



Innovate Biopharmaceuticals Expands Its Management team with the Addition of Ed Sitar as Its Chief Financial Officer

June 24, 2019

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RALEIGH, N.C., June 24, 2019 (GLOBE NEWSWIRE) -- Innovate Biopharmaceuticals, Inc. (Nasdaq: INNT), a clinical stage biotechnology company focused on developing novel therapeutics for autoimmune and inflammatory diseases, today announced the appointment of Ed Sitar as its Chief Financial Officer commencing on July 1, 2019. With an expanded management team, Innovate intends to focus on non-dilutive sources of capital to further develop its pipeline, including out-licensing of (i) selective ex-US rights to INN-202 for celiac disease and (ii) Innovate's earlier clinical stage pipeline of drug product candidates. In addition, Innovate intends to suspend future sales of shares under its "at-the-market" established pursuant to its common stock sales agreement with H.C. Wainwright & Co., LLC and Ladenburg Thalmann & Co. Inc.

Mr. Sitar will be responsible for developing and implementing Innovate's financial strategy and working with the CEO to further the company's mission and continue its growth plans. Most recently, Mr. Sitar was the chief financial officer of Ammon Labs and Cancer Genetics (Nasdaq: CGIX), both specialty diagnostic companies. He previously has served as the financial leader for a variety of other healthcare companies, including ActiveHealth Management (a subsidiary of Aetna and a market leader in clinical decision support systems) and Cadent Holdings (now part of Align Technologies) where he led \$120 million in financings that introduced new lead investors and lending sources. Mr. Sitar's experience includes regulatory, IT systems, HR and operational excellence. He earned a Bachelor of Science degree in Accounting with honors, from the University of Scranton, and is a Certified Public Accountant.

Innovate's Chief Executive Officer, Sandeep Laumas, M.D. stated, "After an extensive search we are excited to bring on a seasoned and highly experienced executive like Ed as we continue to expand the depth of our senior management team to help position us for future growth."

About Innovate Biopharmaceuticals, Inc. (Nasdaq: INNT)

Innovate is a clinical stage biotechnology company focused on developing novel therapeutics for autoimmune and inflammatory diseases. Innovate's lead drug candidate, larazotide acetate, has a mechanism of action that renormalizes the dysfunctional intestinal barrier by decreasing intestinal permeability and reducing antigen trafficking, such as gliadin fragments in celiac disease, and bacterial toxins and immunogenic antigens in nonalcoholic steatohepatitis (NASH). In several diseases, including celiac disease, NASH, Crohn's disease, ulcerative colitis, irritable bowel syndrome (IBS), type 1 diabetes mellitus (T1DM), chronic kidney disease (CKD), the intestinal barrier is dysfunctional with increased permeability.

Forward Looking Statements

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by words such as "anticipated," "believe," "expect," "may," "plan," "potential," "will" and similar expressions and are based on Innovate's current beliefs and expectations. Forward-looking statements include, but are not limited to, statements related to the development of our drug candidates, our operations and business strategy, our plans with respect to dilutive and non-dilutive capital raising, changes to our management team and other corporate updates. Actual results may differ materially from those expressed by the forward looking statements in this press release due to the substantial risks and uncertainties associated with these forward looking statements, including, among others, risks related to our ability to obtain additional capital on favorable terms or at all, whether through out-licensing arrangements or otherwise, and the success, timing and cost of our drug development programs and our ongoing or future preclinical studies and clinical trials, including, without limitation, the possibility of unfavorable new clinical and preclinical data and additional analyses of existing data, the risks that prior clinical and preclinical results may not be replicated and the risks that we may not obtain sufficient funding for these trials, including, among others, our Phase 3 trial for INN-202. These risks and uncertainties include, but may not be limited to, those described in our Annual Report on Form 10-K filed with the SEC on March 18, 2019, and in any subsequent filings with the SEC. Forward-looking statements speak only as of the date of this press release, and we undertake no obligation to review or update any forward-looking statement except as may be required by applicable law.

SOURCE: Innovate Biopharmaceuticals, Inc.

Contact:

Jennifer K. Zimmons, Ph.D.

Investor Relations

Tel: +1-917-214-3514

Email: jzimmmons@innovatebiopharma.com

www.innovatebiopharma.com



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