



Press Release

CRITICAL OUTCOME TECHNOLOGIES CLOSES \$1.5 MILLION PRIVATE PLACEMENT

FUNDS TO SUPPORT CONTINUED CLINICAL DEVELOPMENT OF COTI-2 IN HEAD AND NECK SQUAMOUS CELL CARCINOMA

London, Ontario and Boston, MA (September 20, 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, today announced that it closed the first tranche of a non-brokered private placement with accredited investors primarily from its existing investor base. The Company issued approximately 1,300,000 units (the “Units”) at a price of CAD \$1.16 per Unit, for gross proceeds of approximately \$1,500,000. Additional funding is expected from an upcoming second tranche to be closed in the next few weeks.

“We are pleased to have raised CAD \$1.5 million, and appreciate the support of our investors, both new and existing,” said Alison Silva, President and CEO. “These proceeds will support the ongoing development of COTI-2, as we advance the head and neck squamous cell carcinoma (HNSCC) Phase 1 clinical trial. We continue to expect to report secondary and exploratory endpoints from the gynecological arm of the trial later this year, and to report top-line data from the HNSCC expansion arm in 2018.”

Each Unit consisted of one common share and one common share purchase warrant (each, a “Warrant”) of the Company. Each Warrant is exercisable for one common share of the Company at an exercise price of \$1.21 CAD per common share for a period of 12 months from the date of issue. The expiration date of the Warrants is subject to acceleration by the Company in certain circumstances. The common shares and Warrants issued by the Company pursuant to the private placement are subject to restrictions on resale in accordance with applicable Canadian and U.S. securities laws and the policies of the TSX Venture Exchange. In this regard, under Canadian securities laws, the common shares and Warrants comprising the Units are subject to restrictions on resale expiring on January 20, 2018, as are any common shares issued upon the exercise of the Warrants prior to the end of this restricted sale period. 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 or 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 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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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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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 "Additional funding is expected from an upcoming second tranche to be closed in the next few weeks" and "We continue to expect to report secondary and exploratory endpoints from the gynecological arm of the trial later this year, and to report top-line data from the HNSCC expansion arm in 2018" 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. Except as required by law, COTI assumes no obligation to update forward-looking statements should circumstances or management's expectations, estimates, projections and assumptions change.