



NUVO ANNOUNCES UPDATE ON DISCUSSIONS WITH FDA RELATED TO APPROVAL OF PENNSAID

- COMPANY ALSO ANNOUNCES RECEIPT OF \$7.9 MILLION AS A RESULT OF WARRANT EXERCISE PROGRAM -

Mississauga, Ontario, Canada – February 9, 2007 - Nuvo Research Inc. (TSX: NRI) today provided an update on discussions with the U.S. Food and Drug Administration (“FDA”) regarding the approvable letter issued by the FDA on December 28, 2006 (the “Approvable Letter”) for Pennsaid, a non-steroidal anti-inflammatory drug (NSAID) used for the treatment of osteoarthritis.

In a recent meeting with the FDA, the additional requirements for approval as outlined in the Approvable Letter were discussed. The matters raised in the Approvable Letter do not relate to clinical efficacy or clinical safety of Pennsaid as evidenced in Nuvo’s Phase III trials and the FDA has not requested that Nuvo conduct any additional Phase III clinical trials. In order to resolve certain matters raised in the Approvable Letter, the Company may be required to generate additional data before approval.

Nuvo is in ongoing communications with the FDA regarding the specifics and timing of the additional information required and the Company will provide further updates as the steps toward Pennsaid approval are clarified.

None of the matters outlined in the Approvable Letter were raised by the FDA in its Non-Approvable letter of August 2002 (the “Non-Approvable Letter”) to which Nuvo responded when it resubmitted its application for Pennsaid approval in June of 2006.

Nuvo continues to be in discussions with potential partners for the licensing of Pennsaid in the US.

“We are obviously disappointed that approval of Pennsaid may be delayed,” said Henrich Guntermann, President and CEO. “We will continue to work with our advisors and the FDA to determine the appropriate path forward to secure the approval of Pennsaid in the U.S. ”

To meet the FDA’s clinical efficacy and clinical safety requirements as outlined in the Non-Approvable Letter, Nuvo conducted study 112, a 12-week Phase III, 5-arm, double-blind trial of 775 patients. This trial enrolled patients in the U.S. and Canada with symptoms of primary osteoarthritis of the knee. The trial met all of its primary endpoints with respect to pain, physical function and patient overall health assessment. The trial also demonstrated comparable efficacy of Pennsaid to oral diclofenac. To address the long-term safety requirements as outlined in the Non-Approvable Letter letter, Nuvo conducted study 112E, a long-term multi-centre, single-arm safety study of Pennsaid applied by patients with symptoms of osteoarthritis of the knee. In total, 793 patients were treated, including 448 patients for at least six months and 116 patients for at least one year. The key observation was that long-term use did not cause any new, unexpected adverse events.

In total, more than 2,500 patients have been treated with Pennsaid in clinical studies. Pennsaid has been approved in Canada and several European countries and more than 1.5 million prescriptions for Pennsaid have been written to date in those countries.

Early Warrant Incentive Program Update

The Company also announced the results of the warrant incentive program (“incentive program”) which was designed to encourage the early exercise of three series of common share purchase warrants by January 31, 2007. In total, 19,548,455 warrants were exercised resulting in gross proceeds of approximately \$7.9 million. The proceeds will allow Nuvo to continue executing its current business plan relating to the development and commercialization of Nuvo’s pharmaceutical products, primarily its Pennsaid® and Pennsaid Plus® products.

All remaining warrants will continue to be exercisable for common shares on the same terms that existed prior to the incentive program.

On February 1, 2007, subsequent to the conclusion of the incentive program, the Company had 196.8 million common shares outstanding, 32.6 million warrants outstanding, 16.7 million stock options outstanding and debentures potentially convertible into 14.2 million common shares.

About Pennsaid®

Pennsaid® is a topical non-steroidal anti-inflammatory drug (NSAID) used for the treatment of osteoarthritis and is currently approved for sale in Canada and several European countries. Pennsaid® allows the diclofenac solution to be delivered to a specific site via the surface of the skin and thus limits complications associated with systemic delivery. According to published clinical trials, Pennsaid® is as effective as the maximum daily dose of comparable oral medication at relieving pain and stiffness associated with osteoarthritis of the knee, as well as improving overall well-being. There is currently no topical NSAID product approved in the approximately \$4 billion U.S. osteoarthritis pain relief market. In December 2006, the U.S. Food and Drug Administration issued an approvable letter that indicated Pennsaid® is approvable subject to Nuvo satisfying certain conditions.

About Nuvo Research Inc.

Nuvo is focused on developing innovative site-specific therapeutics that are delivered topically using the Company's skin-penetrating technologies. Nuvo's lead product is Pennsaid®, a topical non-steroidal anti-inflammatory drug (NSAID) used for the treatment of osteoarthritis. Nuvo intends to leverage its skin-penetrating technologies to create a portfolio of transdermal products targeting a variety of indications. Nuvo Research Inc. is a publicly traded, Canadian pharmaceutical company headquartered in Mississauga, Ontario, with manufacturing facilities in Varennes, Québec and Wanzleben, Germany and a research and development facility in San Diego, California. For more information, please visit www.nuvoresearch.com.

This release may contain forward-looking statements, subject to risks and uncertainties beyond management's control. Actual results could differ materially from those expressed here. Risk factors are discussed in the Company's annual information form filed with the securities commissions in each of the provinces of Canada. The Company undertakes no obligation to revise forward-looking statements in light of future events.

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