



Nuvo Pharmaceuticals™ Announces Extension of Exclusivity Period with Aralez and Deerfield

Mississauga, Ontario, Canada – August 20, 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 extended the period of exclusive negotiations with Aralez Pharmaceuticals Inc. (Aralez) and Deerfield Management Company, L.P. (Deerfield) relating to the previously announced proposed acquisition by Nuvo of a portfolio of more than 20 revenue-generating products, as well as the associated personnel and infrastructure, from Aralez and its affiliates.

As previously announced, Nuvo and Aralez entered into a letter of intent on August 10, 2018 with respect to the proposed transaction and Deerfield delivered a financing letter with respect to the possible financing of the proposed transaction. Negotiations for the proposed transaction and related financing are ongoing, with a view to executing definitive agreements as soon as practicable if the parties are able to agree on terms. The letter of intent and financing letter are non-binding, and there is no legal obligation on Nuvo, Aralez or Deerfield to enter into definitive agreements with respect to the proposed transaction or related financing. Accordingly, there can be no assurance that the proposed transaction or the related financing will proceed, on the terms set forth in the letter of intent or the financing letter, or at all.

Nuvo does not intend to provide any further update regarding this potential transaction until definitive agreements are entered into or the letter of intent has been terminated.

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 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.

FOR MORE INFORMATION, PLEASE CONTACT:

Investor Relations

Email: ir@nuvopharm.com

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 negotiate and execute definitive agreements in respect of the proposed transaction and related financing, and the ability of the parties to complete the proposed transaction and related financing

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 of the parties to agree on the terms and conditions of the definitive agreements in respect of the proposed transaction or related financing; the failure to satisfy the conditions relating to the proposed transaction and related financing; the occurrence of any event, change or other circumstance that could give rise to the amendment or termination of the letter of intent; material adverse changes in the business or affairs of the acquired businesses or Nuvo; either party's failure to consummate the proposed transaction or related financing 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.