



Innovate Biopharmaceuticals Announces Corporate Update and Expected Date for Second Quarter Earnings Release

July 15, 2019

Innovate undertakes succession planning for a chief executive officer

Finance team strengthened and well positioned for future growth

Second quarter earnings release expected August 8, 2019

RALEIGH, N.C., July 15, 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 commencement of succession planning activities for its chief executive officer. The company expects to search for a permanent chief executive officer to work with the management team on progressing the current Phase 3 celiac disease trial of larazotide acetate and identifying and pursuing potential non-dilutive sources of capital.

Dr. Anthony Maida III, the independent director expected to chair the search efforts for a new chief executive officer noted, "Dr. Laumas stepped into the chief executive officer role at a critical time for Innovate and has been successful on a number of fronts, including with respect to financing, starting the Phase 3 for larazotide acetate, key R&D collaborations and building out the management team. His continued service to the company as executive chairman is appreciated by all. We look forward to a thorough process in identifying our chief executive officer."

Sandeep Laumas, M.D., currently the executive chairman and chief executive officer of Innovate, said, "When I stepped into the chief executive officer role earlier this year, we anticipated that after completing certain company milestone events, we may search for a new chief executive officer. Given our recent progress, we believe it is now time to identify and bring on a new person to fill the chief executive officer role." Dr. Laumas continued, "Our recent addition of an experienced public company CFO further strengthens our internal controls, reporting, analysis and forecasting capabilities."

Additionally, Innovate announced that it expects the second quarter earnings release on August 8, 2019.

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

This press release includes forward-looking statements including, but not limited to, statements related to succession planning and our management team, the development of drug candidates, our operations and business strategy, capital raising, our expected financial results, and corporate updates. The forward-looking statements contained in this press release are based on management's current expectations and are subject to substantial risks, uncertainty and changes in circumstances. Actual results may differ materially from those expressed by these expectations due to risks and uncertainties, including, among others, those related to our ability to identify, recruit and retain key talent, obtain additional capital on favorable terms to us, or at all, including, without limitation, to fund our current and future preclinical studies and clinical trials, including, without limitation, raising additional funds for our phase 3 trial for INN-202, and the success, timing and cost of our drug development program 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, as well as the risks that prior clinical and preclinical results may not be replicated. 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.

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