



Bioionic Phytoceuticals

BUSINESS SUMMARY

Going natural is getting mainstream. For the second year in a row, natural products retailers saw double-digit growth – up 11% - in 2006. Including non-retail channels, total sales of U.S. natural products are a \$57 Billion per year industry. **Bioionic Phytoceuticals (OTC: BPYT)** (“*Bioionic*”) is a pioneer in the Complimentary Alternative Medicine (CAM) and natural consumer product sectors.

From its production facilities in Maui, Hawaii, Bioionic is the innovator of a new natural healing modality called “Bioresonant Phytotherapeutics™”. This patent-pending technology optimizes the effectiveness of plant-derived nutrients by distilling the natural ingredients in pure water, using proprietary glass apparatus and production protocols. Leveraging its unique bioresonance formulations, Bioionic is at the forefront of providing alternative solutions for the treatment of epidemic diseases. Independent research studies have shown that certain ingredients found in Bioionic’s products can be used to treat various types of cancer, Alzheimer’s Disease and malaria.

Bioionic’s consumer product lines offer natural, herbal solutions to common ailments such as airborne illnesses, sunburns, skin infections and sore throat. The Company has developed over 94 proprietary products within 15 product collections, which serve to promote healing and sustain well being. Products are sold online at <http://www.bioionic.com> and through retail distribution partners in the Complimentary Alternative Medicine (CAM), Natural Products, Travel and Over-the-Counter Pharmaceutical industries.

Through another Bioionic discovery, the patented “Airponic Growing System™” (AGS), the Company has the ability to grow abundant, healthier yields of plant species in less space and in shorter time frames compared to any other greenhouse or non-soil method. Unlike hydroponics, AGS does not produce a toxic build-up from chemical salts, thereby preserving water quality and meeting stringent environmental standards. Bioionic’s Phytonic Research Program develops market applications for its AGS technology in the phyto-pharmaceutical, natural product and cosmetics industries. Additionally, AGS is vertically integrated for use in supplying ingredients for Bioionic’s numerous commercial products.

INNOVATIVE PRODUCT PORTFOLIO

Bioionic’s products offer alternative medicine, alternative health, herbal healing, skin care, tonics, herbal remedies, flavors and fragrances, and often intersect target markets. Some of the Company’s commercial successes built from its bioresonance formulations include:



STOCK INFORMATION



Business:	Biotechnology
OTC Symbol:	BPYT
Market Price:	\$0.10 (2/21/08)
Shares Outstanding:	36.7 Million
52 Week Range:	\$0.06 - 1.15
Avg. Daily Volume:	41,300
Market Cap:	\$3.7 Million
Fiscal Year End:	September 30

Flight Spray™: The first all natural nasal hydration spray formulated especially for airline travelers, and is allowed under current Transportation Security Administration regulations to be carried onto airlines. The spray can help prevent colds, flu and sore throats due to recycled airplane air and close proximity to those with transmittable symptoms.

Hawaiian Healing Mist™: A natural skin care remedy formulated by combining six of the most effective herbal ingredients to fight against infectious and fungal agents. Hawaiian Healing Mist helps to relieve the associated symptoms from sunburns, insect bites, rashes, external infections from bacteria, minor skin cuts, bruises, and other skin disorders.

Throat Note™: A soothing, all natural herbal throat spray, Throat Note’s target market is anyone who uses their voice professionally, such as: singers, public speakers, entertainers, actors, television reporters, talk show hosts, phone reps and disc jockeys. However, Throat Note is great for everyone needing relief from sore throats.

Traveler’s 1st Aid™: This suite of six natural “bioresonant phytotherapeutic” remedies is designed especially for individual travelers or family vacationers. A natural first-aid for anyone on-the-go, this collection is comprised of Immune Aid, Digest Aid, Relax Aid, Sunburn Aid, Diarrhea Aid and Cold Sore Aid.

O-Spray™: This natural nose spray is alcohol-free, non-addictive and perfect for everyday use. O-Spray combines distillations of lemon and lime, Turmeric root and spearmint, all medicinal herbs with antifungal and antibiotic properties, to help fight against nasal and throat infectious agents.

Auntie Mahi Poe Poe's Original Lau Lapa'au Tonics™: The indigenous wisdom of Pacific culture is represented by this unique formulation based on the late Auntie Mahi Poe Poe, a well-respected herbal healer in Hawaii. Bioponic was her exclusive supplier, providing her clinics with 21 original remedies to treat a wide variety of ailments, restore health and prevent disease. Today, the popular tonic is sold worldwide online at <http://www.bioponic.com> throughout Hawaiian



retail stores, and soon nationwide.

Noni Healing Tonic™: Noni Healing Tonic is an oral spray that balances the body's normal operating functions and boosts the immune system via powerful anti-inflammatory herbs and spices hydro-distilled into a unique, effective and safe formula.

