



NUVO ANNOUNCES FIRST QUARTER 2008 FINANCIAL RESULTS

Mississauga, Ontario, Canada –May 1, 2008 - Nuvo Research Inc. (TSX: NRI), a Canadian drug development company focused on the research and development of drug products that are delivered to and through the skin using its topical and transdermal drug delivery technologies, today announced its financial and operational results for the three months ended March 31, 2008.

Key Corporate Developments:

- Pennsaid product sales more than tripled to \$1.7 million;
- Successful launch continued in Greece with Pennsaid capturing over 30% of its market during the first quarter, placing it first in its class by revenue;
- The Company continued to make substantial progress regarding the studies to be provided to the FDA to address the conditions raised in the Approvable Letter for Pennsaid, a topical non-steroidal anti-inflammatory drug (NSAID) used to treat the pain and stiffness associated with knee osteoarthritis (OA); and,
- The Company believes it will be in a position to file a complete resubmission of its Pennsaid application to the FDA in early 2009 and be eligible to receive final marketing approval six months later.

“We are extremely optimistic about Nuvo’s future. We have a post-Phase III product that is unlicensed for the large and growing U.S. OA market and we remain confident that we will be in a position to file a complete resubmission of our application for Pennsaid approval in early 2009,” said Henrich Guntermann, President and Chief Executive Officer, “In addition, our high throughput screening and MMPE technology is creating a promising pipeline of transdermal drug candidates.”

Financial Results:

(thousands of Canadian dollars)

	Three months ended March 31, 2008	Three months ended March 31, 2007
Revenue	\$ 2,236	\$ 978
Net loss	\$ (2,271)	\$ (3,487)

Revenue for the three-months ended March 31, 2008 increased 128% to \$2.2 million compared with \$1.0 million for the three-months ended March 31, 2007. The increase was primarily attributable to a \$1.1 million increase in Pennsaid product sales to the Company’s Greek distributor which launched the product during the second quarter of 2007 and a 65% increase in sales of WF10 based products to \$0.2 million. Overall product sales for Pennsaid increased 214% to \$1.7 million compared to \$0.6 million in 2007. As a result of the increased sales volumes gross margin on product sales improved to \$0.9 million during the first quarter of 2008 as compared to a loss of \$0.1 million in the first quarter of 2007.

Total operating expenses, excluding foreign currency gains and losses, for the three-months ended March 31, 2008 of \$3.7 million were unchanged versus a year ago. While unchanged in aggregate the change in mix between categories of expenditures highlights the impact of the Company's efforts during the third and fourth quarters of 2007 to focus its resources on research activities rather than administrative costs. During the first quarter of 2008, research and development expenditures represented 57% of operating expenses (before currency gains and losses) versus 47% in the first quarter of 2007.

Research and development costs were \$2.1 million for the three-months ended March 31, 2008 an increase of 21% compared with \$1.7 million for the three-months ended March 31, 2007. The majority of spending for the period related to the on-going studies to address the conditions raised by the FDA in the Pennsaid Approvable Letter and the costs of the Company's research facility in San Diego as it expands its capabilities. During the first quarter, the Company made excellent progress towards completing several of the Short and Long Term Studies required for its resubmission. The Company expects that it will spend approximately \$12 million on external costs to address all approvable letter issues. However, as the FDA has agreed to allow the longest study to be completed post approval, a portion of these costs will be spent after the approval of Pennsaid. To date, the Company has spent approximately \$5 million, of which \$1 million was expensed in the quarter ended March 31, 2008.

SG&A expenses decreased by 22% to \$1.1 million for the three-months ended March 31, 2008, compared to \$1.4 million for the three-months ended March 31, 2007. The decrease is primarily attributable to activities undertaken during the third and fourth quarters of 2007 including the closure of the Company's international marketing office in Barbados and staff reductions at the corporate head office.

The net loss for the three-months ended March 31, 2008 declined by 35% to \$2.3 million from \$3.5 million for the three-months ended March 31, 2007. The Company was able to reduce the net loss as the increased margin generated from higher product sales, foreign currency gains and reductions in SG&A costs more than offset higher research and development expenditures.

Cash and cash equivalents were \$19.1 million as at March 31, 2008, compared to \$21.8 million as at December 31, 2007. The decrease is almost entirely attributable to cash used by operating activities.

Cash used in operations was \$2.3 million for the three-months ended March 31, 2008 compared to \$3.1 million for the three-months ended March 31, 2007, a decrease of 26% that was the result of the significantly reduced net loss during the quarter. However, overall cash used in operating activities only decreased slightly to \$2.9 million for the three-months ended March 31, 2008 versus \$3.0 million for the three-months ended March 31, 2007. The improvement is small as the positive impact of the reduced net loss was almost entirely offset by an investment in non-cash working capital during the quarter to support higher sales volumes through increased levels of accounts receivable and inventory.

Net cash used in financing activities totaled \$44,000 for the three-months ended March 31, 2008, compared with net cash provided by financing activities of \$5.0 million for the three-months ended March 31, 2007. During the quarter financing activities consisted solely of scheduled long term debt and capital lease payments. In the comparable period last year, net cash provided by financing activities totaled \$5.0 million and consisted of \$5.3 million in proceeds from the exercise of warrants offset by \$328,000 in debt repayments.

