UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report: August 20, 2009
(*Date of earliest event reported*)

NOVELOS THERAPEUTICS, INC.
(*Exact name of registrant as specified in its charter*)

Delaware	**333-119366**	**04-3321804**
(State or other jurisdiction of incorporation)	*(Commission File Number)*	*(IRS Employer Identification Number)*

One Gateway Center, Suite 504
Newton, MA 02458
(*Address of principal executive offices*)

(617) 244-1616
(*Registrant's telephone number, including area code*)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

WARRANT EXCHANGE

On August 21, 2009, Novelos Therapeutics, Inc. ("Novelos or we") entered into exchange agreements with certain accredited investors who held warrants to purchase 6,947,728 shares of our common stock. Pursuant to the exchange agreements, we issued an aggregate of 2,084,308 shares of our common stock in exchange for these warrants. The holders agreed not to transfer or dispose of the shares of common stock until February 18, 2010.

These warrants had been issued in March 2006 in connection with a private placement of our common stock, had an expiration date of March 7, 2011 and were exercisable at a price of $1.82 per share. Following the exchange, warrants expiring on March 7, 2011 to purchase a total of 5,432,120 shares of our common stock at $1.82 per share remained outstanding.

SALE OF COMMON STOCK AND WARRANT

Securities Purchase Agreement

On August 25, 2009, we entered into a Securities Purchase Agreement (the "Purchase Agreement") with Purdue Pharma, L.P. ("Purdue") to sell 13,636,364 shares of our common stock, $0.00001 par and warrants to purchase 4,772,728 shares of our common stock at an exercise price of $0.66, expiring December 31, 2015, for an aggregate purchase price of $9,000,000 (the "Financing"). Pursuant to the Purchase Agreement, we sold Purdue 5,303,030 shares of common stock and a warrant to purchase 1,856,062 shares of common stock at $0.66 per share for approximately $3,500,000 (the "Initial Closing"). The sale of the remaining common stock and warrants will be completed in one or more subsequent closings subject to the availability of additional authorized shares of our common stock and the satisfaction of certain customary closing conditions.

Pursuant to the Purchase Agreement, Purdue shall have the exclusive right to negotiate with Novelos for the license or other acquisition of NOV-002 Rights (as defined) in the United States (the "US License") from the date of the Initial Closing until Purdue receives the Data and Analysis (as defined) related to our Phase 3 clinical trial in non-small cell lung cancer (the "Exclusive Negotiation Period"). If, during the Exclusive Negotiation Period, Purdue and Novelos agree on terms for the US License, as set forth in a definitive agreement, Novelos shall grant Purdue an option to enter into such definitive agreement within 30 days after the expiration of the Exclusive Negotiation Period. If Novelos and Purdue do not agree to terms on a US License during the Exclusive Negotiation Period, Purdue shall be entitled to the right of first refusal (the "Right of First Refusal") on bona fide offers for a US License received from third parties. Under the Right of First Refusal, Novelos will be required to communicate to Purdue the terms of any such offers received and Purdue will have 30 days to enter into a definitive agreement with Novelos on the same economic terms to Novelos as provided in the third-party offer. The Right of First Refusal terminates upon specified business combinations, occurring after the Exclusive Negotiation Period. The Right of First Refusal will terminate if Purdue fails to purchase shares of our common stock at a subsequent closing or the parties do not complete subsequent closings by the end of the Exclusive Negotiation Period. Novelos has separately entered into letter agreements with Mundipharma International Corporation Limited and its independent associated company providing for a conditional exclusive right to negotiate for and a conditional right of first refusal with respect to, NOV-002 Rights for Latin America, Mexico and Canada.

Purdue will have the right to either designate one member to Novelos' board of directors (the "Board") or designate an observer to attend all meetings of the Board, committees thereof and access to all information made available to members of the Board. This right shall last until such time as Purdue or its independent associated companies no longer hold at least one-half of the common stock purchased pursuant to the Purchase Agreement and no longer hold at least one-half of the Series E Preferred Stock issued to them on February 11, 2009. Purdue also has the right to participate in future equity financings in proportion to their pro rata ownership of common and preferred stock.

Common Stock Purchase Warrant

The common stock purchase warrant has an exercise price of $0.66 and expires on December 31, 2015. The warrant exercise price and/or the number of shares of common stock issuable pursuant to such warrant will be subject to adjustment for stock dividends, stock splits or similar capital reorganizations so that the rights of the warrant holders after such event will be equivalent to the rights of warrant holders prior to such event.

Registration Rights Agreement

As part of this transaction, we entered into a registration rights agreement with Purdue. The registration rights agreement requires us to file with the Securities and Exchange Commission no later than 5 business days following the earlier of the six-month anniversary of (i) the Final Subsequent Closing or (ii) the end of the Exclusive Negotiation Period (the "Filing Deadline"), a registration statement covering the resale of all the shares of common stock issued pursuant to the Purchase Agreement and all shares of common stock issuable upon exercise of the warrants issued to pursuant to the Purchase Agreement. We are required to use our best efforts to have the registration statement declared effective and keep the registration statement continuously effective under the Securities Act until the earlier of the date when all the registrable securities covered by the registration statement have been sold or the second anniversary of the closing. In the event we fail to file the registration statement timely, we will be required to pay Purdue liquidated damages equal to 1.5% per month (pro-rated on a daily basis for any period of less than a full month) of the aggregate purchase price of the common stock and until we file the delinquent registration statement. We will be allowed to suspend the use of the registration statement for not more than 15 consecutive days or for a total of not more than 30 days in any 12 month period. In the event that the any sale or issuances of common stock and warrants pursuant to the Purchase Agreement occur after the Filing Deadline, we will be required to file a registration statement covering the registrable securities issued within 5 business days following the three-month anniversary of the issuance.

