



News Release

PIVOTAL THERAPEUTICS CLOSES FINANCING; RECEIVES OVER CDN \$7.7 MILLION TO FURTHER VASCAZEN® COMMERCIALIZATION

FOR IMMEDIATE RELEASE

March 04, 2014

Woodbridge, Ontario, March 04, 2014 - Pivotal Therapeutics Inc. (OTCQX: PVTTF) (CSE: PVO), a specialty pharmaceutical company with a focus on Omega-3 therapies, announced today it has completed its previously announced debt financing issuing a total of 7,744 units at a price of CDN \$1,000 per unit for total proceeds of CDN \$7,743,580. Pivotal experienced greater demand than anticipated for the Financing and as a result was oversubscribed by 2,744 units resulting in an increase of \$2,743,580 over the CDN \$5,000,000 previously announced. The financing was led by Crossover Healthcare Fund, LLC, and included Broadfin Capital, LLC and Porter Capital Management Co.

“This round of financing, combined with the proceeds from the previous Crossover Healthcare Fund led equity financing, has brought over CDN \$10.4 million in new investor capital to Pivotal,” stated Mrs. Rachelle MacSweeney, President and COO. “The funds put us in a strong financial position to execute on our near and longer term growth initiatives towards commercializing **VASCAZEN®**. We look forward to working with our new financial partners to build value at Pivotal.”

Each unit will consist of CDN \$1,000 of Convertible Promissory Notes (the “Note” or “Notes”) and warrants to purchase 1,200 shares of common stock of the Company (the “Warrants”). The maturity of the Notes is two (2) years from the date of issuance. Investors may convert their Notes into common shares for CDN \$0.20 per share at anytime prior to maturity. The conversion price has been amended to include a change from CDN \$0.25 to CDN \$0.20 for each common share of the Company issued pursuant to the Notes. The Notes will accrue interest at a rate of 8% per annum. Warrants may be exercised for a period of 60 months following the date of issuance, at an exercise price of CDN \$0.30 per common share. Summer Street Research Partners acted as placement agent for the transaction.

The proceeds from the financing are being used to expand sales and marketing, advance ongoing clinical trials, and for general working capital, including business development.

The financing will close tomorrow in accordance with the Canadian Securities Exchange (“the CSE”) policies. For more information please refer to the Company Form 9 Filings on the CSE website (www.thecse.com) for the complete details of the financing.

About Pivotal Therapeutics Inc.

Pivotal Therapeutics is a publicly traded (OTCQX: PVTTF) (CSE: PVO) specialty pharmaceutical company with a focus on cardiovascular disease and overall health. Pivotal Therapeutics' lead



product **VASCAZEN**[®] is a prescription only Medical Food formulated to meet the dietary Omega-3 deficient needs of 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.

About VASCAZEN[®]

VASCAZEN[®] is currently available in the U.S. as a prescription only Medical Food specifically formulated for the dietary management of an Omega-3 deficiency in cardiovascular patients. **VASCAZEN**[®] is a >90% pure Omega-3 with a proprietary 6:1 EPA:DHA fatty acid formulation, protected by a series of both U.S. and foreign patents.

VASCAZEN[®] has been clinically shown to correct an Omega-3 deficiency within eight weeks of treatment with positive concomitant effects on the lipid profiles, mainly a 48% reduction of triglycerides and an increase of HDL without negative impact on the LDL-C lipid profile. **VASCAZEN**[®]'s results were achieved with a dose of 3 grams of EPA and DHA per day of a prescription grade, high purity Omega-3.

Disclosure Notice

The information contained in this document is as of March 04, 2014. 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 inability to obtain additional financing on acceptable terms; growth in costs and expenses; inability 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. CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this information.

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