



Jaguar Animal Health's Neonorm Calf Obtains OMRI Listing and Can Now be Used in Production of Certified Organic Dairy and Beef Cattle

June 14, 2017

SAN FRANCISCO--(BUSINESS WIRE)--Jaguar Animal Health, Inc. (NASDAQ: JAGX) (Jaguar), an animal health company focused on developing and commercializing first-in-class gastrointestinal products for companion and production animals, foals, and high value horses, today announced that the Organic Materials Review Institute (OMRI) has reviewed Neonorm™ Calf, one of Jaguar's lead non-prescription products, and determined that it is allowed for use in compliance with the U.S. Department of Agriculture (USDA) National Organic Program. OMRI is an international nonprofit organization that determines which input products are allowed for use in organic production and processing.

Neonorm™ Calf has been formulated and clinically tested to help proactively retain fluid in dairy calves and reduce the severity of diarrhea—aiding calves in avoiding debilitating, dangerous levels of dehydration associated with scours. Neonorm™ is a standardized botanical extract derived from the *Croton lechleri* tree, which is sustainably harvested. OMRI evaluated Neonorm™ Calf for use in organic production for the category of Livestock Health Care, and Jaguar will be adding the OMRI Listed® seal to Neonorm™ Calf product labels.

According to the Organic Trade Association's (OTA's) 2017 Organic Industry Survey, "The robust American organic sector stayed on its upward trajectory in 2016, gaining new market share and shattering records, as consumers across the United States ate and used more organic products than ever before. Organic sales in the U.S. totaled around \$47 billion in 2016, reflecting new sales of almost \$3.7 billion from the previous year. The \$43 billion in organic food sales marked the first time the American organic food market has broken through the \$40-billion mark. Organic food now accounts for more than five percent—5.3 percent to be exact—of total food sales in this country, another significant first for organic."

According to data announced April 19, 2017 by the USDA, the organic industry continues to grow domestically and globally, with 24,650 certified organic operations in the United States, and 37,032 around the world. The USDA's 2016 count of U.S. certified organic farms and businesses reflects a 13 percent increase between the end of 2015 and 2016, continuing the trend of double digit growth in the organic sector. According to a representative of the NY Organic Dairy Initiative, in 2013 there were more than 400 certified organic dairies in New York state alone—which at that time amounted to approximately 10 percent of all New York dairy farms. A report published by Allied Market Research states that the global market for organic dairy food and drinks—organic milk, yogurt, cheese, and others—is expected to grow at a compound annual growth rate of 14.25% from 2016 to reach \$36.7 billion by 2022 from \$14.5 billion in 2015.

"Organic livestock production plays a vital role in support of a sustainable and safe farm and food system, both in the U.S. and internationally," commented Dr. Steven King, Executive Vice President of Sustainable Supply, Ethnobotanical Research and IP at Jaguar. "Neonorm™ Calf, and the standardized botanical extract it contains, are the result of decades of research that began with the expertise of traditional healers of the Amazon rainforest, and we're very pleased that Neonorm™ Calf is now an OMRI Listed® product."

Kathie Arnold, a dairy farmer at Twin Oaks Dairy—a Truxton, NY dairy farm that has been certified organic since 1998—recently commented, "Neonorm™ Calf gives us another welcome tool in the toolbox for our certified organic calves."

As announced earlier this month, Jaguar recently launched neonorm.com, a commercial website for Neonorm™ Calf and Neonorm™ Foal. Neonorm.com allows online ordering of both products directly from Jaguar and features in-depth product information, customer testimonials, and FAQs to help drive sales. The new site is a component of the integrated, multichannel marketing initiatives Jaguar launched during the first half of 2017 in support of Jaguar's Neonorm™ commercial strategy of connecting directly with dairy and beef farmers, bovine veterinarians, equine veterinarians, horse owners and other members of the equine community in a targeted, engaging way to help build the Neonorm™ brand and drive sales—both directly and through Jaguar's core dairy market distributor as well as Henry Schein, Inc., Jaguar's exclusive distributor for Neonorm™ Foal.

"Jaguar is focused on expanding market awareness regarding the novel, anti-secretory mechanism of action common to Neonorm™ Calf, Neonorm™ Foal and the drug product candidates in our pipeline. Based on analysis of Neonorm™ Calf and Neonorm™ Foal sales by our distributors this year versus last year, our commercial efforts appear to be making an important impact," stated Lisa Conte, Jaguar's president and CEO and Napo's interim CEO.

Proposed Merger

As announced March 31, 2017, Napo and Jaguar have entered a definitive merger agreement. The proposed merger of Jaguar and Napo remains subject to customary conditions to closing. 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. As previously stated, Jaguar and Napo expect the merger to close by the end of July 2017.

About Napo Pharmaceuticals, Inc.

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

For more information, please visit www.napopharma.com.

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 Jaguar'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 between 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.

Jaguar-JAGX

Contacts

KCSA Strategic Communications
Garth Russell, 212-896-1250
grussell@kcsa.com