

Press Release

FOR IMMEDIATE RELEASE

CRITICAL OUTCOME TECHNOLOGIES INC. COMPLETES FIRST TRANCHE FINANCING

London, Ontario (March 26, 2012): Critical Outcome Technologies Inc. (TSX Venture: COT) (“COTI” or the “Corporation”) is pleased to announce that it has completed the first tranche of a non-brokered private placement and issued 3,125,000 units (the “Units”) at a price of \$0.16 per Unit for gross proceeds of \$500,000.

“We are very pleased to have closed this financing as part of our initiative to strengthen our balance sheet,” said John Drake, Chairman of the Board. “We intend to use the net proceeds of the offering primarily to achieve the previously identified specific developmental milestones for our lead preclinical oncology asset, COTI-2. These milestones address important risk reduction points identified by potential licensees and required by the United States Food and Drug Administration for an investigational new drug submission. Consequently, these will be key value building milestones for the compound.”

Each Unit consists of one common share and one warrant of the Corporation. Each warrant is exercisable into one common share of the Corporation at an exercise price of \$0.30 per share for a period of 18 months from the date of issue. The Corporation paid finders' fees to arm's length third parties in connection with the offering in the aggregate amount of \$25,270 in cash and issued an aggregate of 157,938 compensation warrants. Each compensation warrant is exercisable into one common share of the Corporation for a period of 18 months from the date of issue at an exercise price of \$0.30 per share.

The common shares and warrants comprising the Units, as well as the common shares issuable upon the exercise of the warrants and the compensation warrants, are subject to restrictions on resale, which expire on July 24, 2012 in accordance with applicable securities laws and the policies of the TSX Venture Exchange. The offering is subject to final acceptance of the TSX Venture Exchange.

About Critical Outcome Technologies Inc. (COTI)

COTI is a leading-edge company specializing in accelerating the discovery of small molecules thus enabling these new drugs to be brought to market in a more cost effective, efficient and timely manner. COTI'S proprietary artificial intelligence system, 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. Upon confirming the predictions of CHEMSAS® through a series of preclinical tests, COTI seeks to license these compounds for further preclinical and clinical compounds.

For further information, please visit the website at www.criticaloutcome.com or contact:

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.