

FOR IMMEDIATE RELEASE

CRITICAL OUTCOME TECHNOLOGIES INC. REPORTS FISCAL 2013 THIRD QUARTER FINANCIAL RESULTS

London, Ontario (March 28, 2013): Critical Outcome Technologies Inc. (COTI) (TSX Venture: COT) announced fiscal 2013 third quarter financial results today for the three and nine months ended January 31, 2013.

“We are pleased that our two strategies for commercial validation of our underlying CHEMSAS® platform technology continued to progress in the third quarter,” said Dr. Wayne Danter, President and Chief Executive Officer.

“First, in our licensing strategy for COTI-2, our lead oncology asset, we moved forward with Destum Partners, Inc. (Destum), our licensing consultant, in an outreach program that began in December 2012. The Company in conjunction with Destum was in contact with over seventy potential licensees by the end of the third quarter. Continued dialogue, discussion and review of the non-confidential and confidential scientific data packages is ongoing and we look forward to the due diligence process unfolding over the coming months toward a licensing agreement,” said Dr. Danter.

“In our second strategy related to collaborations, we signed an agreement in December 2012 with a multinational pharmaceutical company building on the two collaborations announced in the second quarter,” noted Dr. Danter. “We completed much of our work on the initial phases of these three collaborations during the third quarter and we expect to get test results from the collaborators’ efforts toward the end of the fourth quarter on the compounds we provided.”

Operational Highlights

The Company continued to make steady progress in developing COTI-2 toward an investigational new drug filing leading to human clinical trials and a licensing transaction in the quarter.

The two-species toxicity studies initiated in late September 2012 continued during the quarter with final reports on the first phase of these studies received in early February. There were no issues identified and the balance of the toxicity studies are ready to proceed.

On December 13, 2012, the Company released important new test results proving that COTI-2, at a low dose, restores the normal protein configuration of the R175H p53 gene mutation and did not affect normal p53 protein. “The results demonstrated that COTI-2 stops susceptible cancer cells from replicating by correcting the effects of specific genetic errors affecting the p53 gene. These findings further improve the understanding of COTI-2’s mechanism of action (MOA),” stated Dr. Danter.

In January 2013, the Company initiated further studies to evaluate COTI-2’s impact on additional cancer cell lines that have a p53 gene mutation at the M.D. Anderson Cancer Center in Houston, TX. These studies with leading scientific experts in cancers impacted by the p53 mutation will broaden the understanding of the MOA and assist with licensing efforts and the design of the Phase 1 study to be submitted with the clinical trial package to the United States Food and Drug Administration.

Financial Highlights

The Company reported a net loss of \$696,785 or \$0.01 per common share for the three months ended January 31, 2013 (Q3-F’13) compared to a net loss of \$619,550 or \$0.01 per common share for the comparable quarter ended January 31, 2012. For the nine months ended January 31, 2013 (YTD-F’13) the Company reported a net loss of \$2,182,223 or \$0.03 per common share compared to a net loss of \$1,910,337 or \$0.03 per common share for the nine months ended January 31, 2012. The increased loss in Q3-F’13 of \$77,235 related to two major functional expense areas; research and product development (R&D) expenses increased by \$37,643 and sales and marketing (S&M) expenses increased by \$45,874. The increased loss of \$271,886 for YTD-F’13 related to an increase in R&D expense by \$212,151, an increase of \$37,195 in general and administrative expense and an increase of \$51,863 in S&M expense.

At the quarter end, the Company held cash, cash equivalents and short-term investments of \$541,629. This balance reflected a non-brokered private placement that closed on January 30, 2013 for gross proceeds of \$504,736. The quarter end balance reflected a decline of \$1,172,042 since the April 30, 2012 year end with cash used in operating activities representing \$1,620,307. “The Company’s top priority is pursuing financing to sustain operations and execute on its business plan with an intention of closing a financing in late April or early May 2013,” said Dr. Danter.

More detailed operating and financial results can be found in the Company’s unaudited condensed interim financial statements and the Management Discussion and Analysis for the three and nine months ended January 31, 2013, which can both be found on SEDAR at www.sedar.com. This material is also available on the Company’s website at www.criticaloutcome.com.

Notice to Readers

Information provided in this press release may contain certain statements which constitute “forward-looking statements” within the meaning of the Securities Act (Ontario) and applicable securities laws. For example, the statement “ ... expect to get test results from the collaborators’ efforts toward the end of the fourth quarter on the compounds we provided” and “...with an intention of closing a financing in late April or early May 2013 ...” are forward-looking statements. These statements convey the

Company's expectations of when it will get test results back from the parties to its collaboration agreements, and the timing of obtaining new financing, but COTI is not in a position at this time to determine when, or if these events will occur. Forward-looking statements, by their nature, are not guarantees of future performance and are based upon management's current expectations, estimates, projections and assumptions. Risks that could impact on these forward-looking statements are outlined in the Company's annual information form. Management of COTI considers the assumptions on which these forward-looking statements are based to be reasonable, but as a result of the many risk factors, cautions the reader that actual results could differ materially from those expressed or implied in these forward-looking statements.

About Critical Outcome Technologies Inc.

COTI is a leading-edge company specializing in accelerating the discovery of small molecules thus enabling these new drugs to be brought to market in a more cost effective, efficient and timely manner. COTI'S proprietary artificial intelligence system, CHEMSAS®, utilizes a series of predictive computer models to identify compounds most likely to be successfully incorporated in disease-specific drug discovery, as well as subsequent optimization and preclinical development. These compounds are targeted for a variety of diseases, particularly those for which current treatments are either lacking or ineffective.

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