



PACIFIC THERAPEUTICS LTD. ANNOUNCES CLOSING OF SECOND TRANCHE OF NON-BROKERED PRIVATE PLACEMENT AND INVESTOR RELATIONS CONTRACT

VANCOUVER, BRITISH COLUMBIA- (September 19, 2012) – Pacific Therapeutics Ltd. (the “Issuer”) Mr. Doug Unwin, President and CEO of Pacific Therapeutics Ltd. is pleased to announce the close of the second tranche of the previously announced non-brokered private placement. The second tranche consisted of 741,666 units at a price of \$0.15 per unit for aggregate proceeds of CAD \$111,250. When combined with the first tranche, the Company has issued a total of 1,531,002 units for gross proceeds of \$229,650.

Each unit consists of one common share in the capital of the Company and one share purchase warrant (the “warrants”), each warrant is exercisable to acquire an additional common share for a period of 2 years from the closing date at a price of \$0.22

The Company intends to proceed with the balance of the offering of up to 3,333,333 units and may pay finder’s fees in cash, units or warrants upon the final closing of the Private Placement.

The Issuer intends to use the proceeds of the Private Placement for research and development, investor relations and general working capital.

Issuer also announces that it has entered into an agreement with Gale Capital Corp. to provide Business Consulting and investor relations services subject to regulatory approval. The term of the contract is for one year and may be terminated by either party after 6 months.

ABOUT PACIFIC THERAPEUTICS LTD.

Pacific Therapeutics Ltd is a clinical stage specialty pharmaceutical company focused on the identification and development of drug candidates to treat diseases of excessive scarring (fibrosis).

The company’s lead drug candidate PTL-202 is a combination of Pentoxifylline (a FDA approved drug used for treating intermittent claudication) and N-Acetyl-Cysteine (NAC) an amino acid and an extremely potent and important antioxidant. PTL-202 is currently being reviewed for initial trials in humans which are expected to commence in 2012. PTL-202 a combination of approved drugs focused on treating fibrosis such as Idiopathic Pulmonary Fibrosis and Liver Cirrhosis.

The Company’s strategy includes reformulating approved drugs to increase efficacy and patient compliance, completing the further clinical testing, manufacturing and other regulatory requirements sufficient to seek marketing authorizations. This strategy may reduce the risk, time

and cost of developing therapies for fibrosis by avoiding the risks associated with basic research and using compounds with unknown safety and toxicity profiles.

FORWARD LOOKING STATEMENTS

Certain statements included in this press release constitute forward-looking information or statements (collectively, “forward-looking statements”), including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “may”, “should” and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This press release contains forward looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Readers should not place undue reliance on the Company’s forward-looking statements, as the Company’s actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company’s business, or if the Company’s estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that such forward-looking statements will materialize. The Company does not undertake to update any forward-looking information, except as, and to the extent required by, applicable securities laws.

On Behalf of the Board of Directors

/s/ Doug Unwin

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