



## NUVO ANNOUNCES PROPOSED AMENDMENTS TO OUTSTANDING CONVERTIBLE DEBENTURES

**Mississauga, Ontario, Canada – August 1, 2008 – Nuvo Research Inc. (TSX: NRI)**, a Canadian drug development company focused on the research and development of drug products delivered to and through the skin using its topical and transdermal drug delivery technologies, today announced that it is proposing to amend the terms of its convertible, unsecured debentures (the “Debentures”), of which \$4.136 million principal amount are outstanding. The Debentures were issued in November, 2004, pay interest at a rate of 5.0% per annum, currently mature in November, 2009 and are currently convertible into common shares of Nuvo at a price of \$0.30 per share (except for certain Debentures held by directors and officers of Nuvo, which are currently convertible at a price of \$0.39 per share).

The board of directors of Nuvo has determined that it would be prudent, and in the best interests of Nuvo, to extend the maturity date of the Debentures. As such, Nuvo is seeking the approval of the holders of the Debentures to extend the maturity date for one year to November 16, 2010. In consideration for the holders of the Debentures agreeing to such extension, Nuvo will reduce the conversion price of the Debentures to the current five-day volume weighted average trading price of the common shares, being \$0.138. Nuvo intends to seek the approval of the holders of the Debentures over the next few weeks by way of a written resolution, which, to be effective, must be signed by holders of two-thirds of the outstanding principal amount of the Debentures.

“These debentures are potentially problematic in that they mature and would have to be repaid, if not converted, soon after the date by which we expect to receive the U.S. FDA’s response to our application for Pennsaid approval, which we expect to submit to the FDA in early 2009,” stated Jim Moulds, Nuvo’s Chief Financial Officer. “Our focus over the past several months has been to extend our financial runway as far as possible beyond the expected response date by exploring means of raising and conserving cash. The proposed amendments to the convertible debentures, if accepted by holders of two-thirds of the outstanding principal amount, represent the removal of a potentially large cash outlay in November, 2009.”

### **About Nuvo Research Inc.**

Nuvo is focused on the research and development of drug products delivered to and through the skin using its topical and transdermal drug delivery technologies. Nuvo’s lead product is Pennsaid<sup>®</sup>, a topical non-steroidal anti-inflammatory (NSAID) used for the treatment of osteoarthritis. Nuvo intends to leverage its skin-penetrating technologies to create a portfolio of topical and 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 Center in San Diego California. For more information, please visit [www.nuvoresearch.com](http://www.nuvoresearch.com).

*These forward-looking statements, by their nature, necessarily involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. The Company considers the assumptions on which these forward-looking statements are based to be reasonable at the time they were prepared, but caution that these assumptions regarding the future events, many of which are beyond the control of the Company and its subsidiaries, may ultimately prove to be incorrect. Factors and risks, which could cause actual results to differ materially from current expectations, are discussed in the annual reports, as well as in the Company’s Annual*

*Information Form for the year ended December 31, 2007. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether a result of new information, future events, or except as required by law. For additional information on risks and uncertainties relating to these forward-looking statements, investors should consult the Company's ongoing quarterly filings, annual reports and Annual Information Forms and other filings found on SEDAR at [www.sedar.com](http://www.sedar.com).*

**For more information about Nuvo, please contact:**

Investor Relations

Adam Peeler

**Equicom Group Inc.**

Tel: (416) 815-0700 x225

email: [apeeler@equicomgroup.com](mailto:apeeler@equicomgroup.com)