



News Release

PIVOTAL THERAPEUTICS ANNOUNCES CEASE TRADE ORDERS AND PROVIDES CORPORATE UPDATE

FOR IMMEDIATE RELEASE

May 6, 2016

Woodbridge, Ontario, May 6, 2016 – Pivotal Therapeutics Inc. (CSE:PVO; OTC PINK:PVTF), (“Pivotal” or the “Company”), a specialty pharmaceutical company with a focus on Omega-3 therapies for cardiovascular disease and overall health, announced today that certain Securities Commissions have issued cease trade orders (CTO) in respect of the Company’s securities as a result of the Company's failure to file its annual audited financial statements, annual management's discussion and analysis and failure to pay related filing fees, for the year ended December 31, 2015 that were due on April 29, 2016. The Company has 90 days from the date of the CTO to remedy the default by filing the required documents and paying the requisite fees without incurring further fees under Appendix C of OSC Rule 13-502 *Fees*. The Company is attempting to correct this deficiency.

The Company has been unable to complete the required filings due to a lack of capital to fund the operations of the Company. “The Company has not been successful in negotiating amendments to the terms of the Convertible Notes which has hindered the Company’s financing and business development initiatives,” stated Dr. George Jackowski, Co-Founder and Chief Scientific Officer.

The Company's outstanding Convertible Notes in the aggregate principle amount of \$7,743,580 CDN matured on March 4, 2016. Since then, the Company has received Demands from several of the Note Holders for payment. The Company does not currently have the resources to repay the Notes. To date there has been no resolution of this default.

The Company is attempting to continue its business development and financing efforts but there are no assurances that these efforts will be successful. Pivotal has laid off its employees and does not have sufficient funds to carry on its business. Senior management has not taken a salary for over 13 months in an effort to continue operations and pursue ongoing business development activities.

Mr. Eugenio Bortoluzzi resigned today as Director, Chief Executive Officer and Chief Financial Officer of Pivotal Therapeutics Inc. Mrs. Rachelle MacSweeney, President and Chief Operating Officer, has been named Interim Chief Executive Officer.

About Pivotal Therapeutics Inc.

Pivotal Therapeutics is a publicly traded (**CSE:PVO; OTC PINK:PVTF**), specialty pharmaceutical company with a focus on cardiovascular disease and overall health. Pivotal Therapeutics' lead product **VASCAZEN®** is a prescription only medical food specially formulated for the dietary management of Omega-3 deficiency in patients with cardiovascular disease through elevating Eicosapentaenoic acid (EPA) and Docosahexaenoic acid (DHA) to levels associated with reduced risk of cardiovascular complications. **OMAZEN®** is a pharmaceutical grade Omega-3 providing over 90% pure Omega-3 in each capsule for the maintenance of good health. **OMAZEN®** is a patented product available for sale and distribution in Canada for the professional market. **BeneFishial™** and **BeneFishial™ Pet** are the first products in Pivotal’s new



nutraceutical product line, which is specifically designed to be sold in the over-the-counter (OTC) direct-to-retail or direct-to-consumer markets and animal health and nutrition markets. The Company's product line is being expanded to include its first drug candidate **PVT-100** and a point-of-care diagnostic **OmegaSTAT™**. **PVT-100** utilizes **VASCAZEN®**'s unique formulation for the stabilization of vulnerable plaque in patients undergoing carotid endarterectomy. **OmegaSTAT™** is a rapid format point-of-care (POC) diagnostic test being developed to measure Omega-3 deficiency.

Disclosure Notice

The information contained in this document is as May 6, 2016. This press release contains forward-looking statements. Such forward-looking statements are subject to a number of risks, assumptions and uncertainties that could cause Pivotal's actual results to differ materially from those projected in such forward-looking statements. These statements can be identified by the use of words such as "will", "anticipate", "estimate", "expect", "project", "forecast", "intend", "plan", "believe", "project", "potential", and similar expressions with any discussion of future operating or financial performance or events. In particular, factors that could cause actual results to differ materially from those in forward looking statements include the following: Pivotal's ability to obtain additional financing on acceptable terms; growth in costs and expenses; ability to compete with others who provide comparable products; risk that the Company's products will not gain widespread market acceptance; risks relating to the Company's ability to maintain its CSE listing. Forward-looking statements speak only as of the date made and are not guarantees of future performance. The Company undertakes no obligation to publicly update or revise any forward-looking statements contained in this document as a result of new information or future events or developments. The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this information.

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