

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: PACIFIC THERAPEUTICS LTD. (the "Issuer").

Trading Symbol: **PT**_____

Number of Outstanding Listed Securities: **37,456,825**_____

Date: **July 2, 2014**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CNSX Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

Presently, the Issuer does not have any cash flow from operations. Since the listing of the Issuer's shares on the CNSX on November 16, 2011, the Issuer's business activities have been focused on the continued

development of the company's drug candidates, PTL-202 to treat fibrosis and the development of an oral dissolving version of sildenafil citrate to treat erectile dysfunction as well as matters relating to continuous disclosure requirements and corporate governance.

2. Provide a general overview and discussion of the activities of management.

During June, 2014, management continued to build relationships in the business community in which it operates. Management has also worked to continue the development of PTL-202 and analyse the results of the phase 1 clinical trial in India.

Management has begun the planning of the bio equivalency trial of the oral dissolving technology (sublingual) drug for use as a treatment for erectile dysfunction.

The Issuer's management has otherwise worked on governance and continuous disclosure requirements during the month of June, 2014.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

The Issuer did not produce or acquire any new products, technologies or services for offer during the month of June, 2014.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

This item is not applicable to the Issuer for the month of June, 2014.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

The Issuer did not enter into any new business relationship in June, 2014.

Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

During June, 2014, there were no expiries or termination of any contracts or agreements between the issuer, its affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

6. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

No Acquisitions or dispositions of the Issuer's assets occurred during June, 2014.

7. Describe the acquisition of new customers or loss of customers.

This item is not applicable as the Issuer has no customers or products for sale.

8. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

There were no new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks during June, 2014.

9. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

This item is not applicable to the Issuer.

Report on any labour disputes and resolutions of those disputes if applicable.

This item is not applicable to the Issuer.

10. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

This item is not applicable to the Issuer.

11. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

The Issuer did not incur or repay any debt during June, 2014 other than an increase in shareholder loans.

12. Provide details of any securities issued and options or warrants granted.

No options or warrants were issued during June, 2014 other than 525,000 options to directors, officers and consultants of the company.

Security	Number Issued	Details of Issuance	

13. Provide details of any loans to or by Related Persons.

The Issuer did not loan any funds to Related Persons in June, 2014.

14. Provide details of any changes in directors, officers or committee members.

There have been no changes to directors, officers or committee members during June, 2014. At the Company's annual general meeting on August 14th, 2013 the company's directors were re-elected and at a subsequent meeting the board appointed the same committee members.

15. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The trends and risks which are likely to impact the Issuer are detailed in Item 17 of the Issuer's Annual Listing Statement "Risk Factors".

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated **July 2,2014**

Douglas H. Unwin

Name of Director or Senior
Officer

/s/ **"Doug Unwin"** _____
Signature

CEO & President _____

Official Capacity

Issuer Details Name of Issuer PACIFIC THERAPEUTICS LTD.	For Month End June, 2014	Date of Report YY/MM/D 2014/06/02
Issuer Address 1500 – 409 GRANVILLE STREET		
City/Province/Postal Code VANCOUVER, BC, V6C 1T2	Issuer Fax No.	Issuer Telephone No. (604) 738-1049
Contact Name DOUG UNWIN	Contact Position CEO & President	Contact Telephone No. (604) 738-1049
Contact Email Address DOUG.UNWIN@PACIFICTHERAPEUTICS .COM	Web Site Address WWW.PACIFICTHERAPEUTICS.COM	