ITEM 3.02 UNREGISTERED SALES OF EQUITY SECURITIES

As described in Item 1.01, under "WARRANT EXCHANGE", on August 21, 2009, we issued 2,084,308 shares of common stock (the "Exchange Shares") in exchange for outstanding warrants to purchase 6,947,728 shares of common stock. The issuance was made pursuant to exchange agreements with each warrant holder. The issuance of the Exchange Shares was exempt from registration under the Securities Act by virtue of Section 3(a)(9) thereof.

As described in Item 1.01 under "SALE OF COMMON STOCK AND WARRANT", on August 25, 2009 we sold Purdue 5,303,030 shares of common stock and warrant expiring on December 31, 2015 to purchase 1,856,062 shares of common stock at $0.66 per share for gross proceeds of approximately $3,500,000. This sale was exempt from registration under the Securities Act of 1933 by virtue of Section 4(2) thereof.

ITEM 5.03 AMENDMENTS TO ARTICLES OF INCORPORATION OR BYLAWS

Effective August 20, 2009, our by-laws were amended in order to implement required notice periods and a protocol for calling shareholder meetings and addressing shareholder proposals. A copy of the amended by-laws is filed as Exhibit 3.1 and is incorporated herein by reference.

ITEM 7.01 REGULATION FD DISCLOSURE

Copies of the press releases issued by us on August 24, 2009 and August 26, 2009 announcing the transactions described in Item 1.01 are filed as Exhibits 99.1 and 99.2 and are incorporated by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

Number	Title
3.1	Amended and restated By-laws
10.5	Form of Warrant Exchange Agreement dated August 21, 2009
99.1	Press Release dated August 24, 2009 entitled "Novelos Therapeutics Completes Warrant Tender"
99.2	Press Release dated August 26, 2009 entitled "Novelos Therapeutics Announces $9 Million Private Placement"

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 26, 2009	NOVELOS THERAPEUTICS, INC.
	By: /s/ Harry S. Palmin
	Harry S. Palmin
	President and Chief Executive Officer

EXHIBIT INDEX

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BY-LAWS

OF

NOVELOS THERAPEUTICS, INC.

a Delaware corporation

ARTICLE I

STOCKHOLDERS

SECTION 1.1. Annual Meetings. An annual meeting of stockholders to elect directors and transact such other business as may properly be presented to the meeting may be held at such place, within or without the State of Delaware as may be designated by or in the manner provided in the Certificate of Incorporation or the By-Laws, or if not so designated, as the Board of Directors may from time to time determine. If pursuant to the Certificate of Incorporation or the By-Laws, the Board of Directors is authorized to determine the place of a meeting of stockholders, the Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as authorized by the provisions of the General Corporation Law of the State of Delaware (the "DGCL").

If authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication, participate in a meeting of stockholders and be deemed present in person and vote at a meeting of stockholders, whether such meeting is to be held at a designated place or solely by means of remote communication. If such means are authorized, the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is, in fact, a stockholder or proxyholder. The Corporation shall also implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings. If a stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

SECTION 1.2. Special Meetings. A special meeting of stockholders may be called at any time by two or more directors or the Chairman of the Board or the President and shall be called by any of them or by the Secretary upon receipt of a written request to do so specifying the matter or matters appropriate for action at such a meeting proposed to be presented at the meeting and signed by holders of record of a majority of the shares of stock that would be entitled to be voted on such matter or matters if the meeting were held on the day such request is received and the record date for such meeting were the close of business on the preceding day. Any such meeting shall be held at such time and at such place, within or without the State of Delaware, as shall be determined by the body or person calling such meeting and as shall be stated in the notice of such meeting.

SECTION 1.3. Notice of Meeting; Notice to Stockholders. For each meeting of stockholders, written notice shall be given stating the place, if any, date and hour, the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and may vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except as otherwise provided by Delaware law, the written notice of any meeting shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation.

Any notice given to a stockholder under any provision of the DGCL, the Certificate of Incorporation or By-Laws shall be effective if given by a form of electronic transmission consented to by such stockholder. Any such consent shall be revocable by a stockholder by written notice to the Corporation and shall be deemed revoked under the circumstances described in the DGCL. Notice given to stockholders by electronic transmission shall be given as provided in the DGCL.

SECTION 1.4. Quorum. Except as otherwise required by the DGCL or the Certificate of Incorporation, the holders of record of a majority of the shares of stock entitled to be voted present in person or represented by proxy at a meeting shall constitute a quorum for the transaction of business at the meeting, but in the absence of a quorum the holders of record present or represented by proxy at such meeting may vote to adjourn the meeting from time to time, without notice other than announcement at the meeting, unless otherwise provided in the DGCL or By-Laws, until a quorum is obtained.

SECTION 1.5. Business to be Transacted at Meetings. No business shall be transacted at any annual meeting of stockholders, except as may be (i) specified in the notice of the meeting given by or at the direction of the Board (including, if so specified, any stockholder proposal submitted pursuant to the rules and regulations of the Securities and Exchange Commission), (ii) otherwise brought before the meeting by or at the direction of the Board or (iii) otherwise brought before the meeting in accordance with the procedure set forth in the following paragraph, by a stockholder of the Corporation who is a stockholder of record at the time of giving of notice provided for in this section, who is entitled to vote at the meeting and who complied with the procedures set forth in this section.

