



Press Release

FOR IMMEDIATE RELEASE

CRITICAL OUTCOME TECHNOLOGIES INC. IDENTIFIES PHASE 1 ORAL FORMULATION CANDIDATES FOR COTI-2

London, Ontario (February 2, 2012): Critical Outcome Technologies Inc. (COTI) (TSX Venture: COT) announced today that it has developed Phase 1 oral formulation candidates for COTI-2, a potentially first-in-class and best-in-class non-ATP competitive modulator/inhibitor of AKT/AKT2 that is being prepared for a Phase 1 clinical trial. The development of an oral formulation for use in humans attempts to maximize the amount of an orally administered drug that is absorbed and then circulates in the body.

“We have made excellent progress in developing orally administered COTI-2 formulations, a milestone which was identified as the second risk reduction point in our discussions with potential licensees,” said Dr. Wayne Danter, COTI’s CEO and President. “Our evaluation of many potential formulations and test results has allowed us to identify eight oral formulation candidates.”

As a result of multiple animal experiments and feedback from potential partners, the Company has chosen to develop COTI-2 as an orally administered drug for the planned Phase 1 study. COTI’s oral formulation program has successfully identified a select group of candidates to be used in completing the two species toxicity testing for the COTI-2 clinical submission package and in the Phase 1 human clinical trial. The next step in the formulation project is to select the best candidate from the group which will be based upon a number of criteria including ease in manufacturing, efficacy and pharmacokinetic profile, including bioavailability. This final selection process will occur once an optimal detection method currently being developed for the Phase 1 human trial is completed.

The formulation work has also produced a more detailed understanding of how COTI-2 is likely to behave in the body. Experiments involving two rodent species have demonstrated that orally administered COTI-2 is handled in a complex, but common way that produces sustained levels of COTI-2 in the blood for at least 48 hours after a single dose. This suggests that COTI-2 can be developed as an out-patient cancer therapy taken daily or even on alternate days. A daily oral medication is usually considered optimal for home based patient administration because of the ease of patient compliance.

COTI-2’s specific cellular targeting, low toxicity, and proven efficacy support a potentially dramatic change in the treatment of cancers that over express AKT/AKT2. Over expression of AKT/AKT2 is common in a broad range of human cancers, including ovarian, endometrial, pancreatic, breast, colorectal and lung. The percent of tumors producing excess active AKT/AKT2 ranges from 20% to 100% depending on the cancer type.

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 “This final selection process will occur once an optimal detection method currently being developed for the Phase 1 human trial is completed” is a forward-looking statement. This statement conveys the Company’s efforts to identify an optimal oral formulation, but COTI is not in a position at this time to determine when and if an optimal oral formulation will be finalized. 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)

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.

For more information, visit www.criticaloutcome.com or contact:

Michael Barr

Vice President of Business Development and Marketing

519-858-5157

mbarr@criticaloutcome.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.