GinzenG!™: The use of ginseng for energy and endurance is a well-established practice worldwide, with growing popularity in the America's and Europe. Bioponic's GinzenG! stands out as the first herbal healing tonic to blend ginseng with cinnamon and clove using its unique distillation process. The result is a flavorful remedy unlike any other.

Noni Care™: A natural topical fragrant skin spray that helps soothe the skin and promotes the healing process. The product is marketed to spas, healing centers and cosmetic retailers as part of aromatherapy and daily relaxation.

In addition, Bioponic has developed several product lines that have both natural foods/nutraceutical market distribution. These include: **Liquid Essence™**, which uses distilled flavors of spice and tropical fruit to infuse food with flavor upon contact. The product is targeted to the hospitality industry (organic chefs, restaurants, hotels), and appeals to food lovers worldwide. **Liquid Sense™** is an aerosol mist, which refreshes the skin, reduces stress, relaxes the mind, calms the emotions, soothes the body, creates balance and promotes well being.

KEY DISTRIBUTION PARTNERS

According to the Natural Foods Merchandiser, in 2006, retail channels accounted for 81%, or \$46.1 billion, of total natural product sales in the U.S. The retail market is a high-margin revenue stream, and Bioponic has enjoyed local retail success (health food stores, spas and pharmacies) in Maui and Kauai, Hawaii and over the Internet at www.bioponic.com. Key distribution agreements have the potential to propel individual products into star performers. For example, when

Bioponic inked an exclusive distribution agreement with **Global Source of Los Gatos** to distribute Flight Spray Over-the-Counter in the U.S., sales took-off. Flight Spray was featured on numerous media outlets, including Good Morning America and ABC News Health. Global Source brought Flight Spray to over 800 points of distribution in the travel industry, and online channels including TravelSmith.com and Drugstore.com. Since the product's launch in April 2005, Flight Spray has sold 50,000 units.

This is just one example of the power of the retail presence. Bioponic continues to seek out those distribution partners who have the right networks in place to successfully market its unique product offerings in North America and Europe. Recent partnerships include:

Active Sales and Marketing of South California is Bioponic's Master Broker covering the Western United States, including the states of California, Washington, Nevada, Arizona, Colorado, Utah, Idaho, New Mexico and Oregon. Active Sales and Marketing will bring six of the Company's most popular health and wellness products to large, well-established health food chains beginning in the first quarter of 2008. Channels will focus on large grocery chains and specialty retailers with national branding such as Whole Foods Market, Trader Joe's and GNC. The product line-up will initially include Hawaiian Healing Mist; O-Spray; Throat Note; Curecumin; Noni Healing Tonic and GinzenG! with other products to follow. Bioponic estimates that based on reaching approximately 1,000 stores, it can add \$1.5 million or more in revenues in 2008.

Malie, Inc. of Kauai, Hawaii - This local company offers well-established distribution channels in the U.S. and European retail perfume, spa and boutique body care markets, including the notable fashion retailer Nordstrom's. Malie distributes Bioponic's health and beauty aides and spa line including its facial tonics. Bioponic believes this distribution partnership can increase annual sales by \$500,000 in 2008.

LIFE-SAVING APPLICATIONS

According to the *Natural Foods Merchandiser*, consumers are searching for natural, safe, effective health care solutions, "for more personal control over health care and for ways to prevent illness." In fact, by one estimate, 90% of people making their first visit to a natural products outlet do so because of a health crisis. Bioponic is answering the call for natural, medicinal remedies through its multi-functional **Curecumin™** and **Curecumisinin™** products. These Bioresonant Phytotherapeutic remedies get their active ingredient from the Turmeric root, which contains a yellow pigment called Curcumin.

Curcumin is a well-documented antioxidant, anti-infectious and anti-inflammatory agent, and is gaining worldwide interest for its anti-cancer properties. The curcumin found in turmeric has shown to inhibit melanoma cell growth and stimulate tumor cell death, according to a new study.*

Independent research on turmeric suggests that curcumin has the

Corporate Highlights

- ❖ **Intellectual property portfolio** includes new patent pending healing modality "Bioresonant Phytotherapeutics™, patented eco-friendly agricultural technologies (the Airponic Growing System), proprietary phytoceutical formulations and brand Trademarks and Copyrights.
- ❖ **Multiple Revenue Streams** from over 94 Herbal Remedies and Plant-Derived Medicinal Products
- ❖ **Expanding Distribution** to High-Margin Retailers including Whole Foods Market and over 10,000 health food stores and Pharmacies
- ❖ **Established Brands** in the \$60 Billion Global Complimentary Alternative Medicine Market
- ❖ **Immense Market Potential** with Total Worldwide Sales of Nutritional Preparations and Natural Medicines Expected to reach nearly \$200 billion by 2010
- ❖ **Scalable Product Capacity** from its Hawaiian facility, which is capable of processing \$150 Million worth of products
- ❖ **Breakthrough Applications** include Treating Cancer, Malaria and Alzheimer's Disease

potential for the treatment of the five top cancers in the U.S. - colon, breast, prostate, lung and skin. These forms of cancer are known to be ten times lower in India compared to the U.S., where curry and turmeric are staples of the Indian diet.