For business to be brought by a stockholder before an annual meeting of stockholders pursuant to clause (iii) above, the stockholder must have given written notice thereof to the Secretary of the Corporation, such notice to be received at the principal executive offices of the Corporation not less than 90 nor more than 120 days prior to the one-year anniversary of the date of the annual meeting of stockholders of the previous year; provided, however, that in the event that the annual meeting of stockholders is called for a date that is not within 30 days before or after such anniversary date, notice by the stockholder must be received at the principal executive offices of the Corporation not later than the close of business on the tenth day following the day on which the Corporation's notice of the date of the meeting is first given or made to the stockholders or disclosed to the general public (which disclosure may be effected by means of a publicly available filing with the Securities and Exchange Commission), whichever occurs first.

A stockholder's notice to the Secretary shall set forth, as to each matter the stockholder proposes to bring before the annual meeting of stockholders, (i) a brief description of the business proposed to be brought before the annual meeting of stockholders and of the reasons for bringing such business before the meeting and, if such business includes a proposal to amend either the Certificate of Incorporation or these By-Laws, the text of the proposed amendment, (ii) the name and record address of the stockholder proposing such business, (iii) the number of shares of each class of stock of the Corporation that are beneficially owned by such stockholder, (iv) any material interest of the stockholder in such business and (v) such other information relating to the proposal that is required to be disclosed in solicitations pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Securities and Exchange Commission or other applicable law.

Notwithstanding anything in these By-Laws to the contrary, no business shall be conducted at an annual meeting of stockholders except in accordance with the procedures set forth in this Section 1.5; provided, however, that nothing in this Section 1.5 shall be deemed to preclude discussion by any stockholder of any business properly brought before an annual meeting of stockholders in accordance with such procedures. The Chairman of an annual meeting of stockholders shall, if the facts warrant, determine and declare to the meeting that the business was not properly brought before the meeting in accordance with the provisions of this Section 1.5, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before such annual meeting of stockholders shall not be transacted.

SECTION 1.6. Chairman and Secretary at Meeting. At each meeting of stockholders, the Chairman of the Board, or in such person's absence, the person designated in writing by the Chairman of the Board, or if no person is so designated, then a person designated by the Board of Directors, shall preside as chairman of the meeting; if no person is so designated,. then the meeting shall choose a chairman by plurality vote. The Secretary, or in such person's absence, a person designated by the chairman of the meeting, shall act as secretary of the meeting.

SECTION 1.7. Voting; Proxies. Except as otherwise provided by the DGCL or the Certificate of Incorporation:

(a) Each stockholder shall at every meeting of the stockholders be entitled to one vote for each share of capital stock held by such stockholder.

(b) Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A stockholder may authorize another person or persons to act for such stockholder as proxy by transmitting or authorizing the transmission of a telegram, cablegram, or other means of electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such telegram, cablegram, or other means of electronic transmission must either set forth or be submitted with information from which it can be determined that the telegram, cablegram, or other means of electronic transmission was authorized by the stockholder.

(c) Directors shall be elected by a plurality vote.

(d) Each matter, other than election of directors, properly presented to any meeting, shall be decided by a majority of the votes cast on the matter.

(e) Unless otherwise provided in the Certificate of Incorporation, all elections of directors shall be by written ballot. Voting on all other matters need not be by written ballot unless ordered by the chairman of the meeting or if so requested by any stockholder present or represented by proxy at the meeting and entitled to vote on such matter.

(f) If authorized by the Board of Directors, the requirement of a written ballot may be satisfied by a ballot submitted by electronic submission, accompanied by the information specified in the DGCL.

SECTION 1.8. Adjourned Meetings. A meeting of stockholders may be adjourned to another time or place. Unless the Board of Directors fixes a new record date, stockholders of record for an adjourned meeting shall be as originally determined for the meeting from which the adjournment was taken. Except as provided in the next succeeding sentence, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote. At the adjourned meeting at which there shall be present or represented the holders of record of the requisite number of shares, any business may be transacted that might have been transacted at the meeting as originally called.

SECTION 1.9. Consent of Stockholders in Lieu of Meeting. Any action that may be taken at any annual or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. A telegram, cablegram or other electronic transmission consenting to action shall be deemed to be written, signed and dated provided that it sets forth or is delivered with information from which the Corporation can determine that it was transmitted by the stockholder, proxyholder or by a person authorized to act for the stockholder or proxyholder and the date on which it was transmitted. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until there shall have been compliance with applicable provisions of the DGCL. Notice of the taking of such action shall be given promptly to each stockholder that did not consent thereto in writing to the extent such notice is required by the provisions of the DGCL.

