

FOR IMMEDIATE RELEASE

TSX Venture Symbol: EQT

EquiTech Corporation Announces Details of Rights Offering

Edmonton, Alberta, January 20, 2004 - EquiTech Corporation (TSX-V: EQT) ("EquiTech"), a specialty pharmaceutical company focused on improving existing oral drug medication using EquiTech's enhanced absorption technology, today announced that it has obtained a final receipt for its rights offering prospectus from the regulatory authorities in the Provinces of Alberta, British Columbia and Ontario to raise up to \$993,281. EquiTech has retained Northern Securities Inc. to act as Soliciting Dealer.

Each holder of EquiTech common shares on the record date of January 30, 2004 will receive one right for each common share held. Four rights, plus \$0.60, will entitle an eligible holder to subscribe for three units (\$0.20 per unit) prior to 4:00 p.m. (Edmonton time) on Monday, February 23, 2004. Eligible holders are those resident in the provinces of Alberta, British Columbia and Ontario. Rights not exercised before the expiry date will be void and have no value.

Each unit subscribed for consists of one common share and one warrant. Each warrant will entitle the holder to purchase one additional common share at a price of \$0.30 per common share for a period of 18 months following the closing date that is expected to be on or about February 26, 2004. In the event that subscriptions are received for less than the maximum number of units available, each shareholder who exercises all of the rights he or she is entitled to may subscribe for additional units. If the rights are fully subscribed, there will be 4,966,405 units issued for total proceeds of \$993,281. The minimum offering is 3,500,000 units for total proceeds of \$700,000 (the "Minimum Offering"). The mailing of the rights certificates and the copy of the prospectus will occur shortly after the record date.

The rights will be posted for trading on the TSX Venture Exchange under the symbol EQT.RT until 10:00 a.m. (Edmonton time) on February 23, 2004. The TSX Venture Exchange will issue a bulletin as to when the rights will trade separately from the common shares (the ex-rights trading date) expected to be January 28, 2004, as well as other information.

EquiTech has entered into a standby guarantee agreement with Vic Alboini (the "Standby Purchaser"), Chairman and Chief Executive Officer of Northern Securities Inc. Subject to certain conditions, including certain insiders of EquiTech exercising their rights to subscribe for 1,000,000 units (\$200,000), the Standby Purchaser has agreed to purchase up to 1,000,000 Units at \$0.20 per Unit (\$200,000) should at least 2,500,000 Units (\$500,000) be subscribed for and the Minimum Offering not be achieved. The Standby Purchaser will purchase that number of Units to bring the offering up to the Minimum Offering, to a maximum of 1,000,000 Units (\$200,000). Should the Minimum Offering be subscribed, the Standby Purchaser will have no obligation to purchase Units.

EquiTech's lead compound is ZAG-1701, a reformulated ibuprofen product which EquiTech anticipates will provide faster pain relief. Net proceeds from the offering will be used to continue manufacturing of ZAG-1701 and conduct a clinical study in humans to evaluate the

absorption as well as gather preliminary information on the pain relief effectiveness of ZAG-1701 and for general corporate purposes.

About EquiTech Corporation

EquiTech is a specialty pharmaceutical company with patent pending technology to create and develop better absorbing pharmaceutical products that are taken orally. EquiTech's lead compound is a reformulated ibuprofen product for the treatment of moderate acute pain. EquiTech trades on the TSX Venture Exchange under the symbol EQT and currently has approximately 6.6 million common shares outstanding. For further information, visit www.equitechcorporation.com.

For more information, please contact:

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This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The securities of the corporation have not been and will not be registered under the U.S. Securities Act, 1933, as amended and subject to certain exemptions may not be offered or sold in the United States or to U.S. persons. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. This press release may contain forward-looking statements, i.e. information that is not strictly historical, concerning EquiTech's business and prospects. Forward-looking statements are subject to a number of risks and uncertainties. Actual events and results may differ materially from those discussed in this press release, due to factors including research, development, commercial and market risks.