

## FOR IMMEDIATE RELEASE

### CRITICAL OUTCOME TECHNOLOGIES INC. COMPLETES FINANCING

**London, Ontario (March 25, 2011): Critical Outcome Technologies Inc. (TSX Venture: COT) (“COTI” or the “Corporation”)** is pleased to announce that today it completed the first tranche of a non-brokered private placement and issued 8,152,500 units (the “Units”) at a price of \$0.16 per Unit for gross proceeds of \$1,304,400. The second tranche of the private placement is expected to close by the end of March 2011.

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 this tranche of the private placement in the aggregate amount of \$61,680 in cash and issued an aggregate of 385,500 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 securities issued by the Corporation under the private placement are subject to restrictions on resale in accordance with applicable securities laws and the policies of the TSX Venture Exchange, which expire on July 26, 2011.

The private placement and finder's fees are subject to final regulatory approval.

“We are very pleased to have secured this financing which strengthens our balance sheet,” said John Drake, Chairman of the Board. “We intend to use the net proceeds of the offering to achieve specific developmental milestones for our lead compound, COTI-2. These milestones consist of finalizing the optimal oral formulation, completing an Akt pharmacodynamics animal study and the completion of a 28 day GLP toxicity study that is part of the final series of studies required for filing an investigational new drug application with the U.S. Food and Drug Administration. The data generated from these experiments is intended to address risk reduction points identified by potential licensees. Consequently, this will be a key value building inflection point for the compound.”

Funds will also be used by COTI for moving its acute myelogenous leukemia project forward and for continued research and development of its drug candidate pipeline, for general corporate purposes and for working capital.

#### **About Critical Outcome Technologies Inc. (COTI)**

COTI is formed around a unique computational platform technology called CHEMSAS®, which allows for accelerated identification and optimization of targeted small molecules potentially effective in the treatment of human diseases for which current therapy is either lacking or ineffective. COTI is focused on preparing its lead anti-cancer compound, COTI-2, for an Investigational New Drug filing in the USA in

2012. In addition to COTI-2, the company has a significant preclinical pipeline targeting large market opportunities such as: adult acute leukemia and other cancers, multiple sclerosis, HIV integrase, and Alzheimer's disease.

For further information, please visit the website at [www.criticaloutcome.com](http://www.criticaloutcome.com) or contact:

Gene Kelly, Chief Financial Officer

[gkelly@criticaloutcome.com](mailto:gkelly@criticaloutcome.com)

519-858-5157

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