Press Release

CRITICAL OUTCOME TECHNOLOGIES ANNOUNCES FOURTH QUARTER AND FULL YEAR 2017 FINANCIAL RESULTS

- Advanced Phase 1 trial of COTI-2 in gynecological malignancies -
- Initiated IND-enabling studies for COTI-219 -

London, Ontario and Boston, MA (August 28, 2017): Critical Outcome Technologies Inc. (TSX Venture: COT; OTCQB: COTQF) ("COTI" or the "Company"), a clinical stage biopharmaceutical company advancing a pipeline of targeted therapies for the treatment of cancer, reported its financial and operating results today for the fourth quarter and the fiscal year ended April 30, 2017 ("FYE 2017").

FYE 2017 Highlights:

- Advanced the Phase 1 trial to evaluate COTI-2, a novel small molecule targeting mutant p53, in patients with gynecologic malignancies;
- Initiated IND-enabling studies for the Company's second clinical candidate, COTI-219, a novel small molecule targeting the mutant forms of KRAS;
- Appointed Alison Silva as President and Chief Executive Officer in January 2017.

Recent Highlights:

- Appointed Dr. Richard Ho as Chief Scientific Officer in June 2017;
- Completed the dose escalation portion of the Phase 1 trial of COTI-2 in gynecological malignancies in August 2017;
- Initiated the expansion arm of the Phase 1 trial of COTI-2 into head and neck squamous cell carcinomas ("HNSCC") in August 2017.

"2017 has been an exciting year for COTI, as we completed our first full fiscal year as a clinical-stage biotech company," said Alison Silva, President & Chief Executive Officer. "Our Phase 1 trial to evaluate our lead clinical candidate, COTI-2, in gynecological malignancies continued to progress and was a key area of focus throughout the year. Earlier this month, we announced the completion of the dose escalation portion of this Phase 1 trial in gynecological malignancies, and initiated the expansion arm into patients with head and neck squamous cell carcinomas."

"We also made important strides in our earlier stage pipeline, identifying and initiating IND-enabling studies for COTI-219, our second clinical candidate," added Ms. Silva. "Following the completion of these preclinical studies, we expect to file an Investigational New Drug application for COTI-219 with the FDA. We are pleased with the progress and achievements across our entire pipeline, and we look forward to the year ahead as we continue to advance our Phase 1 trial of COTI-2 and progress COTI-219 towards clinical development."

Upcoming Milestones

COTI-2

- Additional data from the gynecological arm of the Phase 1 trial of COTI-2 expected by year-end
- Top-line data from the HNSCC expansion arm of the Phase 1 trial of COTI-2 expected in 2018
- Initiation of expansion arms evaluating COTI-2 as combination treatment in gynecological malignancies and HNSCC expected in 2018

COTI-219

- Completion of IND-enabling studies expected in late 2017
- IND filing with the FDA expected in early 2018

Financial Results

Fourth Quarter

The Company reported a quarterly net loss of $1,907,114, or $0.13 per share on a post consolidation basis, compared to a net loss of $2,363,271, or $0.18 per share, for the fourth quarter of the previous year. The $456,157 decrease in the net loss is a result of increased operating expenses totaling $752,557, primarily in Research and development and General and administration, offset by an increase in financing income of $1,208,714 (predominantly due to a change in the fair value of the warrant liability, a non-cash item).

The significant change in the fair value of the warrant liability reflects the impact of two key assumptions on the valuation; an increase in the foreign exchange rate and a decline in the market price of the Company's stock. The higher R&D expenses for the quarter related primarily to heightened clinical trial activity compared to the prior period, an increase in synthesis and miscellaneous R&D expenses, and increases in personnel. The higher G&A expenses for the quarter were largely attributable to increases in salaries and benefits and share-based compensation expenses related to the leadership succession plan and the addition of management personnel, as well as increases in professional fees, other expenses and amortization of intangible assets. These increases were partially offset by a decrease in corporate governance expenses.