SECTION 1.10. List of Stockholders Entitled to Vote. At least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order and showing the address of each stockholder and the number of shares registered in the name of each stockholder, shall be prepared. Such list shall be open to the examination of any stockholder (as defined in Section 220 of the DGCL or any successor statute) for any proper purpose, for a period of at least 10 days prior to the meeting, (a) on a reasonably accessible electronic network, provided that the information required to gain access to the list is provided with the notice of the meeting, or, (b) during ordinary business hours, at the principal place of business of the Corporation. If the meeting is to be held at a place, such list shall be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, such list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

SECTION 1.11. Fixing of Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than 60 nor less than 10 days before the date of such meeting, nor more than 60 days prior to any other action. If no record date is fixed, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent is expressed; and the record date for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

ARTICLE II

DIRECTORS

SECTION 2.1. Number; Term of Office; Qualifications; Vacancies. The number of the directors constituting the entire Board of Directors shall be the number, not less than one nor more than 15, fixed from tune to time by resolution of the Board of Directors. Until otherwise fixed by the directors, the number of directors constituting the entire Board shall be one. Directors shall be elected at the annual meeting of stockholders to hold office, subject to Sections 2.2 and 2.3, until the next annual meeting of stockholders and until their respective successors are elected and qualify. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, although less than a quorum, or by the sole remaining director, and the directors so chosen shall hold office, subject to Sections 2.2 and 2.3, until the next annual meeting of stockholders and until their respective successors are elected and qualify.

SECTION 2.2. Resignation. Any director of the Corporation may resign at any time by giving written notice or by electronic transmission, as defined in the DGCL, of such resignation to the Board of Directors or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein or, if no time is specified, upon receipt thereof by the Board of Directors or the Secretary; and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective. When one or more directors shall resign from the Board of Directors effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in these By-Laws in the filling of other vacancies.

SECTION 2.3. Removal. Subject to the provisions of the DGCL, any one or more directors may be removed, with or without cause, by the vote or written consent of the holders of a majority of the shares entitled to vote at an election of directors.

SECTION 2.4. Nomination of Directors. Subject to the rights of holders of any class or series of stock having a preference over the common shares as to dividends or upon liquidation, nominations for the election of directors may only be made (i) by the Board or a committee appointed by the Board or (ii) by a stockholder of the Corporation who is a stockholder of record at the time of giving of notice provided for in this section, who is entitled to vote at the meeting and who complied with the procedures set forth in this section.

A stockholder may nominate a person or persons for election as directors only if the stockholder has given written notice of its intent to make such nomination to the Secretary of the Corporation, such notice to be received at the principal executive offices of the Corporation (i) with respect to an annual meeting of stockholders, not less than 90 nor more than 120 days prior to the one year anniversary of the date of the annual meeting of stockholders of the previous year; provided, however, that in the event that the annual meeting of stockholders is called for a date that is not within 30 days before or after such anniversary date, notice by the stockholder must be received at the principal executive offices of the Corporation not later than the close of business on the tenth day following the day on which the Corporation's notice of the date of the meeting is first given or made to the stockholders or disclosed to the general public (which disclosure may be effected by means of a publicly available filing with the Securities and Exchange Commission), whichever occurs first, and (ii) with respect to a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth day following the day on which the Corporation's notice of the date of the meeting is first given or made to the stockholders or disclosed to the general public (which disclosure may be effected by means of a publicly available filing with the Securities and Exchange Commission), whichever occurs first.

A stockholder's notice to the Secretary shall set forth (i) the name and record address of the stockholder who intends to make such nomination, (ii) the name, age, business and residence addresses and principal occupation of each person to be nominated, (iii) the number of shares of each class of stock of the Corporation that are beneficially owned by the stockholder, (iv) a description of all arrangements and understandings between the stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder, (v) such other information relating to the person(s) that is required to be disclosed in solicitations for proxies for election of directors pursuant to the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Securities and Exchange Commission or other applicable law and (vi) the written consent of each proposed nominee to be named as a nominee and to serve as a director of the Corporation if elected, together with an undertaking, signed by each proposed nominee, to furnish to the Corporation any information it may request upon the advice of counsel for the purpose of determining such proposed nominee's eligibility to serve as a director.

The Chairman of the meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedures and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

SECTION 2.5. Regular and Annual Meetings; Notice. Regular meetings of the Board of Directors shall be held at such time and at such place, within or without the State of Delaware, as the Board of Directors may from time to time prescribe. No notice need be given of any regular meeting, and a notice, if given, need not specify the purposes thereof. A meeting of the Board of Directors may be held without notice immediately after an annual meeting of stockholders at the same place as that at which such meeting was held.

SECTION 2.6. Special Meetings; Notice. A special meeting of the Board of Directors may be called at any time by the Board of Directors, the Chairman of the Board or the President and shall be called by any one of them or by the Secretary upon receipt of a written request to do so specifying the matter or matters, appropriate for action at such a meeting, proposed to be presented at the meeting and signed by at least two directors. Any such meeting shall be held at such time and at such place, within or without the State of Delaware, as shall be determined by the body or person calling such meeting. Notice of such meeting stating the time and place thereof shall be given (a) by deposit of the notice in the United States mail, first class, postage prepaid, at least seven days before the day fixed for the meeting addressed to each director at such person's address as it appears on the Corporation's records or at such other address as the director may have furnished the Corporation for that purpose, or (b) by delivery of the notice similarly addressed for dispatch by facsimile or telegraph, or by delivery of the notice by telephone or in person, in each case at least 48 hours before the time fixed for the meeting.

