



## **PACIFIC THERAPEUTICS TO DEVELOP PRODUCT FOR \$3.1 BILLION ERECTILE DYSFUNCTION MARKET**

VANCOUVER, BRITISH COLUMBIA- (November 27, 2012) – Pacific Therapeutics Ltd. (the “Company”) is a clinical stage specialty pharmaceutical company focused on the repurposing and reformulation of existing FDA approved drugs for large markets.

The Company has signed a letter of intent (the “LOI”) to license a sublingual formulation (dissolves under the tongue) for drugs for erectile dysfunction (ED). This is a huge market opportunity! In 2006 the total market for drugs for ED exceeded \$3.1 billion. Sales of the market leader alone exceeded \$1.9 billion in 2011. The sublingual formulation improves on existing drugs for erectile dysfunction by acting faster and with fewer side effects. As large pharmaceutical companies lose their patents on these drugs a massive opportunity has developed for innovative formulations of drugs for ED. This is a very exciting development for Pacific Therapeutics as it shortens the time to market for the Company’s first product and may add significantly to future revenues.

Douglas Unwin, Pacific Therapeutics President and CEO stated, “We expect to move this product through pivotal trials and through regulatory approval over the next year and intend to begin marketing within 2 years. We expect to complete the license in the first quarter of 2013, and move rapidly to the late stage clinical trials and marketing.”

It is estimated that over 150 million men worldwide are unable to achieve and maintain an erection adequate for satisfactory sexual intercourse, up to 20 million North Americans experience recurring ED at some point in their lives. This is a huge market opportunity. ED can result from a number of causes, both psychological and physiological, and is not always treatable with drugs. Total sales of ED drugs by the top 3 producers was \$3.1 Billion in 2006. The market for erectile dysfunction drugs is growing fast with a predicted annual growth rate of 4.9% for the period 2006-2012. In addition it is estimated that 85% to 90% of all erectile dysfunction goes undiagnosed, another driving force for market growth.

Also included in the LOI are the rights to the sublingual delivery technology for 2 additional drugs with huge market potential. The Company is currently reviewing all the necessary protocols’ for the rapid development of these drugs, which are expected to reach market in less than 2 years. Each of the existing forms of these drugs generates yearly revenues of greater than \$500 million.

### **ABOUT PACIFIC THERAPEUTICS LTD.**

Pacific Therapeutics Ltd is a clinical stage specialty pharmaceutical company focused on the identification and development of drug candidates suitable for reformulation and repurposing. Its lead programs focus diseases of excessive scarring (fibrosis).

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The Company's lead drug candidate for fibrosis, PTL-202 is a combination of Pentoxifylline (a FDA approved drug used for treating leg cramps) and N-Acetyl-Cysteine (NAC) an amino acid and an extremely potent and important antioxidant.

PTL-202 has completed phase 1 trials in humans. The positive results from the phase 1 clinical trial of PTL-202 has led to further development of the product for treating fibrosis such as Idiopathic Pulmonary Fibrosis and Liver Cirrhosis.

The Company's strategy includes reformulating approved drugs to increase efficacy and patient compliance, while reducing side effects, as well as 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 by avoiding the risks associated with basic research and using compounds with unknown safety and toxicity profiles.

For further information visit our website at [www.pacifictherapeutics.com](http://www.pacifictherapeutics.com) or email us at [unwin@pacifictherapeutics.com](mailto:unwin@pacifictherapeutics.com) On Behalf of the Board of Directors

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#### **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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