



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

VANCOUVER, BRITISH COLUMBIA- (July 22, 2012) – Mr. Doug Unwin, President and CEO of Pacific Therapeutics Ltd. (the “Issuer”) is pleased to announce the close of the first tranche of the previously announced non-brokered private placement. The Issuer sold to 739,366 units at a price of \$0.15 per unit for aggregate proceeds of CAD \$110,905 (the “Private Placement”). Each unit includes one common share and a warrant to purchase an additional common share for \$0.22 for up to two years after the closing.

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

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-

409 Granville Street Suite 1023, Vancouver, BC V6C 1T2
Ph: (604) 738-1049 Fax: (604) 738-1094

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

Douglas H. Unwin, CEO & President
(604) 738-1049
unwin@pacifitherapeutics.com
www.pacifitherapeutics.com