



NEWS RELEASE

Novation Establishes Research Collaboration With Boehringer Ingelheim for the Discovery of Therapies Directed Towards Non-Drugable Targets

FOR IMMEDIATE RELEASE

May 7, 2013

Burnaby, Canada: Novation Pharmaceuticals Inc., Canada, today announced a joint research collaboration with Boehringer Ingelheim to identify potent small-molecule compounds for two very important but highly intractable targets in the fields of neurological and metabolic disease.

The collaboration will involve the use of Novation's novel *Quest* drug discovery platform technology alongside Boehringer Ingelheim's small-molecule compound library and high-throughput screening capabilities. The collaboration's goals will be to identify a series of potent and selective small-molecule compounds for both therapeutic areas.

Dominique Cheneval, President and Co-Founder of Novation said today: "We are very excited to be working with Boehringer Ingelheim. This collaboration will not only demonstrate the power of the *Quest* technology to identify disease modifying therapeutics but it will do so for targets classified as non-drugable.

About Novation and the *Quest* Technology

Novation is a product-focused company using *Quest*, its breakthrough drug-discovery technology that harnesses a natural cellular control function, messenger RNA (mRNA) modulation, to identify new therapeutics for a broad range of diseases. *Quest* uses cell-based assays to identify small molecules that impact protein expression via mRNA modulation.

The ability to affect mRNA function opens up a wide range of disease areas to therapeutic intervention including "non-drugable" targets. As mRNA regulation determines which proteins get made, how much is produced, and for how long, it is a highly controlled cellular process. The regulation of mRNA function is exerted through specific motifs present within each individual mRNA. Novation scientists extract and clone these motifs for a particular target mRNA into a high-throughput reporter gene assay system (the *Quest* technology) which is then screened to identify small molecules that work through these motifs. A non-biased approach, *Quest* can identify both inhibitory and stimulatory small molecule compounds that modulate the stability of a target mRNA or influence its translatability.

Novation has *Quest* drug-discovery assays available for a number of disease areas including targets in cancer, inflammation, metabolism, and neurodegeneration, with others in development.

About Boehringer Ingelheim

The Boehringer Ingelheim group is one of the world's 20 leading pharmaceutical companies. Headquartered in Ingelheim, Germany, it operates globally with 140 affiliates and more than 46,000 employees. Since it was founded in 1885, the family-owned company has been committed to researching, developing, manufacturing and marketing novel medications of high therapeutic value for human and veterinary medicine.

In 2012, Boehringer Ingelheim achieved net sales of about 14.7 billion euros. R&D expenditure in the business area Prescription Medicines corresponds to 22.5% of its net sales.

This news release contains certain forward looking statements. Actual results may differ materially from the statements made as a result of various factors, including, but not limited to, the inherent risks associated with drug research and development, difficulties or delays in development testing, changes in regulatory affairs, lack of therapeutic efficacy, unacceptable side-effects, the dependence on partners, the inability to raise sufficient finance, the appearance of competitors and other risks generally associated with the biopharmaceutical industry.

For further information contact:

Dominique Cheneval, Ph.D.
President and Co-Founder
Novation Pharmaceuticals Inc.
4475 Wayburne Drive, Suite 314
Burnaby, B.C., Canada V5G 4X4

Telephone: 604. 432.7068
Email: dcheneval@novation-pharma.com
Web Site: www.novation-pharma.com