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PACIFIC THERAPEUTICS LTD. ANNOUNCES CLOSING OF NON-BROKERED PRIVATE PLACEMENT

VANCOUVER, BRITISH COLUMBIA- (December 14, 2011) – Mr. Doug Unwin, President and CEO of Pacific Therapeutics Ltd. (the “Issuer”) is pleased to announce the completion of the previously announced non-brokered private placement. The Issuer sold to 357,142 common shares at a price of \$0.14 per share for aggregate proceeds of CAD \$50,000 (the “Private Placement”).

The Issuer intends to use the proceeds of the Private Placement for general working capital.

The Private Placement is the first draw down of funds under the irrevocable subscription agreements that the company entered into with subscribers on January, 31, 2011 and May 16, 2011. Each draw down is set at \$50,000 under the agreements.

ABOUT PACIFIC THERAPEUTICS LTD.

Pacific Therapeutics Ltd. is development stage specialty pharmaceutical company focused on the identification and development of drug candidates to treat diseases of excessive scarring (fibrosis). Its 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. The company’s lead drug candidate is PTL-202 a combination of approved drugs focused on treating fibrosis such as Idiopathic Pulmonary Fibrosis.

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.

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Actual results may differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as of the date of this press release and should not be relied upon as representing the Company's estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in this press release include: (a) execution of the Company's existing plans which may change due to changes in the views of the Company, or if new information arises which makes it prudent to change such plans; and (b) the accuracy of current interpretation of research results, since new information or new interpretation of existing information may result in changes in the Company's expectations. Forward looking statements are based on a number of assumptions that may prove to be incorrect including but not limited to assumptions about: (i) industry trends in healthcare, (ii) the outcome of the Company's research and development, specifically the outcome of the formulation and clinical studies of PTL-202, (iii) the ability of the Company to finance further clinical trials, (iv) the Company's ability to profitably out license its technology to a company capable of completing the commercialization of the technology and (v) the ability of the Company to have its clinical trials approved by regulatory authorities in the European Union, the United States and other jurisdictions. 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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