

MATERIAL CHANGE REPORT

1. Name and Address of Company:

Critical Outcome Technologies Inc.
700 Collip Circle, Suite 213
London, Ontario N6G 4X8

2. Date of Material Change:

August 12, 2009

3. News Release:

A press release disclosing the details outlined in this Material Change Report was issued by Critical Outcome Technologies Inc. (COTI) from London, Ontario on Monday August 17, 2009 and disseminated through the facilities of Marketwire.

4. Summary of Material Change:

Merck Serono, a division of Merck KGaA ("Merck") advised COTI on August 12, 2009 that it would not be proceeding with a collaborative pilot project originally announced by press release issued on October 17, 2007.

5. Full Description of Material Change:

Merck has advised COTI that it was no longer interested in continuing the pursuit of compounds under the oncology pilot project announced on October 17, 2007. The project called for COTI to identify drug development candidates for a specific oncology cellular target of strategic importance to Merck using some base data provided by Merck and COTI's proprietary drug profiling system CHEMSAS®.

6. Reliance on Confidentiality Section of the Act:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officers:

Further information regarding the matters described in this report may be obtained from Gene Kelly, Chief Financial Officer. Mr. Kelly is knowledgeable about the details of the material change and may be contacted at (519) 858-5157.

DATED August 18, 2009 at London, Ontario.