



PACIFIC THERAPEUTICS ANNOUNCES AMENDMENT TO NON-BROKERED FINANCING

VANCOUVER, BC, Canada –September 23, 2014 – Pacific Therapeutics Ltd. (CSE: PT) (OTC Markets: 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 diseases of excessive scarring (fibrosis) and erectile dysfunction which are \$1 billion plus market opportunities.

Mr. Doug Unwin, President and CEO of Pacific Therapeutics Ltd. (the “Company”) is pleased to announce an amended non-brokered Offering of the Company’s capital. As previously announced the Company will offer up to 8,000,000 Units at a price of \$0.05 per Unit for aggregate proceeds of CAD \$400,000 (the “Offering”). Each Unit (a “Unit”) will consist of one common share and one warrant to purchase a common share. One warrant may be exercised to purchase a common share for \$0.15 for up to one year. The Company may pay finders a fee consisting of cash and warrants from the proceeds of the proposed Offering. All of the Units issued will be subject to a four-month hold period. As well as accredited investors, the company will make the offer to subscribe for new capital available to existing shareholders, who can avail themselves of the offer under a new prospectus exemption process as set out in BC Instrument 45-534. The information required in terms of BC Instrument 45-534 is set out later in this release.

In addition to the above offering of capital the Company is announcing an additional offering of a \$50,000 convertible note (Convertible Note). The Convertible Note would have a term of 1 year and bear interest at a rate of 1% per month paid quarterly. The Convertible Note may be converted not earlier than 3 months after it is issued at a 25% discount to the market price at the time of conversion, subject to Canadian Stock Exchange and securities regulations.

If the maximum offering of \$450,000 including the Units and Convertible Note is fully subscribed, the Company would use up to \$300,000 to complete regulatory applications for a pivotal bio-equivalence study of PTL-2015 the Company’s therapy for erectile dysfunction (ED) and begin the study. General & administration expenses and finder's fees would make up the other \$150,000 of the offering. If the offering is not fully subscribed the company intends to pay finder's fees and general and administration expenses of up to \$150,000 and use the rest of the proceeds for the development of PTL-2015. While it is intended that the Company will spend the funds available to it as stated, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Sales of ED therapies by the market leader alone exceeded \$1.9 billion in 2011. The sublingual formulation of PTL-2015 may improve on existing drugs for erectile dysfunction potentially

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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.

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 in Europe.

BC Instrument 45-534 Information

The offer to purchase shares in the non-brokered financing will also be made to all shareholders, who as of the share register record date of August 4, 2014 held common shares in the Company (shareholders resident in Ontario, Newfoundland and Labrador, and countries other Canada, will need to meet local jurisdiction requirements to participate).

The subscribing shareholder, in purchasing the ordinary shares on offer as principal, will need to represent in writing that they were, on or before the record date a shareholder of the Company (and still are).

The aggregate acquisition cost to a subscribing shareholder over the past 12 months cannot exceed \$15,000 **unless** that shareholder has obtained advice regarding the suitability of the investment from a registered investment dealer in the residential jurisdiction.

The minimum subscription amount per subscriber to the financing is \$5,000

The maximum aggregate gross proceeds are \$450,000 (representing the maximum number of Units to be issued of 8,000,000 and the Convertible Note of \$50,000). There is no minimum of gross proceeds on this offering. Once the maximum subscription amount of \$400,000 for the Units is reached no additional subscriptions will be received.

In completing the financing, the Company may utilize other available regulatory exemptions in addition to the new existing shareholder exemption.

This offer is available to all security holders who held common shares of the Company on or before August 4, 2014. This offer will be open until September 24, 2014 or until the Maximum offering amount is reached whichever is earlier. If you are a security holder who is interested in participating in this offering or for further information on Pacific Therapeutics Ltd., please see contact information below.

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

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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 are forecast 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.

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.