

February 16, 2006

FACT Corporation Provides Update on Monetization of Note Receivable; Reports Receipt of \$300,000 in Cash Proceeds Since December 1, 2005

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Neptune, N.J. - (Business Wire) – February 15, 2006 -- FACT Corporation (OTCBB:FCTOA), an emerging nutrition solutions company, today announced that it has received cash payments totalling \$300,000 with respect to a note receivable from a former subsidiary, Capital Reserve Canada Corporation (CRCL).

In November of 2005, FACT agreed to accept consideration totalling \$400,000 in cash and 500,000 free-trading shares of CRCL to settle the long-outstanding debt. Receipt of the remaining \$100,000 cash balance is expected not later than March 31, 2006.

"We are very pleased that this matter is being equitably resolved," said Jacqueline Danforth, CEO of FACT Corporation. "Receiving these proceeds in a timely fashion has allowed us to further reduce our corporate debt. We have also negotiated more favorable terms with our major creditor, sharply lowering our ongoing borrowing costs."

About FACT Corporation

FACT Corporation develops, licenses and markets proprietary nutrition solutions through its wholly-owned subsidiaries, Food & Culinary Technology Group Inc. and FACT Products Inc. The FACT companies serve clients who manufacture, distribute and market functional food products through a variety of conventional and alternative distribution channels, including branded and private-label retail opportunities, as well as food-service and specialty markets.

For more information about FACT and its products, industry trends and functional foods, please visit www.factfoods.com.

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