SECTION 2.7. Presiding Officer and Secretary at Meetings. Each meeting of the Board of Directors shall be presided over by the Chairman of the Board, or in such person's absence, by such member of the Board of Directors as shall be chosen at the meeting. The Secretary, or in such person's absence, an Assistant Secretary, shall act as secretary of the meeting, or if no such officer is present, a secretary of the meeting shall be designated by the person presiding over the meeting,

SECTION 2.8. Quorum. A majority of the directors then in office shall constitute a quorum for the transaction of business, but in the absence of a quorum a majority of those present (or if only one be present, then that one) may adjourn the meeting, without notice other than announcement at the meeting, until such time as a quorum is present. The vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 2.9. Meeting by Telephone. Unless otherwise restricted by the Certificate of Incorporation or By-Laws, members of the Board of Directors or of any committee thereof may participate in meetings of the Board of Directors or of such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting,

SECTION 2.10. Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or By-Laws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or of such committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings are filed with the minutes of proceedings of the Board of Directors or of such committee. The filing of such electronic transmission or transmissions shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if such minutes are maintained in electronic form.

SECTION 2.11. Committees of the Board. The Board of Directors may, by resolution passed by the Board of Directors, designate one or more committees, each such committee to have such name and to consist of one or more directors as the Board of Directors may from time to time determine. Any such committee, to the extent provided in such resolution or resolutions, shall have and may exercise the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, but no such committee shall have such power or authority in reference to (a) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (b) adopting, amending or repealing any By-Law. In the event of the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

SECTION 2.12. Compensation. No director shall receive any stated salary for such person's services as a director or as a member of a committee but shall receive such sum, if any, as may from time to time be fixed by the Board of Directors.

ARTICLE III

OFFICERS

SECTION 3.1. Election; Qualification. The officers of the Corporation shall consist of a President and a Secretary, each of whom shall be elected by the Board of Directors. The Board of Directors may elect a Chairman of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one Treasurer, one or more Assistant Treasurers, one Controller, one or more Assistant Controllers and such other officers as it may from time to time determine. The Board of Directors shall also determine which of the officers shall hold the offices of Chief Executive Officer, Chief Operating Officer and Chief Financial Officer, if any. Any officer other than the Chairman of the Board (who shall be a director of the Corporation) may, but is not required to, be a director of the Corporation. Two or more offices may be held by the same person.

SECTION 3.2. Term of Office. Each officer shall hold office from the time of such person's election and qualification to the time at which such person's successor is elected and qualified, unless he shall die or resign or shall be removed pursuant to Section 3.4 at any time sooner.

SECTION 3.3. Resignation. Any officer of the Corporation may resign at any time by giving written notice of such resignation to the Board of Directors, the Chairman of the Board, the President or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein or, if no time is specified, upon receipt thereof by the Board of Directors or one of the above-named officers; and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 3.4. Removal. Any officer may be removed at any time, with or without cause, by the vote of the Board of Directors.

SECTION 3.5. Vacancies. Any vacancy, however caused, in any office of the Corporation may be filled by the Board of Directors.

SECTION 3.6. Compensation. The compensation of each officer shall be such as the Board of Directors may from time to time determine.

SECTION 3.7. Duties of Officers. Officers of the Corporation shall, unless otherwise determined by the Board of Directors, have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may be set forth in the By-Laws or as may from time to time be specifically conferred or imposed by the Board of Directors.

ARTICLE IV

CAPITAL STOCK

SECTION 4.1. Stock Certificates. The interest of each holder of stock of the Corporation shall be evidenced by a certificate or certificates in such form as the Board of Directors may from time to time prescribe. Each certificate shall be signed by, or in the name of, the Corporation by the Chairman of the Board, the President or a Vice President and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary. Any of or all the signatures appearing on such certificate or certificates may be a facsimile. If any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

SECTION 4.2. Transfer of Stock. Shares of stock shall be transferable on the books of the Corporation pursuant to applicable law and such rules and regulations as the Board of Directors shall from time to time prescribe.

SECTION 4.3. Redemption of Stock. Any stock of any class or series may be made subject to redemption by the Corporation at its option or at the option of the holders of such stock upon the happening of a specified event; provided, however, that immediately following any such redemption, the Corporation shall have outstanding one or more shares of one or more classes or series of stock, which share or shares together shall have full voting powers.

SECTION 4.4. Holders of Record. Prior to due presentment for registration of transfer, the Corporation may treat the holder of record of a share of its stock as the complete owner thereof exclusively entitled to vote, to receive notifications and otherwise entitled to all the rights and powers of a complete owner thereof, notwithstanding notice to the contrary.

SECTION 4.5. Lost, Stolen,. Destroyed or Mutilated Certificates. The Corporation shall issue a new certificate of stock to replace a certificate theretofore issued by it alleged to have been lost, destroyed or wrongfully taken, if the owner or such owner's legal representative (a) requests replacement, before the Corporation has notice that the stock certificate has been acquired by a bona fide purchaser; (b) unless the Board of Directors otherwise determines, files with the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against it on account of the alleged loss, theft or destruction of any such stock certificate or the issuance of any such new stock certificate; and (c) satisfies such other terms and conditions as the Board of Directors may from time to tome prescribe.

ARTICLE V

MISCELLANEOUS

SECTION 5.1. Indemnification. The Corporation shall, to the fullest extent permitted by the DGCL, as the same may be amended and supplemented, indemnify any and all persons whom it shall have power to indemnify under said statute from and against any and all of the expenses, liabilities or other matters referred to in or covered by said statute, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which any person may be entitled under any By-Law, resolution of stockholders, resolution of directors, agreement or otherwise, as permitted by said statute, both as to action in such person's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person. This Section 5.1 shall be construed to give the Corporation the broadest power permissible by the DGCL, as it now stands and as from time to time amended.

