



FOR IMMEDIATE RELEASE

**NOVELOS THERAPEUTICS OBTAINS FDA FAST TRACK DESIGNATION
FOR NOV-002 LUNG CANCER TREATMENT**

NEWTON, Mass., August 7, 2006 – Novelos Therapeutics, Inc. (OTCBB: NVLT), a biotechnology company focused on the development of therapeutics to treat cancer and hepatitis, today announced that the Food and Drug Administration (FDA) has granted Fast Track designation to NOV-002 for use in combination with first-line chemotherapy for the treatment of advanced non-small cell lung cancer (NSCLC). The FDA's Fast Track program is designed to facilitate the development and accelerate the review process for new drugs that have the potential to address a serious and unmet medical need for conditions such as advanced NSCLC.

Novelos, under Fast Track, now qualifies for Rolling Review of the NOV-002 New Drug Application (NDA). The rolling NDA saves time by allowing review of NDA subsections by the FDA as they become available, rather than delaying review until all NDA components are submitted together. In addition, Fast Track status results in more frequent meetings and communication with FDA reviewers, strengthening the development program in support of NOV-002 approval. Furthermore, the NOV-002 NDA will be more likely to receive a Priority Review of six months, rather than the standard twelve months.

“Obtaining Fast Track for NOV-002 is a further validation of Novelos’ development progress, as we commence a pivotal Phase 3 NSCLC trial under a SPA”, said Harry Palmin, President and CEO of Novelos. “It recognizes that Novelos’ clinical and non-clinical data demonstrated NOV-002’s potential to address significant unmet medical need in advanced lung cancer patients.”

Lung cancer is the leading cause of cancer death in the U.S. According to the American Cancer Society, it is expected that in 2006 approximately 175,000 Americans will be diagnosed with lung cancer and more than 160,000 will die as a result. NSCLC accounts for more than 80% of lung cancer. Platinum-based chemotherapy regimens, such as paclitaxel and carboplatin, are standard first-line treatment for advanced NSCLC patients since these patients are not eligible for surgery. However, the efficacy of currently available treatments is marginal (survival rates of only about 35% at one year after diagnosis and 5% after five years) and they are characterized by a high rate of severe toxicities.

About NOV-002 for NSCLC

NOV-002 is a small molecule drug based on oxidized glutathione that acts as a chemoprotectant and immunomodulator. Novelos recently finalized a Special Protocol Assessment (SPA) with the FDA for a single pivotal Phase 3 trial in advanced NSCLC for NOV-002 in combination with first-line chemotherapy, and patient enrollment is expected to begin this quarter. In a controlled randomized U.S. Phase 1/2 clinical trial, advanced NSCLC patients treated with NOV-002 in combination with paclitaxel and carboplatin demonstrated improved objective tumor response and higher tolerance of chemotherapy versus the control group. In a controlled randomized Russian trial, when used in combination with cisplatin-based chemotherapy, NOV-002 increased the one-year survival of advanced NSCLC patients from 17% to 63%. NOV-002 has an extensive safety database.



About Novelos Therapeutics, Inc.

Novelos Therapeutics, Inc. is a biotechnology company commercializing oxidized glutathione-based compounds for the treatment of cancer and hepatitis. NOV-002, the lead compound currently in Phase 3 development for lung cancer under a SPA, is designed to act together with chemotherapy as a chemoprotectant and an immunomodulator. NOV-002 is in Phase 2 development for chemotherapy-resistant ovarian cancer and is also being developed for acute radiation injury. NOV-205, a second compound, is designed to act as a hepatoprotective agent with immunomodulating and anti-inflammatory properties. Novelos plans to initiate a U.S.-based NOV-205 clinical trial, under an IND, for chronic hepatitis C mid-2006. Both compounds have completed clinical trials in humans and have been approved for use in the Russian Federation where they were originally developed. For additional information about Novelos please visit www.novelos.com

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This news release contains forward-looking statements. Such statements are valid only as of today, and we disclaim any obligation to update this information. These statements are subject to known and unknown risks and uncertainties that may cause actual future experience and results to differ materially from the statements made. These statements are based on our current beliefs and expectations as to such future outcomes. Drug discovery and development involve a high degree of risk. Factors that might cause such a material difference include, among others, uncertainties related to the ability to attract and retain partners for our technologies, the identification of lead compounds, the successful preclinical development thereof, the completion of clinical trials, the FDA review process and other government regulation, our pharmaceutical collaborators' ability to successfully develop and commercialize drug candidates, competition from other pharmaceutical companies, product pricing and third-party reimbursement.