



Nuvo Pharmaceuticals™ Declared Winning Bidder to Acquire Commercial Products from Aralez Pharmaceuticals

*- Transaction subject to court approval and other customary conditions -
- Closing anticipated by year end -*

Mississauga, Ontario, Canada – November 29, 2018 – Nuvo Pharmaceuticals Inc. (Nuvo or the Company) (TSX:NRI; OTCQX:NRIF), a globally focused, healthcare company with a portfolio of commercial products and pharmaceutical manufacturing capabilities, today announced that it has been informed by Aralez Pharmaceuticals Inc. (Aralez) that Nuvo's previously announced acquisition of Aralez's Canadian business and the Vimovo® royalty stream (the Transaction) was the most favourable bid received and that Aralez will seek court approval for the Transaction. The Transaction must be approved by the Ontario Superior Court of Justice and the U.S. Bankruptcy Court for the Southern District of New York which oversee the respective pending proceedings involving Aralez and certain affiliates under Canada's *Companies' Creditors Arrangement Act* (the CCAA) and chapter 11 of the U.S. Bankruptcy Code. Subject to such court approvals and other customary closing conditions, closing is anticipated to occur prior to December 31, 2018.

On September 19, 2018, the Company announced that it had entered into definitive, binding purchase agreements with Aralez to acquire a portfolio of revenue-generating products, as well as the associated personnel and infrastructure to continue the products' management and growth, subject to a competitive bidding and auction process approved by the U.S. and Ontario courts. Upon closing of the Transaction, Nuvo will pay Aralez US\$110 million in cash (less the US\$4.4 million deposit previously paid and subject to certain working capital adjustments), which Nuvo will satisfy through funding provided by certain funds managed by Deerfield Management Company, L.P. (Deerfield), a leading, global, healthcare-specialized investor (the Financing).

Jesse Ledger, Nuvo's President & CEO commented, "We are excited about the prospect of gaining the benefit of the positive growth trend of the Aralez business in Canada. We believe this transaction has the potential to create significant shareholder value by adding scale, diversification to our revenue streams and additional platforms for future growth."

The description of the Transaction and the Financing contained in this news release are qualified in their entirety by the reference to the definitive purchase agreements and binding commitment letter, copies of which are filed under Nuvo's profile at www.sedar.com. Closing remains subject to court approvals and other customary closing conditions. Closing of the Financing also remains subject to customary conditions. There can be no assurance that that the Transaction as described, or otherwise, will be successfully concluded.

About Nuvo Pharmaceuticals Inc.

Nuvo (TSX: NRI; OTCQX: NRIF) is a globally focused, healthcare company with a portfolio of commercial products and pharmaceutical manufacturing capabilities. Nuvo has four commercial products that are available in a number of countries: Pennsaid® 2%, Pennsaid, Resultz® and the heated lidocaine/tetracaine patch. Nuvo manufactures Pennsaid 2% for the U.S market, Pennsaid for the global market and the bulk drug product for the HLT Patch at its U.S. Food and Drug Administration (FDA), Health Canada and E.U. approved manufacturing facility in Varennes, Québec. The Company's focus is to maximize the value of Pennsaid 2% and Resultz through out-licensing to commercial partners in international markets and identifying new opportunities to acquire additional, revenue generating or late-stage products or businesses to further diversify the Company's existing product portfolio. For additional information, please visit www.nuvopharmaceuticals.com.

About Aralez Pharmaceuticals Inc.

Aralez Pharmaceuticals Inc. is a specialty pharmaceutical company focused on delivering meaningful products to improve patients' lives by acquiring, developing and commercializing products in various specialty areas. Aralez's global headquarters is in Mississauga, Ontario, Canada and the Irish headquarters is in Dublin, Ireland. Further information about Aralez can be found at www.aralez.com.

About Deerfield Management Company, L.P.

Deerfield is an investment management firm, committed to advancing healthcare through investment, information and philanthropy. For more information about Deerfield, please visit www.deerfield.com.

FOR MORE INFORMATION, PLEASE CONTACT:

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Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Forward looking information in this press release includes, but is not limited to, statements with respect to the ability of the parties to complete the Transaction and the financing arrangements with Deerfield (including the satisfaction of the conditions to completion of the Transaction and the financing arrangements with Deerfield) and the timeline for the closing of the Transaction. The forward-looking information contained in this press release is based on certain expectations and assumptions made by Nuvo, including the receipt of required approvals and the satisfaction of other conditions to the Transaction and the financing arrangements with Deerfield; and that the definitive agreements in respect of the Transaction and the commitment letter in respect of the financing arrangements with Deerfield will not be amended or terminated.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company's current beliefs, expectations and assumptions regarding the future of its business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the Company's control. Nuvo's actual results and financial condition may differ materially from those indicated in the forward-looking statements due to a number of factors and risks. Material factors and assumptions used to develop the forward-looking information contained in this news release, and material risk factors that could cause actual results to differ materially from the forward-looking information, include but are not limited to, the failure to satisfy the conditions relating to the Transaction and the financing arrangements with Deerfield (including failure to obtain any required approvals, including the approval of the U.S. Court and the Ontario Court); the occurrence of any event, change or other circumstance that could give rise to the termination of the definitive agreements in respect of the Transaction or the commitment letter in respect of the financing arrangements with Deerfield; material adverse changes in the business or affairs of the acquired businesses or Nuvo; either party's failure to consummate the Transaction or the financing arrangements with Deerfield when required; competitive factors in the industries in which the acquired businesses and Nuvo operate; interest rates, prevailing economic conditions; and other factors, many of which are beyond the control of Nuvo. Additional factors that could cause Nuvo's actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the risk factors included in Nuvo's most recent Annual Information Form dated March 22, 2018 under the heading "Risks Factors", and as described from time to time in the reports and disclosure documents filed by Nuvo with Canadian securities regulatory agencies and commissions. These and other factors should be considered carefully and readers should not place undue reliance on Nuvo's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and none of Nuvo or any other person assumes responsibility for the accuracy and completeness of these forward-looking statements.

Any forward-looking statement made by the Company in this press release is based only on information currently available to it and speaks only as of the date on which it is made. Except as required by applicable securities laws, Nuvo undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.