

Novan Announces Robert A. Ingram as Chairman

Board Changes Follow Closing of \$32.8 Million in Private Financing in December 2015

DURHAM, N.C. – Feb. 8, 2016 – Novan, Inc. today announced that Director Robert A. Ingram has been named Chairman of the Board of Directors of Novan. In addition, Robert Keegan has been appointed to the Board of Directors.

The Company also announced that it received a total of \$32.8 million of net proceeds in a private Mezzanine B financing in December 2015 from its private investor network originating throughout the Research Triangle area of North Carolina.

Following the financing, Neal Hunter, Novan’s founding investor, and Mark Schoenfisch, the Company’s co-founder, have resigned from the Board after eight and ten years of service, respectively.

“It has been my pleasure these past eight years to serve our shareholders alongside our outstanding employees and a very capable Board,” said Neal Hunter, outgoing Chairman of the Board of Novan. “I am proud of our accomplishments to date, among them the securing of more than \$100 million in private financing that has allowed us to develop Novan’s pipeline of unique nitric oxide-based product candidates and the thoughtful way we have used that capital. I remain a significant shareholder in Novan and a strong supporter of the Company. Bob Ingram is well qualified, well respected and remarkably experienced in the dermatology space. I am confident that he will successfully lead the Board and management team as they continue toward Novan’s goal of becoming a commercially successful leader in the dermatology market.”

“Neal and Mark both have been tremendous partners, and Neal a remarkable leader as Chairman, on the Novan Board,” said Robert A. Ingram, newly named Chairman of the Board of Novan. “I want to sincerely thank them for their years of service to the Company. The addition of Bob Keegan brings a wealth of corporate finance, operations and executive leadership experience to our Board, and I am excited for the opportunity to work with him and this talented Board as well as our outstanding management team to position Novan for commercial success.”

About Robert Keegan

Robert Keegan is an operating partner of the San Francisco-based private equity firm Friedman, Fleischer & Lowe. Previously, he served as Chief Executive Officer and Chairman of the Board of The Goodyear Tire & Rubber Company until his retirement in 2010. From 1972 to 2000, Mr. Keegan held various marketing, financial and managerial posts at Eastman Kodak, except for a two-year period from 1995 to 1997 when he worked as an Executive Vice President of the Avery Dennison Corporation. Mr. Keegan is Chairman of the Board of Loparex, Inc., serves on the boards of the Xerox Corporation (NYSE:XRX) and Fuqua Business School and the Heart Center of Duke University and is a partner of L&K Properties of North Carolina, LLC.

About Novan

Novan, Inc. is a late-stage pharmaceutical company focused on redefining the standard of care in dermatology through the development and commercialization of innovative therapies using the Company’s nitric oxide platform. Nitric oxide plays a vital role in the natural immune system response against microbial pathogens and is a critical regulator of inflammation. Our ability to harness nitric oxide

and its multiple mechanisms of action has enabled us to create a pipeline of differentiated, first-in-class product candidates. We are rapidly advancing a pipeline in five dermatological indications with significant unmet medical need. We believe that our platform allows us the potential to significantly improve patient outcomes and positions us to be a commercially successful leader in the dermatology market.

For more information, visit the Company's website at www.novantherapeutics.com.

Forward-Looking Statements

This press release contains forward-looking statements including, but not limited to, statements related to pharmaceutical development of nitric oxide-based product candidates and future prospects. Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from our expectations. These forward-looking statements speak only as of the date of this press release, and Novan disclaims any intent or obligation to update these forward-looking statements, except as expressly required by law.

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