Fiscal Year

For the fiscal year, the Company had a net loss of $6,208,890, or $0.42 per share on a post consolidation basis, compared to a net loss of $4,924,427, or $0.39 per share, for Fiscal 2016. The increased loss of $1,284,463 was attributable to incremental expenditures of $1,943,777 in General and administration and $1,222,114 in Research and product development, offset by a significant increase in Finance income of $1,734,394 (predominantly due to a change in the fair value of the warrant liability). Other offsets include a reduction of $116,199 in Sales and marketing expenses and higher investment tax credit income of $30,835.

Higher G&A expenses related largely to the completion of a planned leadership succession and broadening of the Company's management team to support business needs. These expenses included the recognition of contractual transitional payments to the former CEO, the addition of a President

position in the first quarter, and compensation for senior personnel including an estimate for milestone-based stock option compensation. R&D expenses for the year were driven by the acceleration of activities in the COTI-2 Phase 1 clinical trial in gynecological malignancies, as well as preclinical work for COTI-219 and other pipeline assets including the MRSA compounds. An additional development area was the continued validation and refinement of the ROSALIND™ platform. The reduction in Sales and marketing expenses for the year was primarily attributable to a decrease in professional fees related to bringing business development activities in-house.

Financing

During the year, the Company realized cash for operations of approximately $1.85 million through the exercise of warrants and share options. The proceeds were used primarily to advance the COTI-2 Phase 1 clinical trial and to support additional R&D development efforts for COTI-219, the selected second clinical indication for the Company, and the continued validation study for ROSALIND™. At year-end, the Company had cash resources of approximately $2.0 million compared to approximately $4.7 million at FYE 2016.

Subsequent to year-end and in support of its financing efforts, the Company proceeded with a consolidation of its issued and outstanding common shares based on a ratio of ten pre-consolidation common shares for one post-consolidation common share, in accordance with the approval of its shareholders obtained on October 13, 2016. The common shares commenced trading on a consolidated basis on June 30, 2017.

More detailed operating and financial results can be found in the Company's Annual Audited Financial Statements and Management Discussion and Analysis for the year ended April 30, 2017, which can be found on SEDAR at www.sedar.com or at http://criticaloutcome.com/investors/financials/

About Critical Outcome Technologies Inc.

COTI is a clinical stage biotech company that uses proprietary artificial intelligence technologies to pursue a targeted and transformational approach to treating cancer and other unmet medical needs. COTI's CHEMSAS® technology accelerates the discovery and development of novel drug therapies, allowing the Company to build a pipeline of potential drug candidates faster and with a higher probability of success than traditional methods.

The Company's lead compound, COTI-2, has a novel p53-dependent mechanism of action with selective and potent anti-cancer activity. P53 mutations occur in over 50% of all cancers. COTI-2 is initially being evaluated for the treatment of gynecologic cancers and head and neck squamous cell carcinoma in a Phase 1 clinical trial at the MD Anderson Cancer Center at the University of Texas and the Lurie Cancer Center at Northwestern University. The Company has secured orphan drug status in the United States for COTI-2 for the treatment of ovarian cancer. Preclinical data suggests that COTI-2 could dramatically improve the treatment of cancers with mutations in the p53 gene.

The Company's second lead compound, COTI-219, is a novel oral small molecule compound targeting the mutant forms of KRAS without inhibiting normal KRAS function. KRAS mutations occur in up to 30%

of all cancers and represent a tremendous unmet clinical need and a desirable drug target. COTI-219 is undergoing IND-enabling studies to support a regulatory submission in early 2018.

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Notice to Readers:

Information contained in this press release may contain certain statements which constitute "forward-looking statements" as such term is defined under applicable securities laws. For example, the statements, "…expect to file an Investigational New Drug application for COTI-219 with the FDA" and "…we look forward to the year ahead as we continue to advance our Phase 1 trial of COTI-2 and progress COTI-219 towards clinical development" 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.