

August 22, 2006

**FACT Corporation Announces Operating Results for First Six Months of 2006**

.....

**Neptune, N.J. - (Business Wire) – August 22 2006 --**

FACT Corporation (OTCBB:FCTOA), an emerging nutrition solutions company, today announced unaudited operating results for the six months ended June 30, 2006. Core-business operating revenue totalled \$558,261, a 58% increase over year-ago results. Operating costs for the six-month period totalled \$596,679 as compared to \$1,033,565 for the comparable period ending June 30, 2005, a 42% improvement over comparable 2005 first-half results (2005 results do not include a non-recurring extraordinary event resulting in an offset to operating expenses of \$739,120).

"FACT Corporation continues to significantly improve its financial outlook," said CEO Jacqueline Danforth. "The escalating revenue and decreased operating expenses thus far this year continue to reflect the positive impact our growth initiatives are having on our bottom line. We believe we are securely on track to see our first-ever profitable year."

Danforth added, "I look forward to providing our shareholders with regular updates throughout the balance of this year as we see the results of an active summer spent in new product development and recruiting new clients."

**About FACT Corporation**

FACT Corporation develops, licenses and markets proprietary nutrition solutions to commercial customers through its wholly-owned subsidiary, Food & Culinary Technology Group Inc. ("FACT Group"). FACT Group serves commercial bakery operators that manufacture and distribute functional baked goods (such as muffins, bagels, cookies and brownies) designed for a rapidlygrowing consumer marketplace focused on quality, taste and nutrition. These products are marketed via both conventional and alternative distribution channels, including branded and private-label retail opportunities, as well as foodservice and specialty markets.