Press Release

CRITICAL OUTCOME TECHNOLOGIES REPORTS FISCAL 2017 FIRST QUARTER FINANCIAL AND OPERATING RESULTS

London, ON and Boston, MA (September 29, 2016): Critical Outcome Technologies Inc. (TSX Venture: COT; OTCQB: COTQF) ("COTI" or the "Company") reported its financial and operating results today for the three-month period ended July 31, 2016. Major highlights for the quarter included:

- Commencing cohort 3 in the Phase 1 clinical trial of COTI-2 in gynecological cancers;
- Receiving $1,606,000 in financing through the exercise of warrants; and,
- Strengthening the management team with a division of the roles of President and Chief Executive Officer and the appointment of an experienced life sciences executive, Alison Silva, as President.

"Advancing COTI-2 into the third cohort was an exciting milestone in this first-in-human trial involving women with advanced stage gynecological cancer," said Alison Silva, President. "We look forward to rapidly completing this study that will serve as an important guide for the future development of COTI-2 in potentially treating not only gynecological cancers but a wide range of other cancer indications where mutant p53 has been implicated."

"We are very pleased with the progress we made in a number of areas during the quarter," said Dr. Wayne Danter, Chief Executive Officer. "The strengthening of our balance sheet, and the addition of Alison Silva to our senior management team as President, will add great value as we advance COTI-2 in both clinical and business development activities."

Financial Results

The Company's operational activities during the quarter were focused on advancing the Phase 1 clinical trial of COTI-2 in gynecologic cancers, further preclinical development of its pipeline, and engaging oncologists in the validation initiative for the ROSALIND™ technology. These activities resulted in the Company incurring a net loss of $2,315,063, or $0.02 per share, for the quarter compared to a net loss of $985,120, or $0.01 per share, for the first quarter a year earlier. The significant increase in the loss in the quarter is primarily attributed to the approximately $1,052,000 expense related to the revaluation of the USD denominated warrant liability that was driven by the increase in the Company's share price and the changes in foreign exchange rates. This revaluation is required at each reporting date and is a non-cash expense. Without the effect of the fair market valuation adjustment in the two comparative quarters, the loss for the quarter would have been $1,262,593 or an increase of $386,049 over the comparative period. Research and product development expenses ("R&D") increased dramatically in the recent quarter and General and administration expenses ("G&A") also increased but at a more

modest rate compared to R&D and these increases were partially offset by decreases in Sales and marketing expenses ("S&M") and an increase in Investment tax credits.

R&D increased $315,483 primarily reflecting costs related to COTI-2 including clinical trial costs as patients were treated in cohorts 2 and 3, and continued development costs for new COTI-2 cancer indications. Additional increased spending areas included further preclinical development costs for the Company's molecule pipeline, and development efforts on the ROSALIND™ technology.

G&A increased $198,643 in the quarter primarily related to an increase in professional fees, salaries and benefits, corporate governance and share-based compensation partially offset by lower molecule amortization.

S&M expenses decreased by $53,466 for the quarter as business development activities were lower than in the prior year due to the timing of such activities.

Financing

During the quarter, the Company realized approximately $1,606,000 in net proceeds through the exercise of warrants to provide further funding for operations. This included a 100% exercise of the 5,814,245 warrants that would otherwise have expired on June 2, 2016.

More detailed operating and financial results can be found in the Company's Unaudited Condensed Interim Financial Statements and Management Discussion and Analysis for the quarter ended July 31, 2016, which can be found on SEDAR at www.sedar.com or on the Company's website at www.criticaloutcome.com.

About Critical Outcome Technologies Inc.

COTI is a clinical stage biotechnology company advancing innovative and targeted therapies for the treatment of cancer. The Company's lead compound, COTI-2, has a novel p53-dependent mechanism of action with selective and potent anti-cancer activity. COTI-2 is being initially evaluated for the treatment of gynecologic cancers, which includes ovarian, cervical, and endometrial cancers 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 U.S. for COTI-2 for the treatment of ovarian cancer in patients failing first line therapies and is planning additional studies in other cancer indications such as head and neck (HNSCC), Li-Fraumeni Syndrome (LFS), and acute myelogenous leukemia (AML). These studies are supported by more than ten animal xenograft models showing both single and combination agent activity of COTI-2 with other leading cancer drugs. Preclinical data provides evidence to suggest a potentially dramatic change in the treatment of cancers with mutations of the p53 gene.

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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 "We look forward to rapidly completing this study that will serve as an important guide for the future development of COTI-2 in potentially treating not only gynecological cancers but a wide range of other cancer indications where mutant p53 has been implicated" and "The strengthening of our balance sheet, and the addition of Alison Silva to our senior management team as President, will add great value as we advance COTI-2 in both clinical and business development activities" 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.