

Background

Novalar Pharmaceuticals, Inc. is a privately-held specialty pharmaceutical company that partners directly with dental professionals to enrich the patient experience. Novalar is led by a management team with extensive dental, medical and pharmaceutical expertise from development through commercialization, including several product launches in the dental space. The company was founded in 2000 by Dr. Eckard Weber of Domain Associates.

Lead Product

Novalar's initial product, OraVerse[®] was launched in February 2009 for the reversal of soft tissue anesthesia and the associated functional deficits resulting from the intraoral submucosal injection of a local dental anesthetic containing a vasoconstrictor. Throughout clinical development, a total of 418 dental patients were exposed to OraVerse, which has been proven safe and effective in patients 6 years of age and older. OraVerse is the first and only local anesthetic reversal agent to safely bring patients back to normal sensation and function after routine dental procedures.

OraVerse has been designed for ease of use by the dentist. The product comes in a standard dental cartridge that fits into a dental syringe for convenient and accurate administration. The injection technique for OraVerse is identical to that of local anesthetic promoting easy and immediate incorporation into existing treatment regimens.

Market Potential

The potential market opportunity for OraVerse is considerable, with approximately 300 million cartridges of local dental anesthetic administered annually in the United States. There are currently no known competitors to OraVerse. Market research demonstrates strong interest from both dentists and consumers and Novalar anticipates significant opportunities in the U.S and international markets. At \$10-\$15 per cartridge, the United States market alone represents a potential \$400-\$600 million opportunity.

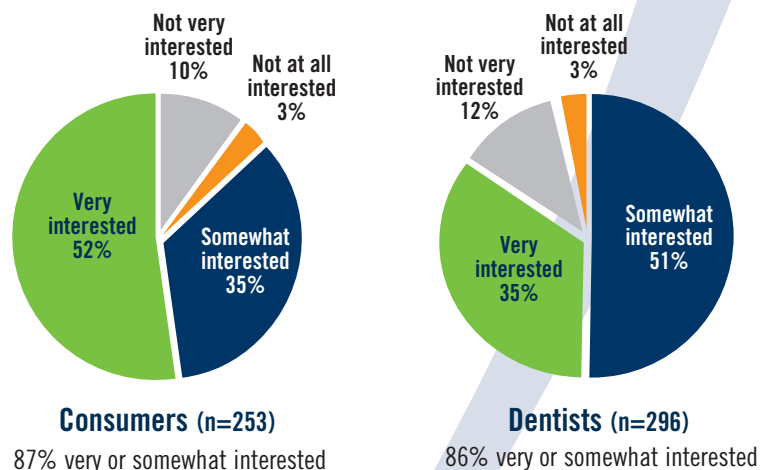
Market attitudinal studies identified dental anesthesia as a consumer issue:

- 63 percent of consumers were very or somewhat uncomfortable with lack of sensation when leaving the dentist's office.
- Patients believed everyday activities are affected by local dental anesthesia such as: eating / chewing (64 percent), speaking / talking (46 percent), drinking (42 percent).
- 87 percent of consumers were very or somewhat interested in having OraVerse administered.
- 86 percent of dentists were very or somewhat interested in administering OraVerse.

OraVerse[®]
Phentolamine Mesylate



Patients and dentists enthusiastic about OraVerse



Sales and Marketing

There are approximately 130,000 general dentists and 4,500 pediatric dentists in the United States. Practices primarily operate as small businesses and in recent years there has been an increased level of competitiveness and the need to differentiate in order to satisfy the needs of patients and enhance the dental practice. OraVerse® is an inventive solution well suited to meet these specific needs for dental practitioners and patients in this competitive environment.

