



News Release

Pivotal Therapeutics Announces Second Quarter Financial Results

FOR IMMEDIATE RELEASE

August 27, 2014

Woodbridge, Ontario, August 27, 2014 - Pivotal Therapeutics Inc. (OTCQX:PVTTF; CSE:PVO), ("Pivotal" or the "Company"), a specialty pharmaceutical company with a focus on Omega-3 therapies for cardiovascular disease (CVD) and overall health, announced its operational highlights and financial results for the three months ended June 30, 2014. All dollar amounts referenced herein are in Canadian dollars unless otherwise stated.

Financial Results:

For the three months ended June 30, 2014, the Company reported a loss of \$2,172,778, or \$0.02 per common share. This included \$491,098 in non-cash stock option expenses. In last year's second quarter, the loss was \$721,517, or \$0.01 per common share.

"The second quarter marked the initial execution of our growth strategy, which includes the expansion of our sales, marketing, reimbursement support and R&D activities," commented Mr. Eugene Bortoluzzi, Pivotal's CEO and CFO. "While not yet reflected in our financial results, we believe that we are on the right track, with a stronger focus now being placed on identifying and targeting healthcare practitioners that have already recognized the benefits of addressing Omega-3 deficiency in their CVD patients through the utilization of a medical food like **VASCAZEN**[®] that corrects the underlying deficiency itself."

The audited consolidated financial statements, accompanying notes thereto and Management's Discussion and Analysis for the three months ended June 30, 2014, will be accessible on SEDAR www.sedar.com, CSE www.cnsx.ca under the symbol "PVO" and OTCQX www.otcqx.com under the symbol "PVTTF".

Q2-2014 Operational Highlights:

- Presented two posters discussing Omega-3 deficiency (OM3D) and **VASCAZEN**[®]'s unique formulation to correct the deficiency at the American Heart Association's Arteriosclerosis, Thrombosis and Vascular Biology (ATVB) 2014 Scientific Sessions;
- Announced the issuance of U.S. Patent 8,715,648 for its Unique 6:1 EPA:DHA formulation;
- Engaged Brandkarma LLC., an award winning, US-based, healthcare marketing and brand specialist with global expertise to support the Company's commercialization strategy for **VASCAZEN**[®];
- Retained Kilmer Lucas Inc. to provide it with Canadian and U.S. investor relations and strategic advisory services;
- Entered into a Memorandum of Understanding to create a Joint Venture Distribution Agreement with ACGT Corporation ("ACGT"), pursuant to which ACGT will identify and introduce Pivotal to potential partners for the commercialization of its products in China; and



- Announced the publication of an article entitled, "Redox-sensitive induction of Src/PI3-kinase/Akt and MAPKs pathways activate eNOS in response to EPA:DHA 6:1," in the current issue of the scientific journal *PLOS ONE*.

About Pivotal Therapeutics Inc.

Pivotal Therapeutics is a publicly traded (**OTCQX:PVTF; 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, uniquely formulated Omega-3.

Disclosure Notice

The information contained in this document is as of August 27, 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. The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this information.

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