



Intellipharma Meets a 2012 Goal for Abuse-Deterrent Oxycodone

TORONTO, May 1, 2012 (GLOBE NEWSWIRE) -- **Intellipharma International Inc.** (Nasdaq:IPCI) (TSX:I), a pharmaceutical company specializing in the research, development and manufacture of novel and generic controlled-release and targeted-release oral solid dosage drugs, today provided an update on its research and development activities and achievement of a goal in relation to its Rexista™ abuse-deterrent formulations for opioid and narcotic drugs.

Intellipharma's previously announced development goals for 2012 included the completion of a pre-Investigational New Drug ("pre-IND") meeting with the Food and Drug Administration ("FDA") to discuss its Rexista™ oxycodone development plan. The Company is pleased to advise that this meeting with a panel of the FDA's Center of Drug Evaluation and Research has been completed. As the Company had planned, the meeting with FDA officials clarified the Company's path going forward for its Rexista™ abuse-deterrent oxycodone development plan.

Intellipharma will now plan to advance toward the next goals of its Rexista™ program, namely the manufacture of clinical batches of Rexista™ abuse-deterrent oxycodone product candidate under current good manufacturing practice ("cGMP") conditions and the commencement of definitive Phase I clinical studies. This follows from the previous proof-of-concept Phase I clinical study completed on a pilot laboratory batch, which yielded positive results. There can be no assurance as to whether or when the FDA will approve any Intellipharma's application.

"This clearly reflects our commitment toward achieving our stated goals as we move this project past the first key goal of 2012," stated Dr. Isa Odidi, co-Chief Scientific Officer and CEO of the Company. "We have been working diligently to refine our formulation ideas and to put key elements in place for the cGMP manufacture of the necessary clinical batches. This is certainly an exciting time as we work towards the next goals in the development program for our Rexista abuse-deterrent oxycodone product candidate. As the FDA refines its guidance in the field of abuse-deterrent narcotic drugs, we feel that our development program for this kind of drug product is moving forward at an opportune moment. We will continue our efforts to advance other aspects of our stated plan."

About Intellipharma

Intellipharma International Inc. is a pharmaceutical company specializing in the research, development and manufacture of novel and generic controlled-release and targeted-release oral solid dosage drugs. The Company's patented Hypermatrix¹ technologies are a multidimensional controlled-release drug delivery platform that can be applied to the efficient development of a wide range of existing and new pharmaceuticals. Based on this technology, Intellipharma has a pipeline of product candidates in various stages of development, including six ANDAs under review by the FDA in therapeutic areas that include neurology, cardiovascular, gastrointestinal tract, diabetes, pain and infection.

Certain statements in this document constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and/or "forward-looking information" under the Securities Act (Ontario). These statements include, without limitation, statements expressed or implied regarding our plans, goals and milestones, status of developments or expenditures relating to our business, plans to fund our current activities, statements concerning our partnering activities, health regulatory submissions, strategy, future operations, future financial position, future sales, revenues and profitability, projected costs, and market penetration. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," "intends," "could," or the negative of such terms or other comparable terminology. We made a number of assumptions in the preparation of our forward-looking statements. You should not place undue reliance on our forward-looking statements, which are subject to a multitude of known and unknown risks and uncertainties that could cause actual results, future circumstances or events to differ materially from those stated in or implied by the forward-looking statements. Risks, uncertainties and other factors that could affect our actual results include, but are not limited to, the effects of general economic conditions, securing and maintaining corporate alliances, our estimates regarding our capital requirements, and the effect of capital market conditions and other factors, including the current status of our product development programs, on capital availability, the potential dilutive effects of any future financing, our programs regarding research, development and commercialization of our product candidates, the timing of such programs, the timing, costs and uncertainties regarding obtaining regulatory approvals to market our product candidates, and the timing and amount of any available investment tax credits, the actual or perceived benefits to users of our drug delivery technologies and product candidates as compared to others, our ability to maintain and establish intellectual property rights in our drug delivery technologies and product candidates, the actual size of the potential markets for any of our product candidates compared to our market estimates, our selection and licensing of product candidates, our ability to attract distributors and collaborators with the ability to fund patent litigation and with acceptable development, regulatory and commercialization expertise and the benefits to be derived from such collaborative efforts, sources of revenues and anticipated revenues, including contributions from distributors and collaborators,

product sales, license agreements and other collaborative efforts for the development and commercialization of product candidates, our ability to create an effective direct sales and marketing infrastructure for products we elect to market and sell directly, the rate and degree of market acceptance of our products, the timing and amount of insurance reimbursement for our products, the success and pricing of other competing therapies that may become available, our ability to retain and hire qualified employees, and the manufacturing capacity of third-party manufacturers that we may use for our products. Additional risks and uncertainties relating to the Company and our business can be found in the "Risk Factors" section of our latest annual information form and latest Form 20-F, as well as in our reports, public disclosure documents and other filings with the securities commissions and other regulatory bodies in Canada and the U.S. The forward-looking statements are made as of the date hereof, and we disclaim any intention and have no obligation or responsibility, except as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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