



Press Release

FOR IMMEDIATE RELEASE

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CRITICAL OUTCOME TECHNOLOGIES INC. ANNOUNCES PRIVATE PLACEMENT

London, Ontario (CCNMatthews - January 16, 2007): Critical Outcome Technologies Inc. (TSX Venture: COT) announces today that the Company has raised, by way of a non-brokered private placement, \$1,000,000 through the issuance of 2,000,000 Units at a price of \$0.50 per Unit.

The Units were priced at \$0.50 per Unit, pursuant to Form 4A filed with the TSX Venture Exchange on January 4, 2007, and consist of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase an additional common share of the Company at a price of \$0.60 per share for a period of 18 months ending on July 15, 2008. The private placement common shares issued under the Unit purchase are subject to a four month hold. The financing has received conditional regulatory approval and is subject to the final approval of the TSX Venture Exchange.

This private placement involves one Ontario-based investor. The proceeds of the private placement will be used for product development, research and development, and other corporate purposes.

About Critical Outcome Technologies Inc. (COTI)

COTI is formed around a unique computational platform technology called CHEMSAS®, which allows for the accelerated identification, profiling and optimization of targeted small molecules potentially effective in the treatment of human diseases for which current therapy is either lacking or ineffective. COTI's business is focused on the discovery and pre-clinical development of targeted libraries of novel, optimized lead molecules for the treatment of specific cancers, HIV and multiple sclerosis. Currently, five targeted libraries of lead compounds (small cell lung cancer, multiple sclerosis, HIV integrase inhibitors, colorectal cancer, and acute Myelogenous leukemia in adults) are under active development. For more information on COTI, please visit www.criticaloutcome.com.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.