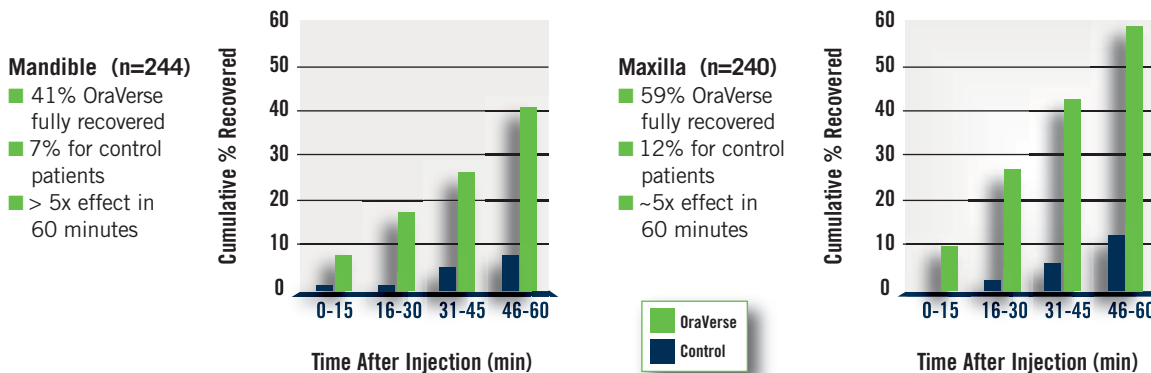
OraVerse is marketed as a new product category with a science-based premium position. The marketing approach is focused on key opinion leader advocacy and industry leadership endorsements. Brand messaging focuses on safety, efficacy, patient satisfaction and ease of use.

Novalar's professional sales force focuses on a targeted group of general practitioners and pediatric dentists and utilizes 12 sales representatives in 6 key geographic regions.

Clinical Results

In two randomized, double-blinded, controlled Phase 3 studies, following the administration of local anesthetics and completion of the dental procedure, patients were administered either OraVerse or control. OraVerse reduced the median time to recovery of normal sensation in the lower lip (as measured by standardized lip tapping procedures) by 85 minutes compared to control. OraVerse reduced the median time to recovery of normal sensation in the upper lip by 83 minutes.

Clinical Relevance within 60 Minutes



In a Phase 2 pediatric study the median time to normal sensation in patients age 6-11 was reduced by 75 minutes for the OraVerse treated group, a 56% acceleration of the time to normal sensation.

Product Pipeline

In June 2007, Novalar licensed the patent rights for a novel endodontic therapy (designated NV-201) from the Forsyth Institute, based in Boston, MA. NV-201 utilizes a polymer fiber to locally deliver an antibiotic directly into the root canal for the purpose of reducing the bacteria most often associated with inter-appointment pain. The antibiotic used in NV-201 is clindamycin, an antibiotic commonly used systemically in endodontics. Novalar believes that there is a significant market opportunity for a novel therapeutic used in treating root canals. It is estimated that there are 17 million root canal procedures performed annually in the United States. Preliminary market research conducted by Forsyth indicates that there is demand from endodontists and general dentists for the product concept.

Important Safety Information

Following parenteral use of phentolamine at doses between 5 to 15 times higher than the recommended dose of OraVerse (phentolamine mesylate), myocardial infarction, and cerebrovascular spasm and occlusion have been reported, usually in association with marked hypotensive episodes producing shock-like states. Although such effects are uncommon with OraVerse, clinicians should be alert to the signs and symptoms of tachycardia, bradycardia, and cardiac arrhythmias, particularly in patients with a history of cardiovascular disease; as these symptoms may occur with the use of phentolamine or other alpha-adrenergic blocking agents.



Management Team

Donna Janson
President & CEO

Laura A. Navalta
Chief Operating Officer

Robert Stefanovich
Chief Financial Officer

Richard Ghalie
Chief Medical Officer

Jaime Nassar
VP, Marketing

Jeffrey Lord
VP, Sales

Doug Bakan
VP, Product Development

Board of Directors

Brian Dovey
Partner,
Domain Associates

Robert Garland
Partner,
New Enterprise Associates

John Savarese
Managing Director,
Montreux Equity Partners

Lowell Sears
Chairman & CEO,
Sears Capital Management

Steven Semmelmayr
CEO, Discus Dental LLC

Donna Janson
President & CEO, Novalar

Novalar Pharmaceuticals, Inc.

Corporate Headquarters
12555 High Bluff Drive, Suite 300
San Diego, CA 92130
858-436-1100

www.novalar.com