



Press Release

FOR IMMEDIATE RELEASE

CRITICAL OUTCOME TECHNOLOGIES INC. REPORTS FISCAL 2010 FIRST QUARTER FINANCIAL RESULTS

London, Ontario (September 10, 2009): Critical Outcome Technologies Inc. (COTI) (TSX Venture: COT) announced fiscal 2010 first quarter financial results today for the three month period ended July 31, 2009.

“The Company has continued to achieve substantial progress on its scientific development with emphasis on COTI-2 our lead cancer compound,” said Dr. Wayne Danter, President and Chief Scientific Officer of COTI. “The consistently positive test results during the quarter add to the impressive data set of COTI-2, showing effectiveness and low toxicity against multiple cancers, particularly in combination with first and second line agents.”

Scientific Highlights

We are pleased to report positive results on our research and development programs with selected highlights during the quarter as follows:

- Completion in May 2009 of animal experiments with COTI-2 in intravenous combination testing with paclitaxel, the conventional first line single agent therapy for the treatment of endometrial cancer, showing superior test results compared to paclitaxel alone as measured by an improved tumor regression rate, an improved survival rate and delayed tumor growth in an animal model of aggressive human endometrial cancer (AN3CA).
- Completion in August 2009 of animal experiments that showed oral COTI-2 alone, and in combination with Doxil[®], had superior treatment results compared to Doxil[®] alone as measured by significant tumor growth inhibition in an animal model of an aggressive human ovarian cancer (A2780).
- Completion of a series of experiments in animal models providing clear evidence that COTI-2 is likely to have low toxicity in healthy tissues compared with cancer cells. Traditional anti-cancer drugs have shown toxicity to both cancer cells and healthy tissues with little selectivity.
- Completion of other experiments have also provided evidence that COTI-2 is much more toxic to human cancer cells than healthy human white blood cells.

Financial Results

The Company reported a net loss of \$979,089 or \$0.02 per share for the three months ended July 31, 2009 compared to a net loss of \$858,771 or \$0.02 per share for the comparable quarter ended July 31, 2008. Consistent with the prior year, there were no operating revenues generated in the quarter. The increased loss of \$120,318 resulted from five main sources: increased research and development of \$183,092, increased salaries and benefits of \$137,328, lower interest revenue of \$31,208 offset by decreased stock-based compensation of \$199,019 and lower professional fees of \$46,986.

There were no financing activities completed during the quarter. At July 31, 2009, the Company had cash, cash equivalents and short-term investments of \$2,860,717. Since the April 30, 2009 year end, the balance of cash, cash equivalents and short-term investments declined by \$791,742 from \$3,652,459 reflecting the use of cash in operations.

“We have worked hard to raise awareness of our technology and its capabilities with pharmaceutical and biotech companies in North America and Europe”, said Mr. Michael Cloutier, Chief Executive Officer of COTI. “We will be continuing our efforts to realize commercial success based upon the scientific results and are actively pursuing the financing necessary to support these efforts during the coming months.”

More detailed operating and financial results can be found in the Company’s interim financial statements and Management’s Discussion and Analysis for the three month period ended July 31, 2009, which can be found on SEDAR at www.sedar.com.

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. Currently, six targeted libraries of lead compounds are under active development; small cell lung cancer, multiple sclerosis, HIV integrase inhibitors, adult acute leukemia, colorectal cancer and Alzheimer’s disease.

Forward-looking Statements

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. These forward-looking statements, by their nature, are not guarantees of future performance and are based upon COTI’s current expectations, estimates, projections and assumptions, which it considers reasonable. COTI operates in a highly competitive and regulated environment that involves significant risks and uncertainties, which could cause actual results to differ materially from those anticipated 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.

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

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