



ANI Pharmaceuticals Enters Development Agreement for Generic Drug Product with Sterling Pharmaceutical Services

January 6, 2014

BAUDETTE, Minnesota (January 6, 2014) - ANI Pharmaceuticals, Inc. (NASDAQ: ANIP), an emerging generic pharmaceutical company, today announced that it has entered into a fee-for-service development agreement for a generic drug product with Sterling Pharmaceutical Services ("Sterling.") The product will be developed by Sterling and transferred into ANI's facilities for commercial manufacture and marketing. The current annual market for this product is \$60 million dollars, according to IMS Health.

Arthur S. Przybyl, ANI's President and CEO, stated, "We are pleased to have entered into this initial collaboration with such a high quality partner as Sterling. We hope to place additional projects with Sterling in the future."

Robert Flynn, President of Sterling Pharmaceutical Services, stated, "We are excited about the new relationship formed with ANI. This will allow both parties to utilize their expertise for the benefit of our respective companies and the consumer."

About ANI

ANI is an integrated specialty pharmaceutical company developing, manufacturing, and marketing branded and generic prescription pharmaceuticals. In two facilities with combined manufacturing, packaging and laboratory capacity totaling 173,000 square feet, ANI manufactures oral solid dose products, as well as liquids and topicals, including narcotics and those that must be manufactured in a fully contained environment due to their potency and/or toxicity. ANI also performs contract manufacturing for other pharmaceutical companies. ANI's targeted areas of product development include narcotics, anti-cancers and hormones (potent compounds), and extended release niche generic product opportunities. For more information please visit our website www.anipharmaceuticals.com.

About Sterling

Sterling Pharmaceutical Services is a development and manufacturing company which has been serving the industry for over 8 years, specializing in solid and liquid oral delivery systems. With a combined 100+ years of industry expertise, Sterling Pharmaceutical Services specializes in formulation development, technology transfer, scale-up, and commercial manufacturing. Sterling's facilities are equipped to handle tablets, capsules, liquids and aseptic filling with applications in immediate release, modified release, as well as extended release drug therapies.

Forward-Looking Statements

To the extent any statements made in this release deal with information that is not historical, these are forward-looking statements under the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about the potential benefits of the merger, the combined company's plans, objectives, expectations and intentions with respect to future operations and products, the anticipated financial position, operating results and growth prospects of the combined company and other statements that are not historical in nature, particularly those that utilize terminology such as "anticipates," "will," "expects," "plans," "potential," "future," "believes," "intends," "continue," other words of similar meaning, derivations of such words and the use of future dates. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Uncertainties and risks may cause the combined company's actual results to be materially different than those expressed in or implied by such forward-looking statements. Uncertainties and risks include the risk that the Company may in the future be required to seek FDA approval for its unapproved products or withdraw such products from the market; the Company may fail to meet NASDAQ listing requirements; general business and economic conditions; the Company's need for and ability to obtain additional financing; the difficulty of developing pharmaceutical products, obtaining regulatory and other approvals and achieving market acceptance; and the marketing success of the Company's licensees or sublicensees. More detailed information on these and additional factors that could affect the Company's actual results are described in the Company's filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and this quarterly report on Form 10-Q, as well as its proxy statement/prospectus, filed with the Securities and Exchange Commission on May 8, 2013. All forward-looking statements in this release speak only as of the date made and are based on the Company's current beliefs and expectations. The Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

For more information about ANI, please contact:

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