SECTION 5.2. Waiver of Notice. Whenever notice is required by the Certificate of Incorporation, the By-Laws or any provision of the DGCL, a written or electronically transmitted waiver thereof, signed by the person entitled to notice, whether before or after the time required for such notice, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any written waiver of notice.

SECTION 5.3. Fiscal Year. The fiscal year of the Corporation shall start on such date as the Board of Directors shall from time to time prescribe.

SECTION 5.4. Corporate Seal. The corporate seal shall be in such form as the Board of Directors may from time to tome prescribe, and the same may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

ARTICLE VI

AMENDMENT OF BY-LAWS

SECTION 6.1. By Stockholders. All by-laws of the Corporation shall be subject to alteration or repeal, and new by-laws may be made, by a majority of the votes cast by the shares at the time entitled to vote in the election of directors.

SECTION 6.2. By Directors. The Board of Directors shall have power to make, adopt, alter, amend and repeal, from time to time, by-laws of the Corporation; provided, however, that the shareholders entitled to vote with respect thereto as in this Article VI above provided may alter, amend or repeal by-laws made by the Board of Directors.

EXCHANGE AGREEMENT

THIS EXCHANGE AGREEMENT, dated as of August 21, 2009 (this "Agreement") is entered into by and between Novelos Therapeutics, Inc., a Delaware corporation (the "Company") and the holder (the "Warrant Holder") of that certain Warrant (the "Warrant") issued by the Company to the Warrant Holder on March 7, 2006 by, for the purchase of up to ________ shares (the "Warrant Shares") of the Common Stock, $0.0001 par value per share, of the Company (the "Common Stock").

WHEREAS, the Company issued certain Common Stock Purchase Warrants, including the Warrant, on March 7, 2006 (collectively, the "2006 Warrants") in connection with a private placement of shares of Common Stock, and the 2006 Warrants were initially exercisable for an aggregate of 8,365,542 shares of Common Stock at an exercise price of $2.50 per share;

WHEREAS, the 2006 Warrants provide for weighted-average anti-dilution protection, subsequent issuances of equity securities by the Company have triggered such adjustments, and as a result, the 2006 Warrants are now exercisable for an aggregate of 12,379,848 shares of Common Stock at an exercise price of $1.82 per share;

WHEREAS, the holders of the 2006 Warrants were entitled to registration rights with respect to the shares of Common Stock underlying such warrants, and the Company registered the resale of such shares under a Registration Statement on Form SB-2 (File No. 333-133043) file with the Securities and Exchange Commission on April 7, 2006, which Registration Statement was declared effective on April 19, 2006;

WHEREAS, the Company is no longer under the obligation to maintain the effectiveness of such registration, and accordingly, on May 22, 2008, the Company deregistered the shares of Common Stock underlying the 2006 Warrants;

WHEREAS, the Company has invited the holders of the 2006 Warrants, including the Warrant Holder, to tender such warrants to the Company in exchange for a number of shares of Common Stock equal to 30% (the "Exchange Ratio") of the number of shares issuable upon exercise of such warrants (the "Exchange"), such Exchange to occur at 6:00 p.m. Eastern time on August 21, 2009 (the "Exchange Effective Time"); and

WHEREAS, in connection with the Exchange, the Company is entering into this Agreement with the Warrant Holder, and a series of other agreements of like tenor with other holders of 2006 Warrants;

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, intending to be legally bound hereby, the parties hereto agree as follows:

1. Exchange.

(a) The Warrant Holder has tendered an executed copy of this Agreement, together with the Warrant, to the Company. Pursuant to the terms and conditions of the invitation to tender 2006 Warrants set forth in the Company's Invitation to Tender Warrants dated July 13, 2009 to holders of 2006 Warrants (the "Invitation to Tender").

(b) On or before 9:00 a.m. on the first business day following the Exchange Effective Time, the Company shall notify the Warrant Holder of the Company's acceptance of the tender of the Warrant and of a number of shares of Common Stock equal to the number of Warrant Shares multiplied by the Exchange Percentage, rounded down to the nearest whole share (the "Exchange Shares") to be issued to the Warrant Holder in the Exchange. Upon the Exchange Effective Time, and without any further action on the part of the Company or the Warrant Holder, the right to acquire the Common Stock issuable upon exercise of the Warrant, and all other rights, including rights to notice, granted to the Warrant Holder under the terms of such Warrant, shall be deemed surrendered and terminated in all respects. The Company shall deliver the Exchange Shares to the Warrant Holder at the address provided on the signature page hereto on the fifth business day following the Exchange Effective Time.

2. Representations of the Company. The Company represents and warrants to the Warrant Holder as follows:

(a) Organization. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted.

(b) Authority. The Company has the corporate power and authority to enter into and perform this Agreement, and all corporate action necessary to authorize the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby by the Company has been duly and validly taken. This Agreement has been duly and validly executed and delivered by the Company. This Agreement constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors, to principles of public policy and to general principles of equity.

(c) Issuance of Securities. The Exchange Shares have been duly authorized and, when issued in accordance with this Agreement, will be validly issued, fully paid and nonassessable. Attached as Exhibit A hereto is a table setting forth the capitalization of the Company on a pro forma basis giving effect to an Exchange of all of the 2006 Warrants.

3. Representations of the Warrant Holder. The Warrant Holder represents and warrants to the Company as follows:

(a) Organization. If the Warrant Holder is not a natural person, the Warrant Holder is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted.

