Napo Pharmaceuticals' New Mytesi Video Calls Attention to the Continuing Widespread Problem of Diarrhea in People Living With HIV/AIDS

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SAN FRANCISCO--(BUSINESS WIRE)--May 24, 2017-- Napo Pharmaceuticals, Inc. (Napo), a human health company developing and commercializing novel gastrointestinal prescription products from plants used traditionally in rainforest areas, which launched Mytesi® in April, 2017, and Jaguar Animal Health, Inc. (NASDAQ: JAGX) (Jaguar), an animal health company which has licensed worldwide veterinary rights to Mytesi® and is focused on developing and commercializing first-in-class gastrointestinal products for companion and production animals, foals, and high value horses, today announced Napo's launch of a Mytesi ® video featuring commentary from people living with HIV/AIDS describing the challenges of living for years with HIV-related diarrhea and the impact that diarrhea has on their daily lives.

Napo's Mytesi ® product is approved by the U.S. FDA for the symptomatic relief of noninfectious diarrhea in adults with HIV/AIDS on antiretroviral therapy. The 2.5-minute video, containing quotes from HIV patients recently interviewed by Napo, is being used by Napo's national salesforce to broaden awareness about Mytesi® and HIV-related diarrhea among healthcare providers and people suffering from HIV. The video can be viewed at www.napopharma.com.

"Chronic, symptomatic diarrhea remains a major, underreported consequence of HIV and a significant burden for HIV patients. In fact, a recent study shows that one in five people living with HIV experience diarrhea[1]. Many HIV patients are only aware of over-the-counter drugs as treatments for diarrhea. These agents have not been studied specifically in people living with HIV/AIDS. In addition, Imodium® and Lomotil® —opioids that work by slowing movement through the GI tract—can cause constipation. Mytesi® is the only drug studied in and FDA-approved for relief of diarrhea in HIV+ patients," stated Lisa Conte, Napo's interim CEO and Jaguar's president and CEO. "The active pharmaceutical ingredient in Mytesi ®, crofelemer, is a first-in-class anti-secretory agent offering a natural solution and a novel, normalizing mechanism of action in both humans and animals."

A communication disconnect between physicians and their patients may be one of the major reasons diarrhea among people living with HIV/AIDS remains underrecognized. These patients have often been dealing with diarrhea due to HIV enteropathy for a long time and just assume it is something they must live with. Physicians don't typically have diarrhea at the top of their list of issues to discuss with patients. Additionally, it is estimated that only one-third of HIV patients with diarrhea receive treatment, and they may be inappropriately and unsatisfactorily using an over-the-counter drug that their healthcare provider is unaware of[1]. Many physicians and HIV patients may not be aware that a specific treatment, Mytesi®, is available. The "Enough is Enough" Mytesi ® tagline appearing in the video is meant to indicate that diarrhea does not have to become the new normal.

About Mytesi®

Mytesi® (crofelemer) is an antidiarrheal indicated for the symptomatic relief of noninfectious diarrhea in adult patients with HIV/AIDS on antiretroviral therapy (ART). Mytesi® is not indicated for the treatment of infectious diarrhea. Rule out infectious etiologies of diarrhea before starting Mytesi®. If infectious etiologies are not considered, there is a risk that patients with infectious etiologies will not receive the appropriate therapy and their disease may worsen. In clinical studies, the most common adverse reactions occurring at a rate greater than placebo were upper respiratory tract infection (5.7%), bronchitis (3.9%), cough (3.5%), flatulence (3.1%), and increased bilirubin (3.1%).

More information and complete Prescribing Information are available at Mytesi.com. Crofelemer, the active ingredient in Mytesi®, is a botanical (plant-based) drug extracted and purified from the red bark sap of the medicinal *Croton lechleri* tree in the Amazon rainforest. Napo has established a sustainable harvesting program for crofelemer to ensure a high degree of quality and ecological integrity.

Proposed Merger

As announced March 31, 2017, Napo and Jaguar Animal Health, Inc. (NASDAQ: JAGX) have entered a definitive merger agreement. The companies underscore their expectation that the merger will close by the end of July, 2017. Napo and Jaguar are in the process of evaluating potential human and animal follow-on indications for Mytesi® (crofelemer) as part of the anticipated combination of the product pipelines of the two companies. Upon the consummation of the merger, Jaguar's name will be changed to Jaguar Health, Inc., and Napo will operate as a wholly-owned subsidiary of Jaguar, focused on human health. Following consummation of the proposed merger, it is expected that there will be approximately 65 million shares outstanding in the combined entity. The balance of the outstanding fully diluted equity of the combined entity, when factoring in convertible debt funding as part of the merger, is expected to be approximately 93 million shares.

Jaguar has filed with the SEC a Registration Statement on Form S-4 that includes proxy solicitation materials. Stockholders of Jaguar and Napo are

urged to read the proxy solicitation/prospectus contained in the Registration Statement when it becomes available and any other relevant materials filed with the SEC because these materials will contain important information about the potential merger.

About Napo Pharmaceuticals, Inc.

San Francisco-based Napo Pharmaceuticals, Inc., focuses on the development and commercialization of proprietary pharmaceuticals from rainforest resources for the global marketplace in collaboration with local partners.

About Jaguar Animal Health, Inc.

Jaguar Animal Health, Inc. is an animal health company focused on developing and commercializing first-in-class gastrointestinal products for companion and production animals, foals, and high value horses. Canalevia ™ is Jaguar's lead prescription drug product candidate, intended for the treatment of various forms of diarrhea in dogs. Equilevia ™ (formerly referred to as SB-300) is Jaguar's prescription drug product candidate for the treatment of gastrointestinal ulcers in horses. Canalevia ™ and Equilevia ™ contain ingredients isolated and purified from the *Croton lechleri* tree, which is sustainably harvested. Neonorm ™ Calf and Neonorm ™ Foal are the Company's lead non-prescription products. Neonorm™ is a standardized botanical extract derived from the *Croton lechleri* tree. Canalevia ™ and Neonorm ™ are distinct products that act at the same last step in a physiological pathway generally present in mammals. Jaguar has nine active investigational new animal drug applications, or INADs, filed with the FDA and intends to develop species-specific formulations of Neonorm ™ in six additional target species, formulations of Equilevia ™ in horses, and Canalevia ™ for cats and dogs.

For more information about Jaguar, please visit www.jaguaranimalhealth.com.

Forward-Looking Statements

Certain statements in this press release constitute "forward-looking statements." These include statements regarding the proposed merger of Jaguar and Napo, the expectation that the proposed merger will close by the end of July 2017, Jaguar's intention to develop species-specific formulations of Neonorm ™ in additional target species, and Jaguar's plan to develop formulations of Canalevia ™ for cats, horses and dogs. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "aim," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this release are only predictions. Jaguar has based these forward-looking statements largely on its current expectations and projections about future events. These forward-looking statements speak only as of the date of this release and are subject to a number of risks, uncertainties and assumptions, some of which cannot be predicted or quantified and some of which are beyond Jaguar's control. Except as required by applicable law, Jaguar does not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

[1]Gehrig, M. et al. *Actual versus perceived use of pharmacokinetic (primarily absorption) influential OTC agents and ART tolerability in a nationwide matched cohort of HIV patients and their healthcare providers*, IDWeek 2016 Poster Abstract Session: HIV: Antiretroviral Therapy. October 28, 2016.

Jaguar-JAGX

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