



# News Release

## PIVOTAL THERAPEUTICS RECEIVES STATEMENT OF CLAIM AND FILES STATEMENT OF DEFENCE & COUNTERCLAIM AGAINST CROSSOVER HEALTHCARE FUND, LLC

FOR IMMEDIATE RELEASE

December 1, 2016

Woodbridge, Ontario, December 1, 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 on October 25, 2016 it received a Statement of Claim (the “Claim”) from Crossover Healthcare Fund, LLC which was filed in the Ontario Superior Court of Justice. The Claim, in the amount of approximately CDN \$1,726,591.60, alleged to be payable under a Convertible Promissory Note in the principle amount of CDN \$1,649,280 which matured on March 4, 2016. Pivotal reviewed the Claim with its counsel and filed a Statement of Defence and Counterclaim on November 30, 2016 against Crossover Healthcare Fund, LLC for various damages in the amount of CDN \$31,120,000.00. Pivotal intends to defend the Claim vigorously.

### 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**<sup>®</sup> 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**<sup>®</sup> is a pharmaceutical grade Omega-3 providing over 90% pure Omega-3 in each capsule for the maintenance of good health. **OMAZEN**<sup>®</sup> is a patented product available for sale and distribution in Canada for the professional market. **BeneFishial**<sup>™</sup> and **BeneFishial**<sup>™</sup> 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**<sup>™</sup>. **PVT-100** utilizes **VASCAZEN**<sup>®</sup>'s unique formulation for the stabilization of vulnerable plaque in patients undergoing carotid endarterectomy. **OmegaSTAT**<sup>™</sup> 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 of December 1, 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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