

Form 51-102F3
Material Change Report

- Item 1 Name and Address of Company**
Critical Outcome Technologies Inc. (the “Company”)
213 - 700 Collip Circle
London, ON
N6G 4X8
- Item 2 Date of Material Change**
June 30, 2017
- Item 3 News Release**
A news release was disseminated on June 23, 2017 through Marketwired.
A copy of the news release is attached hereto as Schedule “A”.
- Item 4 Summary of Material Change**
The Company announced a consolidation of the Company’s issued and outstanding common shares on the basis of ten pre-consolidation common shares for one post-consolidation common share (the “Consolidation”). The shares commenced trading on a Consolidated basis on June 30, 2017.
- Item 5 Full Description of Material Change**
- 5.1 Full Description of Material Change**
Please see attached news release for details.
- 5.2 Disclosure for Restructuring Transactions**
Not applicable.
- Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**
Neither subsection 7.1(2) nor (3) of National Instrument 51-102 is being relied upon.
- Item 7 Omitted Information**
No information has been omitted on the basis that it is confidential information.
- Item 8 Executive Officer**
Gene Kelly
Chief Financial Officer
519-858-5157
- Item 9 Date of Report**
July 11, 2017

Press Release

CRITICAL OUTCOME TECHNOLOGIES ANNOUNCES SHARE CONSOLIDATION

London, Ontario and Boston, MA (June 23, 2017): Critical Outcome Technologies Inc. (TSX Venture: COT; OTCQB: COTQF) ("COTI" or the "Company"), a clinical stage biopharmaceutical company advancing a pipeline of targeted therapies for the treatment of cancer, today announced that in accordance with the approval of the Company's shareholders obtained on October 13, 2016, its Board of Directors has resolved to proceed with a consolidation of the Company's issued and outstanding common shares on the basis of ten pre-consolidation common shares for one post-consolidation common share (the "Consolidation"). The Consolidation will provide the Company flexibility with respect to attracting institutional investors that may otherwise be precluded from investing in securities trading below a certain price and support future equity financings.

Subject to receipt of regulatory approval from the TSX Venture Exchange the Company anticipates its shares will commence trading on a consolidated basis on or about June 30, 2017.

The Company currently has 149,158,435 issued and outstanding common shares and will have approximately 14,915,844 common shares issued and outstanding following the Consolidation. The exact number of post-consolidation common shares will vary depending on the treatment of any fractional shares that may arise when each shareholder's holdings in the Company are consolidated. Outstanding stock options and common share purchase warrants will be similarly adjusted in accordance with the consolidation ratio.

The Company will not be changing its name and trading symbol in connection with the Consolidation.

Registered shareholders of the Company will receive a letter of transmittal from the Company's transfer agent, Computershare Investor Services Inc., as soon as practicable after the effective date of the Consolidation. The letter of transmittal will enable registered shareholders to exchange their share certificates representing pre-consolidation common shares for new share certificates representing the post-consolidation common shares. Until surrendered, each share certificate representing pre-consolidation common shares will be deemed for all purposes to represent the number of whole post-consolidation common shares to which the holder is entitled as a result of the Consolidation.

Shareholders who hold their shares in brokerage accounts or "street name" are not required to take any action to effect the exchange of their shares.

Common share warrant holders and option holders will receive a letter of notification from the Company concerning their post-consolidation holdings in these securities.

A fact sheet addressing common questions regarding this share consolidation is located in the “Presentations and Factsheets” section under the “Investors” tab on COTI’s website: <http://criticaloutcome.com/investors/presentations-and-factsheets/>

About Critical Outcome Technologies Inc.

COTI is a clinical stage biotech company that uses proprietary artificial intelligence technologies to pursue a targeted and transformational approach to treating cancer and other unmet medical needs. COTI’s CHEMSAS® technology accelerates the discovery and development of novel drug therapies, allowing the Company to build a pipeline of potential drug candidates faster and with a higher probability of success than traditional methods.

The Company’s lead compound, COTI-2, has a novel p53-dependent mechanism of action with selective and potent anti-cancer activity. P53 mutations occur in over 50% of all cancers. COTI-2 is initially being evaluated for the treatment of gynecologic cancers, including 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 United States for COTI-2 for the treatment of ovarian cancer. The Company also plans to evaluate COTI-2 in additional oncology indications, including head and neck cancer, Li-Fraumeni Syndrome, and acute myelogenous leukemia. Preclinical data suggests that COTI-2 could dramatically improve the treatment of cancers with mutations in the p53 gene.

The Company’s second lead compound, COTI-219, is a novel oral small molecule compound targeting the mutant forms of KRAS without inhibiting normal KRAS function. KRAS mutations occur in up to 30% of all cancers and represent a tremendous unmet clinical need and a desirable drug target. COTI-219 is undergoing IND-enabling studies to support a regulatory submission by the end of calendar 2017.

Follow [@CriticalOutcome](#) on Twitter.

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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