(b) Authority. The Warrant Holder has the requisite power and authority to enter into and perform this Agreement, and all action necessary to authorize the execution, delivery and performance of this Agreement by the Warrant Holder and the consummation of the transactions contemplated hereby by the Warrant Holder has been duly and validly taken. This Agreement has been duly and validly executed and delivered by the Warrant Holder. This Agreement constitutes a valid and binding agreement of the Warrant Holder, enforceable against the Warrant Holder in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors, to principles of public policy and to general principles of equity. Upon the transfer of the Warrant to the Company in accordance herewith, the Company will acquire good, marketable and unencumbered title to the Warrant, free and clear of all liens, restrictions, charges and encumbrances and the same will not be subject to any adverse claims.

(c) Own Account. The Warrant Holder understands that the Exchange Shares have not been registered under the Securities Act of 1933, as amended (the "Securities Act") or any applicable state securities law and is acquiring the Exchange Shares for its own account and not with a view to distributing or reselling such Exchange Shares or any part thereof, has no present intention of distributing any of such Exchange Shares and has no arrangement or understanding with any other persons regarding the distribution of such Exchange Shares (this representation and warranty not limiting the Warrant Holder's right to sell the Exchange Shares in compliance with applicable federal and state securities laws). The Warrant Holder is acquiring the Exchange Shares hereunder in the ordinary course of its business. The Warrant Holder does not have any agreement or understanding, directly or indirectly, with any person or entity to distribute any of the Exchange Shares.

(d) Warrant Holder Status. At the time of receipt of the Invitation to Tender, the Warrant Holder was, and at the date hereof it is, either: (i) an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act or (ii) a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act.

(e) Experience of the Warrant Holder. The Warrant Holder, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Exchange Shares and has so evaluated the merits and risks of such investment. The Warrant Holder is able to bear the economic risk of an investment in the Exchange Shares and, at the present time, is able to afford a complete loss of such investment.

(f) General Solicitation. The Warrant Holder is not purchasing the Exchange Shares as a result of any advertisement, article, notice or other communication regarding the Exchange Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement.

4. Lock-Up. To induce the Company to enter into this Agreement, the Warrant Holder agrees that, without the prior written consent of the Company, it will not, during the period commencing at the Exchange Effective Time and ending 180 days thereafter (the "Lock-Up Period"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any Exchange Shares, or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Exchange Shares, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Exchange Shares or other securities, in cash or otherwise. The Warrant Holder also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the Exchange Shares during the Lock-Up Period..

5. Legends. The Warrant Holder acknowledges that the certificates representing the Shares will be stamped or otherwise imprinted with a legend substantially in the following form:

The securities represented hereby have not been registered under the Securities Act of 1933, as amended, or any state securities laws and neither the securities nor any interest therein may be offered, sold, transferred, pledged or otherwise disposed of except pursuant to an effective registration under such act or an exemption from registration, which, in the opinion of counsel reasonably satisfactory to this corporation, is available.

The securities represented hereby are subject to a lock-up agreement, containing restrictions on transfer which expire on February 8, 2010. A complete and correct copy of such agreement is available for inspection at the principal office of this corporation and will be furnished upon written request and without charge.

6. Miscellaneous.

(a) Assignment. This Agreement and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors of the Company and the successors of the Warrant Holder.

(b) Headings. The headings used in this Agreement are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Agreement.

(c) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York without regard to the principles of conflicts of law thereof.

(d) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (a) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth on the signature pages attached hereto prior to 6:00 p.m., Eastern time, on a business day, (b) the next business day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth on the signature pages attached hereto on a day that is not a business day or later than 6:00 p.m., Eastern time, on any business day, (c) the second business day following the date of mailing, if sent by U.S. nationally recognized overnight courier service, or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as follows:

If to the Company:

One Gateway Center, Suite 504
Newton, MA 02458
Attn: Chief Executive Officer
Fax: (617) 964-6331

with a copy to:

Foley Hoag LLP
Seaport World Trade Center West
155 Seaport Boulevard
Boston, MA 02210
Attn: Paul Bork, Esq.
Fax: (617) 832-7000

If to the Warrant Holder, at the address specified on the signature page hereto.

(e) Amendment. This Agreement may be modified or amended or the provisions hereof waived with the written consent of the Company and the Warrant Holder.

(f) Severability. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

* * * * * * * * * * * * * * *

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the date first above written.

NOVELOS THERAPEUTICS, INC.

By: ______________________________

Name: Harry S. Palmin
Title: President and Chief Executive Officer

WARRANT HOLDER:

By: ______________________________

Name: ______________________________

Title: ______________________________

Address: ______________________________

____

____

Fax: ______________________________

Federal Tax ID Number: ________________
(or Social Security Number)

Warrant No.: ______________________________

Exhibit A

Pro Forma Capitalization

The following table sets forth the shares of the Company's common stock and common stock purchase warrants outstanding 1) as of June 30, 2009; 2) on a pro forma basis giving effect to the Exchange of 50% of the 2006 Warrants; and 3) on a pro forma basis giving effect to the Exchange of 100% of the 2006 Warrants:

	As of June 30, 2009	Pro forma - Tender of 50% of 2006 Warrants	Pro forma - Tender of 100% of 2006 Warrants
Common stock	44,743,611	46,600,588	48,457,565
Outstanding warrants to purchase Novelos common stock	38,424,340	32,234,416	26,044,492

Note that the above table does not include 56,593,882 shares of common stock that are issuable upon the conversion of preferred stock and accumulated dividends as of June 30, 2009 or 7,279,825 shares of common stock that are issuable upon the exercise of stock options as of June 30, 2009. The number of shares of common stock issuable upon the conversion of preferred stock or the exercise of stock options will not be impacted by the Exchange.

