



News Release

Rochester, NY, & Cambridge, England, April 5th, 2009: PharmaNova, Inc. and Altacor Ltd., form Strategic Alliance to develop new ophthalmic medicines.

PharmaNova Inc., (PharmaNova), of Rochester, New York, USA, and Altacor Ltd., (Altacor), of Cambridge, England, announced today that they have formed a strategic alliance to develop and commercialize a series of new prescription ophthalmic medical products based on PharmaNova's proprietary *NovaSpense*SM nanoparticle technology.

This alliance complements and supplements PharmaNova's developing pipeline of *NovaSpense*SM-derived product opportunities and Altacor's lead projects already established in eye infections and dry eye conditions.

Under the umbrella terms of the Alliance, **PharmaNova** will undertake all formulation development, clinical manufacture and scale up and certain preclinical studies as may be necessary and Altacor will be responsible for organizing specialist preclinical and clinical studies required for product proof of concept. While the Parties will collaborate closely on development and commercialization of products, in general, **Altacor** would have primary responsibility for commercializing the products in order to generate licensing income for the Alliance. The companies anticipate several new products will emerge from the collaboration, potentially including novel treatments for glaucoma, dry eye, and certain ocular infectious and inflammatory conditions. Global market sizes are in excess of \$ 5.6bn for such products.

Dr. Francesca Crawford, CEO of Altacor said..."We are delighted to have concluded this agreement with PharmaNova. We believe there is significant complementarity between Altacor's development and marketing skills in Ophthalmology and PharmaNova's proprietary technology which will result in new products of great potential for patient benefit. In addition there is close coherence in the companies' philosophies which it is anticipated will be particularly synergistic.

Rodney Brown, President of PharmaNova commented "Nanoparticle technology is revolutionizing pharmaceutical formulation and drug delivery sciences and nowhere more so than in creating new opportunities for improved medicines and their delivery to the eye. PharmaNova's *NovaSpense*SM technology is particularly well-suited to this field and we are delighted to have such compatible, high quality partners as Altacor to accelerate growth in this underserved area. As always, our goal is to seek synergies with our partners and we look forward to a highly creative and productive collaboration."

*About PharmaNova: PharmaNova Inc. (www.pharmanovaco.com) is a privately held, specialty pharmaceutical company founded on the re-positioning and enhancement of known drugs using its proprietary *NovaSpense*SM nanoparticle technology platform, and other*

complementary drug delivery and formulation technologies. We address low risk, fast to market products in areas of clear medical need and generate revenue from partnering and licensing strategies with commercialization partners worldwide. PharmaNova also provides contractual services for the NovaSpereSM-based formulation of client-owned APIs. PharmaNova's pipeline includes a (partnered) non-hormonal treatment for menopausal hot flashes, and topical anti-infective and ophthalmic new product opportunities.

About Altacor: Altacor Ltd. (www.altacor-pharma.com) is an ophthalmology development company using the specialty pharma model. The core portfolio comprises three development and/or marketed products in ocular surface disease (dry eye) and ocular infection. The first product family comprises four products marketed in the UK and Ireland (Clinitas/range) which are commercialised through the company's own sales and marketing organisation and network. The second is a unique anti-infective with activity against 4 classes of infective organism and the third is a pre-surgical disinfectant. The company also focuses on differentiation through, for example, formulation or re-profiling. Products for glaucoma based on this approach are currently in the pipeline.

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