The Journal of Alzheimer's Disease announced another breakthrough study (<http://www.j-alz.com/press/2006/20061003.html>) on curcumin. UCLA/VA researchers found that curcumin may help the immune system clear the brain of amyloid beta, which forms the plaques found in Alzheimer's Disease. Currently, Bioponic markets Curecumin for the treatment of skin cancer, and is exploring the use of Curecumin for the treatment of AD and other cancers.

Top scientists from the Indian Institute of Science, Bangalore, found that curcumin, isolated from turmeric, killed malaria parasites in animal laboratories when used with existing artemisinin-based combination therapies (ACTs). Malaria is a disease caused by a blood parasite transmitted by mosquitoes. Despite being both treatable and preventable, malaria kills more than a million people per year; 90 percent of those who die are African children (source confirmed by the Centers for Disease Control). In addition to a health crisis, malaria costs Africa about \$12 billion per year.

According to the grassroots campaign NothingbutNets.net, "Less expensive ACTs need to be developed and strategies to deliver them need to be implemented and evaluated so that the therapies can be accessed by the people who need them." Bioponic plans to disseminate its anti-malaria product **Curcumisinin** in Guinea, Africa by the end of this year. Bioponic is targeting cerebral malaria, where the parasite replicates at alarming rates inside the victim's brain. Children with cerebral malaria die within 24 to 72 hours without treatment. Bioponic believes free-of-charge dissemination of Curcumisinin in Guinea, Africa can make an immediate improvement to current treatments and demonstrate success rates to decision makers at the World Health Organization and other organizations for change. Bioponic not only hopes to stop the track of malaria, but potentially bring down the cost of treatment, and increase the efficacy of treatments on resistant strains of the disease.

*Note: To access research studies on Bioponic's key ingredients visit: <http://www.bioponic.com/pages/research.html>.

EXPLOSIVE MARKET DEMAND

Research organizations and pharmaceutical firms worldwide are now responding to the possibilities of major new drug markets based on botanical discoveries. Pharmaceuticals derived from plants account for over \$10 billion in sales annually, and demand for plant-derived medicinals is growing. Bioponic believes that significant markets will continue to develop for new botanically-based medicines. With its herbal formulation knowledge and developed extraction production protocols, the Company will continue to have a distinct edge in the development of plant-based products both now and in the future.

Worldwide, sales of Complimentary Alternative Medicine (CAM) is a

\$60 billion market. In the U.S., the Centers for Disease Control state that 75% of Americans have used CAM, and that the average American spent \$60 on various remedies in 2005. A number of factors are in place that suggest that the CAM market will experience continued and faster growth, especially due to an aging baby boomer population with increased life expectancy; scientific findings that demonstrate the efficacy of naturally-derived ingredients, and media focus on global warming and promotion of organics as healthier for you and better for the environment.

World demand for nutraceutical ingredients is forecast to advance 6% annually to \$15.5 billion by 2010. In that year, these compounds will serve a projected \$197 billion global market for nutritional preparations and natural medicines. Increasing acceptance by consumers and medical professionals will push world demand for herbal and non-herbal extracts up 7% annually to almost \$1.9 billion in 2010. Pharmaceuticals derived from plants already account for over \$10 billion in sales at the consumer level in the United States alone, and the demand for plant-derived medicinals is growing worldwide, especially in Europe. With more than one quarter of prescribed medicines now coming from plants and increasing activity in this area, Bioponic is expertly positioned to fill ongoing market demand for botanically based medicines.

STRONG, ORGANIC GROWTH

As Bioponic broadens its distribution channels, leverages its "green" intellectual properties and rolls out new products and live-saving applications, investors have a unique opportunity to maximize returns over the near- and long-term. The Company enjoys a revenue-generating product portfolio with sales primarily driven by Flight Spray, its first mass-commercialized retail product, and a handful of formulas geared toward fighting common infections and soothing everyday ailments. In 2008, Bioponic will undertake a more aggressive retail position, creating a national network of marketing channels that target its full line of products to cosmetic counters in fashion retailers, health food stores with established market share, and a number of drug stores and pharmacy chains carrying OTC herbal products in the U.S. and Europe.

