

FORM 9

NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES **(or securities convertible or exchangeable into listed securities¹)**

Please complete the following:

Name of CNSX Issuer: Pivotal Therapeutics Inc. (the "Issuer").

Trading Symbol: PVO

Date: January 16, 2012

Is this an updating or amending Notice: Yes No

If yes provide date(s) of prior Notices: June 25, 2012, August 1, 2012, September 14, 2012, September 17, 2012, October 15, 2012, October 17, 2012, October 22, 2012, November 1, 2012, December 27, 2012 and January 15, 2013

Issued and Outstanding Securities of Issuer Prior to Issuance: 79,453,509 common shares

Date of News Release Announcing Private Placement: June 25, 2012

Closing Market Price on Day Preceding the Issuance of the News Release: \$0.220

1. Private Placement (if shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition), proceed to Part 2 of this form)

Full Name & Residential Address of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed	Payment Date(1)	Describe relationship to Issuer (2)
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(1) Indicate date each placee advanced or is expected to advance payment for securities. Provide details of expected payment date, conditions to release of funds etc. Indicate if the placement funds been placed in trust pending receipt of all necessary approvals.

(2) Indicate if Related Person.

* Crossover Healthcare Fund LLC is a US based accredited investor.

¹An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

1. Total amount of funds to be raised: \$5,000,000 CDN

2. Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material.

The proceeds will be used to fund operations (working capital) and allow for the further commercialization of the Company's lead product, VASCAZEN™, which is currently marketed in the US as a prescription-only medical food formulated to meet the dietary Omega-3 deficient needs of patients with cardiovascular disease. Additionally, the Company will use the proceeds to fund development of its product portfolio.

3. Provide particulars of any proceeds, which are to be paid to Related Persons of the Issuer: N/A

4. If securities are issued in forgiveness of indebtedness, provide details and attach the debt agreement(s) or other documentation evidencing the debt and the agreement to exchange the debt for securities: N/A

5. Description of securities to be issued:

Total Financing:

(a) Class: Each unit contains one Common Share and one half purchase warrant – a total of 22,727,273 Common Shares and warrants to purchase an additional 11,363,636 Common Shares.

- (b) Number: 22,727,273 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

1st Tranche (\$500,000 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 2,272,727 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

2nd Tranche (\$82,025 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 372,841 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

3rd Tranche (\$96,450 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 438,409 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

4th Tranche (\$48,575 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 220,795 units

- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

5th Tranche (\$98,350 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 447,045 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

6th Tranche (\$346,675 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 1,575,795 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

7th Tranche (\$224,325 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 1,019,659 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

8th Tranche (\$98,850 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 449,318 units

- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

9th Tranche (\$19,680 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 89,455 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

10th Tranche (\$39,240 CDN):

- (a) Class: Each unit contains one Common Share and one half purchase warrant
- (b) Number: 178,364 units
- (c) Price per security: \$0.22 CDN
- (d) Voting rights: One vote per Common Share

6. Provide the following information if Warrants, (options) or other convertible securities are to be issued:

Total Financing:

- (a) Number: 11,363,636 full warrants (22,727,273 half warrants)
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 11,363,636 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 24 months following closing of each tranche

1st Tranche (\$500,000 CDN):

- (a) Number: 1,136,364 full warrants (2,272,727 half warrants)

- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 1,136,364 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 1st Tranche = July 31, 2014

2nd Tranche (\$82,025 CDN):

- (a) Number: 186,421 full warrants (372,841 half warrants)
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 186,421 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 2nd Tranche = September 13, 2014

3rd Tranche (\$96,450 CDN):

- (a) Number: 219,205 full warrants (438,409 half warrants)
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 219,205 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 3rd Tranche = September 14, 2014

4th Tranche (\$48,575 CDN):

- (a) Number: 110,398 full warrants (220,795 half warrants)
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 110,398 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 4th Tranche = October 12, 2014

5th Tranche (\$98,350 CDN):

- (a) Number: 223,523 full warrants (447,045 half warrants)

- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 223,523 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 5th Tranche = October 16, 2014

6th Tranche (\$346,675 CDN):

- (a) Number: 787,898 full warrants (1,575,795 half warrants)
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 787,898 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 6th Tranche = October 19, 2014

7th Tranche (\$224,325 CDN):

- (a) Number: 509,830 full warrants (1,019,659 half warrants)
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 509,830 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 7th Tranche = October 31, 2014

8th Tranche (\$98,850 CDN):

- (a) Number: 224,659 full warrants (449,318 half warrants)
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 224,659 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 8th Tranche = December 24, 2014

9th Tranche (\$19,680 CDN):

- (a) Number: 44,727 full warrants (89,455 half warrants)

- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 44,727 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 9th Tranche = January 14, 2015

10th Tranche (\$39,240 CDN):

- (a) Number: 89,182 full warrants (178,364 half warrants)
- (b) Number of securities eligible to be purchased on exercise of Warrants (or options): 89,182 Common Shares
- (c) Exercise price: \$0.50 CDN for each full warrant
- (d) Expiry date: 10th Tranche = January 15, 2015

7. Provide the following information if debt securities are to be issued: N/A

- (a) Aggregate principal amount _____
- (b) Maturity date _____
- (c) Interest rate _____
- (d) Conversion terms _____
- (e) Default provisions _____

8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.): N/A

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): _____

- (b) Cash _____
- (c) Securities _____
- (d) Other _____

(e) Expiry date of any options, warrants etc. _____

(f) Exercise price of any options, warrants etc. _____

9. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship

N/A

10. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.).

N/A

11. State whether the private placement will result in a change of control.

There is no change of control as a result of the issuance of units.

12. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. N/A

13. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by Multilateral Instrument 45-102.

2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: N/A

2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material:

N/A

3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments: N/A

(a) Total aggregate consideration in Canadian dollars: _____

(b) Cash: _____

(c) Securities (including options, warrants etc.) and dollar value: _____

(d) Other: _____

(e) Expiry date of options, warrants, etc. if any: _____

(f) Exercise price of options, warrants, etc. if any: _____

(g) Work commitments: _____

4. State how the purchase or sale price was determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).

5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: N/A

6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows: N/A

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer ⁽¹⁾

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: N/A
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8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.): N/A
- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): _____
- (b) Cash _____
- (c) Securities _____
- (d) Other _____
- (e) Expiry date of any options, warrants etc. _____
- (f) Exercise price of any options, warrants etc. _____
9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A
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10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A

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 on behalf of the Issuer.
2. As of the date hereof there is not 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 9 Notice of Private Placement is true.

Dated: January 16, 2013

Rachelle MacSweeney
Name of Director or Senior Officer

"Rachelle MacSweeney"
Signature

President and Chief Operating Officer
Official Capacity