

May 16, 2007

**FACT Corporation Delivers Strong First Quarter Revenue Growth – New Sales Initiatives Now Active**

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**Neptune, N.J. - (Business Wire) – May 16, 2007** -- FACT Corporation (OTCBB:FCTOA), a specialty nutrition solutions provider to the North American baked-goods industry, today announced its operating results for the three months ended March 31, 2007. Core-business operating revenue for the quarter totalled \$828,611—up more than 200% over comparable year-ago results. The net operating loss for the period totalled \$145,979 with a loss per share of \$0.01.

The Company expects to see continuing top-line revenue growth throughout fiscal 2007 as it implements accelerated product expansion initiatives, and is expecting to reduce associated operational costs as efficiencies improve, with a sequential goal of possibly achieving its first profitable year of operations.

“We are pleased to see that our financial outlook continues to improve,” said CEO Jacqueline Danforth. “With top-line revenue reflecting growth of over 200% in each of our last two quarters compared to results from the comparable prior years’ periods, I believe that we’ve established a new, higher revenue base on which to build. We are poised for significant growth for the balance of 2007 as we initiate further product expansion and category diversification.

**About FACT Corporation**

Operating through our wholly-owned subsidiary, Food & Culinary Technology Group Inc., we develop and market customized nutrition solutions created specifically for the North American baked-goods industry. We are a functional content provider. Our core products are proprietary specialty bake mixes, which we sell to commercial producers who use our mixes in large quantities to manufacture popular, health-friendly packaged baked goods. These items target a rapidly-growing, increasingly-sophisticated consumer marketplace focused on quality, taste and nutrition.

Our customers market their finished products (foods we all love to eat, such as bagels, brownies, muffins and cookies) through both conventional and alternative distribution channels, including branded and private-label retail opportunities, as well as foodservice and specialty markets.

For more information about FACT and its products, industry trends and functional foods, please visit [www.factfoods.com](http://www.factfoods.com).

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