



## **NUVO ANNOUNCES WARRANT INCENTIVE PROGRAM**

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**Mississauga, Ontario, Canada – January 6, 2009 - 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, announced today that the Toronto Stock Exchange (“TSX”) has approved a warrant incentive program designed to encourage the early exercise of 20,012,494 warrants (the “November 2009 Warrants”), 3,901,898 warrants (the “June 2009 Warrants”) and 50,000,000 warrants (the “July 2009 Warrants”).

To the extent that holders of the warrants take advantage of the opportunity, the early exercise of the warrants will provide Nuvo with additional capital to continue to execute its current business plan. The proceeds of the early exercise will fund capital requirements relating to the development and commercialization of Nuvo’s pharmaceutical products, primarily its Pennsaid® and Pennsaid Plus® products, and for working capital and other corporate purposes.

The November 2009 Warrants were issued as part of a financing completed in November 2004 and can be exercised at \$0.48 until November 16, 2009.

The June 2009 Warrants were issued as part of a financing completed in June 2006 and can be exercised at \$0.50 until June 20, 2009.

The July 2009 Warrants were issued as part of a financing completed in July 2007 and can be exercised at \$0.30 until July 13, 2009.

In order to encourage the early exercise of the warrants, Nuvo is amending the November 2009 Warrants, the June 2009 Warrants and the July 2009 Warrants, respectively, so that upon payment of the applicable reduced exercise price of \$0.125 (which represents the volume weighted average trading price of Nuvo common shares over the last five days) and surrender of the holder’s warrant in accordance with applicable procedures, the holder will be entitled to receive one common share of Nuvo.

Nuvo is providing the holders of November 2009 Warrants, June 2009 Warrants and July 2009 Warrants an exercise period commencing on January 21, 2009 and ending at 5:00 p.m. (Toronto time) on April 3, 2009 to exercise their warrants under the offer. If a holder does not exercise his or her warrants prior to April 3, 2009, the warrants will continue to be exercisable for common shares of Nuvo on the same terms as previously existed.

Insiders will not be eligible to participate in the warrant incentive program.

The gross proceeds to Nuvo if all the November 2009 Warrants are exchanged is \$2.5 million. The gross proceeds to Nuvo if all the June 2009 Warrants are exchanged is \$0.5 million. The gross proceeds to Nuvo if all the July 2009 Warrants are exchanged is \$6.2 million.

### **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(R), 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. Nuvo 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 Nuvo 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 Nuvo's Annual Information Forms for the year ended December 31, 2007. Nuvo 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 Nuvo's ongoing quarterly filings, annual reports and Annual Information Forms and other filings found on SEDAR at [www.sedar.com](http://www.sedar.com).*

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