

CRITICAL OUTCOME TECHNOLOGIES AWARDS STOCK OPTIONS

London, ON and Boston, MA (January 3, 2017): Critical Outcome Technologies Inc. (TSX Venture: COT; OTCQB: COTQF) (“COTI” or the “Company”) announced today that an aggregate of 1,800,000 common share options were awarded to senior management of the Company.

“The Board believes in the importance of aligning the interests of its senior management team with those of our shareholders,” said John Drake, Chairman of the Board. “Accordingly, we have granted stock options to fortify the long-term commitment of these employees to the Company through potential equity ownership.”

The options have a five year life and are exercisable at a price of \$0.475 representing the closing price of the Company’s common shares as reported on the TSX Venture Exchange on December 30, 2016, the most recent trading day prior to the award in accordance with the Company’s Stock Option Plan. A total of 1,650,000 options are subject to time-based vesting over the next twenty-four months and a further 150,000 options vest upon the achievement of milestone objectives.

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-targeting mechanism of action with selective and potent anti-cancer activity. A potential breakthrough treatment for many types of human cancers, COTI-2 is a potent small molecule activator of misfolded mutant p53 proteins. 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. 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. The Company is also advancing COTI-219, a novel oral small molecule compound targeting the mutant forms of KRAS and discovered using the Company’s proprietary drug discovery technology platform, CHEMSAS®. KRAS is a highly desirable drug target as these mutations are detected in up to one-quarter of all human cancers, particularly lung, colorectal, pancreatic, and thyroid cancers and represents a tremendous unmet clinical need. An IND for evaluating COTI-219 in clinical trials in the U.S. is expected in late 2017. COTI-2 and COTI-219 represent two very significant opportunities to target two fundamental and central pathways responsible for the development of multiple cancers. COTI-2 and COTI-219 each have the potential to either independently or in combination with other therapies, dramatically improve the outcome for many people with cancer.

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Neither the 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.

For more information, visit www.criticaloutcome.com or contact:

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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 statements “Preclinical data provides evidence to suggest a potentially dramatic change in the treatment of cancers with mutations of the p53 gene” and “The Company is also advancing COTI-219 ... ” and “An IND for evaluating COTI-219 in clinical trials in the U.S. is expected in late 2017” and “COTI-2 and COTI-219 each have the potential to either independently or in combination with other therapies, dramatically improve the outcome for many people with cancer” 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.