



News Release

PIVOTAL THERAPEUTICS REPORTS SECOND QUARTER 2012 FINANCIAL RESULTS

FOR IMMEDIATE RELEASE

AUGUST 28, 2012

Woodbridge, Ontario, August 28, 2012 - Pivotal Therapeutics Inc. (OTCQX: PVTTF) (CNSX: PVO), a specialty pharmaceutical company with a focus on cardiovascular disease and overall health today announced its financial results and operational highlights for the quarter ended June 30, 2012. All dollar amounts referenced herein are in Canadian dollars unless otherwise stated.

For the three months ended June 30, 2012 the Company reported a loss of \$874,313, or \$0.01 per common share, compared with a loss of \$1,757,505 or \$0.03 per common share for the three months ended June 30, 2011. At June 30, 2012, Pivotal's cash position totaled \$84,448, compared with \$1,586,653 at December 31, 2011. The decrease in cash during the six months ended June 30, 2012, is primarily due to an increase in sales and marketing programs of **VASCAZEN™**, and an increased investment in product inventory.

"We are pleased with the ongoing progress in the commercialization of **VASCAZEN™** and are focused on the continuing education of physicians and patients on the benefits of **VASCAZEN™**," stated Rachelle MacSweeney, Pivotal's President and Chief Operating Officer. "The recent investment in the Company, by a U.S. Institutional Fund, will further these efforts and allow us to achieve the goals we have set out for the marketplace."

Highlights for 2012:

- April 3, 2012 – the Company began trading in the U.S. on the OTC Markets' QX Marketplace, under the symbol PVTTF;
- April 30, 2012 – the Company announced its 2011 financial results;
- May 22, 2012 – the Company announced first prescription sales in the U.S.;
- May 28, 2012 – the Company announced its Q1 financial results;
- June 25, 2012 – the Company announced U.S. Institutional Private Placement for \$5M CDN;
- August 8, 2012 – the Company announced a scientific study demonstrating superiority of its lead product **VASCAZEN™**.

Pivotal's Goals for 2012:

- Further commercialization of **VASCAZEN™** in the U.S.;
 - Expansion of the sales & marketing team;
 - Initiation of new clinical trials;
 - Completion of existing clinical trials for **VASCAZEN™** and publication of scientific data;
 - Expansion of intellectual property portfolio;
 - Investigation of international licensing opportunities;
 - Expansion of product offerings;
 - Investment community presentations to increase awareness and capitalization;
 - Presentations and attendance at scientific meetings.
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The unaudited consolidated financial statements, accompanying notes and Management's Discussion and Analysis for the three and six months ended June 30, 2012, are accessible on Pivotal's website at www.pivotaltherapeutics.us and on SEDAR (www.sedar.com).

About Pivotal Therapeutics Inc.

With offices in Toronto, Canada and Boca Raton, Florida, Pivotal Therapeutics is a publicly traded (OTCQX: PVTF); (CNSX: 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.

VASCAZEN™ is a >90% pure, proprietary EPA:DHA fatty acid formulation, protected by a series of both issued and pending US and foreign patents and commercialized as a prescription only Medical Food. This unique formulation will provide the cornerstone upon which a family of cutting edge combination products, with efficacy across a broad spectrum of cardiac care, will be commercialized.

OMAZEN™ is a >90% pure, proprietary EPA:DHA fatty acid formulation commercialized for sale and distribution in Canada for the maintenance of good health through elevating Omega-3 fatty acid levels. The unique formulation and dosage will be available to patients and consumers who realize the health benefits of Omega-3 supplementation with a quality product.

Disclosure Notice

The information contained in this document is as of August 28, 2012. 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 CSNX 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. CNSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this information.

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