Detailed financial statements and the MD&A are available at www.nuvoresearch.com or www.sedar.com.

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 are more than 21 million Americans suffering from osteoarthritis, a very painful and debilitating condition, and the United States market for this condition is estimated at US\$4 billion annually. 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 a Canadian drug development company primarily focused on the research and development of drug products that are delivered to and through the skin. Nuvo is also involved in research and development activities involving WF10, a chlorite-based, immunomodulating drug through its 60% interest in Dimethaid AG.

Nuvo believes it is uniquely positioned to research and develop new drug product candidates for delivery to and through the skin using its multiplexed molecular penetration enhancers ("MMPE™s"), that interact with the skin and enhance its permeability thereby allowing certain drug molecules to pass into and through the skin to proximate tissues and its high throughput experimentation systems that allow its scientists to rapidly screen combinations of existing molecular penetration enhancers ("MPE™s") with large numbers of potential drug formulations to measure their ability to permeabilize and permeate the skin. Nuvo's lead product Pennsaid®, a topical non-steroidal anti-inflammatory drug (NSAID) utilizes the Company's technology to treat the symptoms of osteoarthritis of the knee locally. Nuvo intends to leverage its technologies to create a portfolio of topical and transdermal products targeting a variety of indications. Nuvo Research Inc. is a publicly traded 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.

For more information:

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Summary financial statements attached:

**NUVO RESEARCH INC.
CONSOLIDATED BALANCE SHEETS**

	As at March 31, 2008 Unaudited	As at December 31, 2007 Audited
(thousands of Canadian dollars)	\$	\$
ASSETS		
CURRENT		
Cash and cash equivalents	19,061	21,791
Accounts receivable	2,189	1,802
Other receivable	579	579
Inventories	1,382	1,042
Prepaid expenses and other	902	789
TOTAL CURRENT ASSETS	24,113	26,003
Restricted cash	89	79
Property, plant and equipment	2,273	2,475
Intangible assets	87	90
TOTAL ASSETS	26,562	28,647
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT		
Accounts payable and accrued liabilities	3,044	2,994
Short term loan	637	587
Deferred revenue	1,200	1,211
Current portion of long term debt and capital lease obligations	104	94
Current portion of debentures	500	500
TOTAL CURRENT LIABILITIES	5,485	5,386
Deferred revenue	4,919	5,169
Long term debt and capital lease obligations	202	222
Debentures	2,213	2,006
TOTAL LIABILITIES	12,819	12,783
SHAREHOLDERS' EQUITY		
Common shares	187,890	187,877
Warrants	11,243	11,243
Contributed surplus	5,807	5,670
Accumulated other comprehensive income	114	114
Deficit	(191,311)	(189,040)
TOTAL SHAREHOLDERS' EQUITY	13,743	15,864
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	26,562	28,647

NUVO RESEARCH INC.
CONSOLIDATED STATEMENTS OF LOSS, COMPREHENSIVE LOSS AND DEFICIT

Unaudited	Three-months ended	
(thousands of Canadian dollars except per share amounts)	March 31, 2008	March 31, 2007
	\$	\$
REVENUE		
Product sales	1,975	702
Cost of goods sold	1,084	755
Gross margin (loss) on product sales	891	(53)
Other revenue		
Licensing fees	250	250
Research and other contract revenue	11	26
	1,152	223
EXPENSES		
Research and development	2,104	1,746
Selling, general and administrative expenses	1,124	1,447
Stock-based compensation	150	163
Amortization of property, plant, and equipment and intangibles	205	211
Foreign currency (gain) loss	(279)	10
Interest expense	303	266
Interest income	(184)	(133)
	3,423	3,710
NET LOSS FOR THE PERIOD AND TOTAL COMPREHENSIVE LOSS	(2,271)	(3,487)
Deficit, beginning of year	(189,040)	(176,664)
DEFICIT, END OF PERIOD	(191,311)	(180,151)
Average number of basic and diluted common shares outstanding for the period (millions)	299.5	192.7
Net loss per common share – basic and diluted	\$(0.01)	\$(0.02)

NUVO RESEARCH INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited (thousands of Canadian dollars)	Three-months ended March 31, 2008	March 31, 2007
	\$	\$
OPERATING ACTIVITIES		
Net loss	(2,271)	(3,487)
Items not involving current cash flows:		
Amortization	205	211
Deferred revenue recognized	(261)	(276)
Stock-based compensation and payments	150	295
Accretion of interest on debentures	207	145
Other	(352)	(12)
Net change in non-cash working capital balances	(626)	160
CASH USED IN OPERATING ACTIVITIES	(2,948)	(2,964)
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(27)	-
Proceeds from sale of assets	28	-
CASH PROVIDED BY INVESTING ACTIVITIES	1	-
FINANCING ACTIVITIES		
Issuance of common shares, net of related costs	-	5,330
Repayments of long term debt and capital lease obligations	(44)	(328)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(44)	5,002
Effect of exchange rate changes on cash and cash equivalents	261	(5)
Net increase (decrease) in cash and cash equivalents during the period	(2,730)	2,033
Cash and cash equivalents, beginning of period	21,791	11,213
CASH AND CASH EQUIVALENTS, END OF PERIOD	19,061	13,246
<i>Interest paid</i>	26	43