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## **CRITICAL OUTCOME TECHNOLOGIES COMPLETES PRIVATE PLACEMENT**

**London, Ontario (August 28, 2013): Critical Outcome Technologies Inc. (TSX Venture: COT) (“COTI” or the “Corporation”)** announced today that it has completed the second tranche of its previously announced non-brokered private placement and issued 4,974,799 units (the “Units”) at a price of \$0.12 per Unit for gross proceeds of approximately \$597,000. Total gross proceeds of the two tranches were approximately \$1,097,000.

“Through a series of small financings we have raised \$1,627,000 thus far in fiscal 2014,” said John Drake, Chairman of the Board. “This funding enables us to advance COTI-2 through important risk reduction milestones such as the completion of the final preclinical toxicity studies and the preparation of the investigational new drug submission that enhance the attractiveness of COTI-2 for licensing.”

Each Unit consists of one common share and one warrant of the Corporation. Each warrant is exercisable for one common share of the Corporation at an exercise price of \$0.26 per share for a period of 18 months from the date of issue. The Corporation paid finders’ fees to arm’s length third parties in connection with the second tranche in the aggregate amount of \$25,656 in cash and issued an aggregate of 213,797 compensation warrants. Each compensation warrant is exercisable into one common share of the Corporation for a period of 18 months from the date of issue at an exercise price of \$0.20 per share.

The common shares and warrants comprising the Units, as well as the common shares issuable upon the exercise of the warrants are subject to restrictions on resale, which expire on December 29, 2013 in accordance with applicable securities laws and the policies of the TSX Venture Exchange. The offering is subject to final acceptance by the TSX Venture Exchange.

**The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.**

### **About Critical Outcome Technologies Inc. (COTI)**

COTI is a leading-edge technology company specializing in accelerating the discovery and development of small molecules – dramatically reducing the time and cost to bring new drugs to market. COTI’S proprietary artificial intelligence system, CHEMSAS®, utilizes a series of predictive computer models to identify compounds with a high probability of being successfully developed from disease specific drug

discovery through chemical optimization and preclinical testing. These compounds are targeted for a variety of diseases, particularly those for which current treatments are either lacking or ineffective.

For more information, visit [www.criticaloutcome.com](http://www.criticaloutcome.com) or contact:

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