

FOR IMMEDIATE RELEASE

COTI-2 SHOWS STRONG SINGLE AGENT EFFICACY IN KEY RISK REDUCTION STUDY

London, Ontario (June 28, 2011): Critical Outcome Technologies Inc. (COTI) (TSX Venture: COT) announced today preliminary results from the first of three key studies in the continued development of COTI-2 based on feedback from prospective licensing partners. In this first study, a pharmacodynamic animal experiment, COTI-2 demonstrated significant single agent efficacy in an animal model of human ovarian cancer using a cancer cell line (Ovcar-3) that specifically over-expresses Akt. This experiment was designed to confirm that Akt/Akt2 is a target for COTI-2 in the intact organism with a human tumor that produces increased amounts of Akt. The following initial results provide strong supportive evidence for the continued development of COTI-2 as a first line, single agent therapy for the treatment of ovarian cancers that over express Akt:

- Partial and complete tumor regressions were observed in two intravenous (IV) treatment groups at levels of 20 mg/kg and 40 mg/kg respectively.
- Six complete remissions in 20 tumors (30%) occurred in the 40 mg/kg IV treatment group ($p < 0.01$ compared with the IV control group).
- Two complete regressions (10%) occurred in the 20 mg/kg IV treatment group ($p = \text{NS}$ compared with the IV control group).
- Tumor growth inhibition (TGI) was 155.5% and 104.9% respectively, indicating a high degree of regression in both IV treatment groups.
- TGI was 87.5% in the oral treatment group receiving 75 mg/kg and 82.0% in the group receiving 100 mg/kg of oral COTI-2.
- All intravenous and oral treatments appeared to be well tolerated.

"While we are very pleased to demonstrate the strong single agent activity, the totality of the accumulated data suggest that COTI-2's most important potential contribution may be in combination with more traditional or first line agents to overcome resistance, improve efficacy and reduce toxicity in tumors with a genetic mutation profile known to result in Akt over expression," said Dr. Wayne Danter, COTI's President and CEO. "This data provides compelling evidence of COTI-2's potential to significantly inhibit the growth of human tumors that clearly show an over expression of Akt."

COTI will share this preliminary data in detail with prospective licensing partners at the BIO International Convention, the largest global event for the biotechnology industry, being held in Washington, D.C. on June 27-30, 2011. COTI will be represented at BIO by Dr. Wayne Danter, President and CEO and Mr. Michael Barr, Vice President of Business Development and Marketing. Final results from this experiment are expected by the end of July 2011.

About COTI-2

COTI-2 has shown itself to be highly effective both as a single agent and in combination therapy in a number of animal models of human cancers. Other cancer treatments involve the killing of healthy growing and dividing cells in the body resulting in significant toxic side effects, while COTI-2 appears to target and destroy cancer cells only and has demonstrated low toxicity in normal human cells compared to human cancer cells. The combined scientific evidence indicates that COTI-2 is an ideal agent for combination therapy with current standard agents for a number of cancers, including small cell lung, non-small cell lung, colon, brain, ovarian, endometrial, triple negative breast and pancreatic.

In scientific terms, COTI-2 is a novel small molecule that acts by inhibiting Akt/PKB phosphorylation that leads to caspase-9 activation in cancer cells resulting in tumour cell death. COTI-2 has demonstrated greater selectivity as well as an improved safety profile and pharmacokinetics in comparison to other Akt inhibitors. COTI is currently in discussions with partners to share in the development of COTI-2 via a licensing agreement.

About Critical Outcome Technologies Inc. (COTI)

COTI is a leading-edge biotechnology firm specialized in assisting pharmaceutical, biotechnology and therapeutic companies with the accelerated discovery of small molecules to enable new drugs to be brought to market in a more timely, cost effective and efficient manner.

COTI'S proprietary technology CHEMSAS®, utilizes a series of predictive computer models to identify compounds most likely to be successfully incorporated in disease-specific drug discovery, as well as subsequent optimization and preclinical development. These compounds are targeted for a variety of diseases, particularly those for which current treatments are either lacking or ineffective.

COTI is located in London, Ontario and is publicly traded on the TSX Venture Exchange under the symbol 'COT'.

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