



Press Release

FOR IMMEDIATE RELEASE

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CRITICAL OUTCOME TECHNOLOGIES INC. ANNOUNCES THE ISSUANCE OF STOCK OPTIONS

London, Ontario (CCNMatthews - January 12, 2007): Critical Outcome Technologies Inc. (TSX Venture: COT) announces today, under the Company's Stock Option Plan, the Board of Directors approved the granting of 580,000 stock options to its non-management directors exercisable at a price of \$0.64 per share, which stock options vest immediately. A further 600,000 stock options were granted to senior management exercisable at a price of \$0.64 per share with one-sixth of these vesting immediately and one-sixth vesting every six months until complete vesting on July 11, 2009. A final 5,000 stock options were granted to an employee at an exercise price of \$0.64 per share, which will vest in 6 months. The exercise price represents the closing price of the Company's common shares on January 10, 2007, as reported on the TSX Venture Exchange.

Stock options enhance the Company's ability to attract and retain talented people by providing compensation incentives to employees, directors, officers and consultants for future services provided to the Company.

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 libraries of 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, 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.