

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

PACIFIC THERAPEUTICS LTD. (the "Company")
Suite 1023 –409 Granville St. Vancouver, BC V6C 1T2
Telephone No. (604) 738-1049

Item 2 Date of Material Change

May 1, 2013

Item 3 News Release

A news release was disseminated May 1, 2013 posted to the CNSX website and was subsequently SEDAR filed with the securities commissions of British Columbia and Ontario.

Item 4 Summary of Material Change(s)

The Company announced that it completed the second tranche of its previously announced private placement

Item 5 Full Description of Material Change

See Release Attached

5.1 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information.

Not applicable.

Item 8 Executive Officer

Doug Unwin,
President & CEO
604-738-1049

Item 9 Date of Report

May 3, 2013



PACIFIC THERAPEUTICS LTD. ANNOUNCES CLOSING OF SECOND AND FINAL TRANCHE OF NON-BROKERED PRIVATE PLACEMENT

VANCOUVER, BRITISH COLUMBIA- (May 1, 2013) – Mr. Doug Unwin, President and CEO of Pacific Therapeutics Ltd. is pleased to announce the close of the second tranche of the previously announced non-brokered private placement. The second tranche consisted of 2,200,000 units at a price of \$0.05 per unit for aggregate proceeds of CAD \$110,000. When combined with the first tranche, the Company has issued a total of 4,000,000 units for gross proceeds of \$200,000 in this financing.

Each unit consists of one common share in the capital of the Company and one half of one share purchase warrant (the “warrants”), each whole warrant is exercisable to acquire an additional common share for a period of 2 years from the closing date at a price of \$0.22.

The Company will pay finder’s fees of \$10,000 and issue 200,000 finders warrants total to finder’s in the second tranche. He finders warrants have the same terms as the warrants that are part of the above Units.

The Issuer intends to use the proceeds of the Private Placement for research and development, investor relations 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-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

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