

## **CRITICAL OUTCOME TECHNOLOGIES CLOSES SECOND TRANCHE OF FINANCING**

### ***Additional funding to support COTI-2 Phase 1 Clinical study***

**London, Ontario (November 7, 2014): Critical Outcome Technologies Inc. (TSX Venture: COT; OTCQB: COTQF) (“COTI” or the “Company”)** the biopharmaceutical company that uses machine learning to rapidly develop targeted therapies, completed a second tranche of its previously announced non-brokered private placement with the issuance of 5,111,062 units (the “Units”) at a price of USD \$0.23 per Unit for gross Canadian dollar proceeds of approximately \$1,319,000. In aggregate, the Corporation has raised gross Canadian proceeds from the offering of approximately \$1,836,000 through the sale of 7,123,760 Units.

“This financing supports our ongoing operations as we continue to advance COTI-2 towards a Phase 1 clinical trial in gynecological cancers at the MD Anderson Cancer Centre in Houston in early 2015,” said John Drake, Chairman of the Board. “We expect to file the Investigational New Drug application for COTI-2 with the U.S. FDA by the end of the year, and we are excited to obtain funding to position COTI-2 for this risk reduction and value creating event that will enhance the compound’s attractiveness for licensing.”

“We look forward to expanding upon the extensive preclinical work, which demonstrated that COTI-2 is potentially transformational in the treatment of ovarian and other gynecological cancers where there is a p53 gene mutation present,” said Dr. Wayne Danter, President and Chief Executive Officer. “We see further opportunity to extend the COTI-2 franchise to patients afflicted by other cancer indications and this funding is also supportive of these efforts.”

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 USD \$0.34 per share for a period of 60 months from the date of issue. The Corporation paid finders’ fees to arm’s length third parties in connection with this tranche in the amount of \$80,003 in cash and issued 310,076 compensation warrants. Each compensation warrant is exercisable into one common share of the Corporation at an exercise price of USD \$0.26 per share for a period of 60 months from the date of issue. Both the warrants and compensation warrants are subject to acceleration of their expiration date by the Company in certain circumstances.

The common shares and warrants issued by the Corporation under the offering are subject to restrictions on resale in accordance with applicable securities laws and the policies of the TSX Venture Exchange. These restrictions will expire on March 7, 2015 for the securities issued on this closing. The offering is subject to final acceptance by the TSX Venture Exchange.

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

COTI is a biopharmaceutical company using machine learning to rapidly develop targeted therapies. COTI's proprietary artificial intelligence platform, 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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Information contained 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, “... financing supports our ongoing operations as we continue to advance COTI-2 towards a Phase 1 clinical trial in gynecological cancers at the MD Anderson Cancer Centre in Houston in early 2015” and “... expect to file the Investigational New Drug application for COTI-2 with the U.S. FDA by the end of the year” and “this risk reduction and value creating event that will enhance the compound’s attractiveness for licensing” and “... COTI-2 is potentially transformational in the treatment of ovarian and other gynecological cancers where there is a p53 gene mutation present” are forward-looking statements. Forward-looking statements by their nature are not guarantees of future performance and are based upon management’s current expectations, estimates, projections and assumptions. COTI operates in a highly competitive environment that involves significant risks and uncertainties, which could cause actual results to differ materially from those anticipated in these forward-looking statements. 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. Information in this press release should be considered accurate only as of the date of the release and may be superseded by more recent information disclosed in later press releases, filings with the securities regulatory authorities or otherwise.

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