the next five years, beginning July 1, 2007. The original agreement had the term of the loan ending at July 1, 2007. The original interest rate, which is still very attractive, and the general security agreement remain unchanged.

“We appreciate the support AFEF has provided over the past number of years.” said Art Hesje, President and CEO of Fytokem. “We are particularly pleased that AFEF and now ACS have again shown their confidence in Fytokem’s future.”

**About Fytokem Products Inc.**

Fytokem Products Inc. develops and delivers proven natural ingredients to leading formulators in personal care, nutraceutical, and pharmaceutical industries. The Company has been issued patents for technology related to two of its products, and has other patent applications pending.

Fytokem currently offers two product lines in the market. Canadian Willowherb™ is a multi-function plant extract with strong efficacies as an anti-irritant and anti-oxidant whose properties also have application as an acne treatment. Tyrostat™ is a multi-efficacy plant extract, sold primarily for its use as a tyrosinase inhibitor that provides effective skin lightening.

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