PACIFIC THERAPEUTICS PLANS FOR CLINICAL TRIAL TIMELY IN LIGHT OF INCREASING PREVALENCE OF PULMONARY FIBROSIS

VANCOUVER, BC, Canada –July 2, 2014 – Pacific Therapeutics Ltd. (CSE: PT) (OTC: PCFTF) (Frankfurt: 1P3) (the "Company") a clinical stage specialty pharmaceutical company focused on the repurposing and reformulation of existing FDA approved drugs for diseases of excessive scarring (fibrosis) and erectile dysfunction commented today that ongoing preparations for its planned clinical trials appear to be timely as recent reports in the scientific literature point toward an ever-increasing incidence of Idiopathic Pulmonary Fibrosis (IPF).

In an article by V. Navaratnam, K.M. Fleming, J. West, C.J.P. Smith, R.G. Jenkins, A. Fogarty and R.B. Hubbard published in Thorax in April, 2011 the authors revealed that in the UK deaths from IPF rose 6 fold from the period 1968-1972 to the period 2006 – 2008! In addition the incidence of IPF in primary care increased by 35% from 2000 to 2008. There was also an increased incidence in men.

Similarly in a review of the literature on incidence and prevalence of IPF by L. Nalysnyk J. Cid-Ruzafa, P. Rotella and D. Esser published in European Respiritory Review on December 1, 2012 found "IPF prevalence and incidence increase with age, are higher among males and appear to be on the increase in recent years. IPF is an orphan disease that affects a potentially increasing number of people in Europe and the USA".

The Coalition for pulmonary fibrosis states:

- IPF is five times more common than cystic fibrosis and Lou Gehrig's Disease (or ALS), yet the disease remains virtually unknown (to general public and even among some physicians)
- There is no known cause, no FDA approved treatments and no cure for IPF.

Awareness of IPF is also increasing as demonstrated, during June, 2014 when the Financial Post ran a series highlighting the difficulty in treating and developing treatments for rare diseases with a focus on IPF.

Pacific Therapeutics Ltd. lead drug candidate for fibrosis (progressive scarring of the organ), PTL-202 is a combination of an FDA approved drug and an amino acid which is an extremely potent and important antioxidant. The Company has completed pre-clinical research in Pulmonary Fibrosis in a mouse and an initial clinical trial of the combination with positive results. Pre-clinical research with PTL-202 showed that the combination had significant inhibitory effects on the severity and extent of lung pathology in the mouse model. Data from the clinical trial showed a synergistic relationship resulting in an increase in the active ingredients in the blood and an increase in known therapeutic effects without any new side effects. This result may lead to using less of the drugs when treating IPF patients.

Douglas Unwin CEO and President of Pacific Therapeutics stated, “despite efforts of many entities to develop new treatments for IPF, there are no FDA approved drugs to treat IPF. Given the apparent increasing incidence and prevalence of IPF new treatments for IPF are urgently needed particularly those with minimal side effects. We hope that the efforts currently underway to develop PTL-202 will result in an affordable, effective treatment for IPF with low toxicity for those suffering from this horrible disease.”

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.

The Company is also dedicated to PTL-2015 its lead product to treat erectile dysfunction (ED). In 2011 the total market worldwide for drugs to treat erectile dysfunction (“ED”) exceeded $5 billion. PTL-2015 is an oral dissolving technology (“sublingual formulation”) of an approved drug to treat ED and is the first product being developed using the company’s proprietary delivery technology.

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

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

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.