Currently, Bioponic is poised to utilize 36 stills to produce roughly \$14 million of product (wholesale) per year. The facility has the capacity to fill over ten-times that amount, about \$150 million in products, using an anticipated 400 stills. Bioponic's scalable manufacturing capacity ensures that as sales accelerate, it can readily meet demand and capture market share on a worldwide basis.

Besides its consumer product line, the Company's near-term strategy to bring anti-malaria products to Africa, expand its applications of Curecumin to different types of prominent cancers and new discoveries to aide in treating Alzheimer's disease, make Bioponic one of today's most dynamic, high-growth companies operating at the intersection of nature and science.

Experienced Leadership

Steven M. Schorr, *Founder, Chairman and CEO*, has over 30 years of experience as an entrepreneur and inventor focused on the development, manufacture and marketing of technology products, including: product conception; design and development; maintaining research laboratories; and directing scientific discovery programs. He has authored 20 U.S. and International Patents. From 1991 to 1999, Mr. Schorr was the President and CEO of MR3 Systems Inc. (NQB: MRMR), a publicly trading company.

Gary Abreim, *Chief Financial Officer*, served as a CFO and financial consultant to various organizations including CFO of the Ally Capital Group.

Hamiel O. Schorr, *Vice President of Product Design*, is a graduate of the Arizona State University Industrial and Product Design program at the School of Architecture and Environmental Design, Mr. Schorr has led product identity and branding development since inception of the phytochemical program.

Company Contacts

Bioponic Phytoceuticals, Inc.
P.O. Box 2120
Kihei, HI 96753
Tel: 808.876.1711
Fax: 808.876.1784

Steven M Schorr
Chairman & CEO

Email: info@bioponic.com

For company information, please visit
www.bioponic.com.

Investor Relations

OTC Financial Network
300 Chestnut Street, Suite 200
Needham, MA 02492
Tel: 781.444.6100 x625
Fax: 781.444.6101

Rick McCaffrey
IR Specialist
rick@otcfm.com

For more information, please visit
www.otcfm.com/bpyt.

DISCLAIMER: : This is a publication of OTC Financial Network (OTCFN), a division of National Financial Communications Corp. (NFC), a financial communications and investor relations company. Geoffrey Eiten is the sole owner of NFC and OTCFN. OTCFN has received fees for services, including a monthly retainer of five thousand dollars, plus an option to purchase an aggregate of one million five hundred thousand shares at an exercise price of ten cents per share, plus expenses, plus expenses, for the distribution of materials including this Corporate Facts report. The company featured does not have to meet any specific financial criteria. The clients represented by OTCFN are typically development-stage companies that pose a high risk to investors. When investing in a speculative stock of this nature, it is possible to lose your entire investment over time. The information contained herein contains forward-looking statements and information within the meaning of Section 27A of the Securities Act of 1993 and Section 21E of the Securities Exchange Act of 1934, including statements regarding expected continual growth of the featured company. In accordance with Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, the statements contained herein that look forward in time, which include other than historical information, involve risks and uncertainties that may affect actual results of operations. Factors that could cause actual results to differ include the size and growth of the market for the company's products, the company's ability to fund its capital requirements in the near term and in the long term, pricing pressures, etc. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives goals, assumptions or future events or performance may be forward-looking statements. Forward-looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties that could cause actual results or events to differ materially from those presently anticipated. Forward-looking statements may be identified through the use of words such as expects, will, anticipates, estimates, believes, or by statements indicating certain actions may, could, should or might occur. This is not an offer to buy or sell securities. Information or opinions presented are solely for informative purposes and are not intended nor should they be construed as investment advice. The information provided in this report is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject us to any registration requirement within such jurisdiction or country. We encourage our readers to invest carefully and read the investor information available at the web sites of the U.S. Securities and Exchange Commission (SEC) at www.sec.gov and the National Association of Securities Dealers (NASD) at www.nasd.com. The NASD has published information on how to invest carefully at its web site. Readers can review all public filings by companies at the SEC's EDGAR page. This report does not purport to be a complete study of the featured Company. Information used and statements of fact have been obtained from the featured Company and other sources, but not verified nor guaranteed by OTCFN as to completeness or accuracy. Such information is subject to change without notice. It should be understood that there is no guarantee past performance will be indicative of future results. Opinions stated herein may be solely Geoffrey Eiten's, and not necessarily those of the featured Company. Officers, directors, and employees of OTCFN or NFC and anyone mentioned in this report and members of their families, may hold a position and may, from time to time, trade in these securities for their own accounts including when the Corporate Facts report, or other material, is distributed. Specific information in this regard will be furnished upon request. Trademarks are the property of their respective owners. ©2008 OTC Financial Network. All rights reserved. For any additional information call 781-444-6100 or see <http://www.otcfm.com>.