

## **CRITICAL OUTCOME TECHNOLOGIES COMPLETES PRIVATE PLACEMENT**

### ***Company to commence 28-Day Two-Species Toxicity Testing for COTI-2***

**London, Ontario (February 6, 2014): Critical Outcome Technologies Inc. (TSX Venture: COT) (“COTI” or the “Corporation”),** the bioinformatics and accelerated drug discovery company, announced today that it has completed an arm’s length non-brokered private placement raising approximately \$500,000 consisting of a non-convertible debenture (the “Debenture”) in the amount of \$400,000 and an equity placement of 769,230 units (the “Units”) at a price of \$0.13 per Unit for approximately \$100,000.

“This funding will enable us to complete the final preclinical 28-day two-species toxicity studies for our lead oncology compound, COTI-2, as well as prepare our investigational new drug submission to the U.S. Food and Drug Administration,” said Dr. Wayne Danter, President and CEO. “These are significant risk reduction milestones for the compound and will enhance the attractiveness of COTI-2 for licensing as well as preparing the compound for a Phase 1 human clinical trial.

“With strong interest to get COTI-2 into the clinic, we are pleased to be able to obtain the funding to move this important asset forward expeditiously,” said John Drake, Chairman of the Board. “These testing activities are important steps toward our objective of bringing a first-in-class treatment to the millions of people suffering from many common cancers.”

The Debenture has a term of one year from the date of issuance and bears interest at a rate of 10% with interest only payable on a monthly basis. In addition to the interest cost of the Debenture, the Company issued 1,250,000 common share purchase warrants (the “Debenture Warrants”) with an exercise price of \$0.20 and a one-year term with vesting occurring immediately upon issuance of the Debenture. A redemption fee of \$40,000 is payable by the Company upon early repayment of the Debenture. The lender has the option to apply the redemption fee to a participation in any equity financing undertaken by the Company in calendar 2014 related to the repayment of the Debenture on the same terms and conditions as that financing.

Each Unit consisted of one common share and one common share warrant (the “Equity Warrant”) of the Corporation. Each Equity Warrant can be exercised for one common share of the Corporation at an exercise price of \$0.26 per share for a period of 60 months from the date of issuance.

The common shares and Equity Warrants comprising the Units, as well as the Debenture Warrants and common shares issuable upon the exercise of the Equity and Debenture Warrants are subject to restrictions on resale, which expire on June 5, 2014 in accordance with applicable securities laws and the policies of the TSX Venture Exchange. The offering is subject to final acceptance by the TSX Venture Exchange.

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

COTI is a leading-edge technology company specializing in accelerating the discovery and development of small molecules – dramatically reducing the time and cost to bring new drugs to market. COTI’S

proprietary artificial intelligence system, CHEMSAS<sup>®</sup>, 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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### **Notice to Readers**

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 “... to complete the final preclinical 28-day two-species toxicity studies for our lead oncology compound, COTI-2, as well as prepare our investigational new drug submission to the U.S. Food and Drug Administration” and “... will enhance the attractiveness of COTI-2 for licensing as well as preparing the compound for a Phase 1 human clinical trial” 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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