PACIFIC THERAPEUTICS ANNOUNCES FIRST QUARTER 2014 FINANCIAL RESULTS

VANCOUVER, BC, Canada –May 30, 2014 – Pacific Therapeutics Ltd. (CSE: PT) (OTCBB: PCFTF) (Frankfurt: 1P3) (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's lead programs focus on erectile dysfunction and diseases of excessive scarring (fibrosis) which are $1 billion plus market opportunities.

The Company is pleased to report financial results for the three months ended March 31, 2014. Amounts unless otherwise specified, are expressed in Canadian dollars and presented under International Financial Reporting Standards ("IFRS").

First Quarter 2014 Financial and Operational Highlights

- On January 6, 2014, the Company extended the expiry date of 2,473,334 share purchase warrants exercisable to purchase one common share of the Company at an exercise price of $ $0.15 per share from the original expiry date of January 31, 2014 to July 31, 2014. The warrants were issued in connection with the Company's ISA financing in 2011.
- On January 6, 2014, the Company extended the expiry date 600,000 share purchase warrants exercisable to purchase one common share of the Company at an exercise price of $0.15 per share for the original expiry date of May 16, 2014 to November 16, 2014. The warrants were issued in connection with the Company's ISA financing in 2011.
- On January 6, 2014, the Company extended the expiry date 60,000 share purchase warrants exercisable to purchase one common share of the Company at an exercise price of $0.25 per share from the original expiry date of February 28, 2014 to August 28, 2014. The warrants were issued in connection with the private placement in February 28, 2011.
- On January 10, 2014, the Company engaged Gale Capital Corp. for investor relation services. The term of the contract is for one year for fees of $10,000 lump sum up-front payment and $2,500 per month thereafter and may be terminated by either party after three months.
- On January 10, 2014, the Company granted 400,000 stock options to advisors and consultants of the Company to purchase common shares of the Company for proceeds of $0.10 per common share expiring January 10, 2017.
- On March 7, 2014 the Company issued 525,000 stock options to directors, officers, advisors and consultants of the Company to purchase common shares of the Company for proceeds of $0.10 per common share expiring March 7, 2019.

Summary First Quarter 2014 Results

The net loss and comprehensive loss from operations of $174,225 for the three months ended March 31, 2014 decreased when compared to the loss and comprehensive loss from operations of $174,535 for the three months ended March 31, 2013. The decreased loss is primarily due to a decrease in advertising and promotion, derivative liability, write-off of a license and investor relations in the three month period ended March 31, 2014 as compared to the three month period ended March 31, 2013. These decreased expenses were offset by an increase in stock based compensation, insurance costs and professional fees in the three months ended March 31, 2014.

Current liabilities decreased to $664,725 at March 31, 2014 from $727,188 at December 31, 2013 due to a reduction in trade payables.

From inception through to March 31, 2014, the Issuer incurred total expenses in the development of its intellectual property of $1,836,405, which includes $554,712 of research and development expenses (research and development expenses on the financial statements have been offset by $53,277 in IRAP funding and $193,935 in SR&ED tax credits), $398,431 of professional fees and $1,047,686 of wages and benefits.

As at April 30, 2014 the Company had an unlimited number of common shares authorized with 37,456,825 common shares issued and outstanding.

For complete financial results, please see our filings at www.sedar.com

ABOUT PACIFIC THERAPEUTICS LTD.

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.

Pacific Therapeutics Ltd. lead drug candidate for fibrosis (progressive scarring of the organ), PTL-202 is a combination of Pentoxifylline an FDA approved drug and N-Acetyl-Cysteine (NAC) an amino acid and an extremely potent and important antioxidant. The Company has completed an initial clinical trial of the combination with positive results. *"It's estimated that 45 % of all deaths are related to fibrotic changes" World Health Organization Feb, 2008.*

Worldwide, there are over 5,000,000 people living with Idiopathic Pulmonary Fibrosis (IPF), (IPF Coalition). IPF therapy sales across the US, France, Germany, Italy, Spain, and the UK to rise to over $1.1 billion by 2017, at a Compound Annual Growth Rate (CAGR) of 86.6% (RnR Market Research, 2013). IPF kills more patients per year than either prostate or breast cancer.

In 2011 the total market for drugs to treat erectile dysfunction ("ED") exceeded $5 billion. Pacific Therapeutics Ltd. has finalized a license to an oral dissolving technology ("sublingual formulation") of an approved drug to treat erectile dysfunction (ED).

Sales of the market leader alone exceeded $1.9 billion in 2011. The sublingual formulation may improve on existing drugs for erectile dysfunction potentially acting faster and with fewer side effects. As large pharmaceutical companies lose their patents on these drugs the opportunity has developed for innovative formulations of drugs for ED. This is a very exciting development for Pacific Therapeutics Ltd. as it shortens the time to market for the Company's first product and may add significantly to future revenues.

The Company plans to build on the already significant development of the sublingual treatment with the initiation of a pivotal Bioequivalence trial. With successful results from this trial the Company will begin the application for marketing approval.

For further information visit our website at www.pacifictherapeutics.com or email us at doug.unwin@pacifictherapeutics.com

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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.

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.