FOR IMMEDIATE RELEASE

NOVELOS THERAPEUTICS COMPLETES WARRANT TENDER

NEWTON, Mass., August 24, 2009 – Novelos Therapeutics, Inc. (OTCBB: NVLT), a biopharmaceutical company focused on the development of therapeutics to treat cancer and hepatitis, today announced that Novelos issued approximately 2,100,000 shares of its Common Stock to certain holders of warrants to purchase approximately 6,900,000 shares of Novelos Common Stock. The warrants, issued in March 2006 in connection with a private placement of Novelos Common Stock and expiring on March 7, 2011, were exercisable at a price of $1.82 per share of Common Stock. Novelos effected the exchange pursuant to an exchange agreement with each warrant holder who agreed not to transfer or dispose of the shares of Common Stock acquired until February 18, 2010. Immediately following the exchange, warrants to purchase an aggregate of approximately 5,400,000 shares of Common Stock at $1.82 remained outstanding.

"We are pleased to have completed this warrant exchange," said Joanne Protano, Chief Financial Officer of Novelos. "In increasing the number of outstanding shares of our Common Stock from 47,200,000 to 49,300,000, we, at the same time, reduced the number of outstanding shares, on a fully diluted basis, by about 4,800,000 to about 142,200,000. We eliminated a portion of the market overhang and increased the number of authorized shares available for use in funding the remainder of our pivotal 900-patient Phase 3 trial of NOV-002 for treatment of non-small cell lung cancer. We expect the trial to conclude in early 2010."

The Common Stock issued to warrant holders was not registered under the Securities Act of 1933, as amended, or under any state securities law.

About Novelos Therapeutics, Inc.

Novelos Therapeutics, Inc. is a biopharmaceutical 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 SPA and Fast Track, acts together with chemotherapy as a chemopotentiator and a chemoprotectant. NOV-002 is also in Phase 2 development for early-stage breast cancer and chemotherapy-resistant ovarian cancer. Novelos has a partnership with Mundipharma to develop and commercialize NOV-002 in Europe and Japan. Novelos' second compound, NOV-205, acts as a hepatoprotective agent with immunomodulating and anti-inflammatory properties. NOV-205 is in Phase 1b development for chronic hepatitis C non-responders. Both compounds have been partnered with Lee's Pharm in China. For additional information about Novelos please visit www.novelos.com

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INVESTOR RELATIONS
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Newton, MA 02458

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.

FOR IMMEDIATE RELEASE

NOVELOS THERAPEUTICS ANNOUNCES $9 MILLION PRIVATE PLACEMENT

NEWTON, Mass., August 26, 2009 – **Novelos Therapeutics, Inc. (OTCBB: NVLT)**, a biopharmaceutical company focused on the development of therapeutics to treat cancer and hepatitis, today announced that Novelos entered into a definitive agreement with Purdue Pharma L.P., an existing investor, to sell 13,636,364 shares of its common stock and warrants, expiring on December 31, 2015, to purchase an aggregate of approximately 4,772,728 shares of common stock at an exercise price of $0.66 per share, for gross proceeds of $9 million.

Pursuant to the definitive agreement with Purdue, Novelos initially sold to Purdue 5,303,030 shares of Novelos' common stock and warrants to purchase 1,856,062 shares of its common stock for gross proceeds of $3.5 million. Subsequent closing(s) for the remaining $5.5 million will be subject to availability of additional authorized shares.

Novelos also agreed to negotiate with Purdue for rights to license, develop and commercialize NOV-002 in the United States on an exclusive basis until the conclusion of the pivotal Phase 3 trial for non-small cell lung cancer under a Special Protocol Assessment (SPA) and Fast Track. The Phase 3 trial is expected to conclude in early 2010. Novelos also granted Purdue a conditional right of first refusal to acquire rights to NOV-002 in the United States after the conclusion of the Phase 3 trial. Novelos already has a partnership with Mundipharma, an independent associated company of Purdue, to develop and commercialize NOV-002 in Europe and Asia (excluding China). Novelos has also entered into a separate agreement to exclusively negotiate with Mundipharma and its independent associated company on a conditional basis for the rights to NOV-002 in Canada, Mexico and Latin America, as well as granting Mundipharma and its independent associated company a conditional right of first refusal to the NOV-002 rights in such territories upon the conclusion of the exclusive negotiation period.

"I am very pleased with Purdue's continued support, providing Novelos funds for a robust development program thru mid-2010," said Harry Palmin, President and CEO of Novelos. "We expect our pivotal 900-patient Phase 3 lung cancer trial to conclude in early 2010. The trial was fully enrolled in March 2008, with the primary endpoint of increased median overall survival to be evaluated following the occurrence of 725 deaths."

The common stock and warrants were / will be issued in a private placement transaction under Regulation D of the Securities of Act of 1933 and have not been registered under the Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration with the Securities and Exchange Commission (the "SEC") or an applicable exemption from the registration requirements. Novelos has agreed to file a registration statement with the SEC covering resales of the common stock and the common stock issuable upon exercise of the warrants.

About Purdue Pharma L.P.

Purdue Pharma L.P. and its associated U.S. companies are privately-held pharmaceutical companies known for pioneering research on persistent pain. Headquartered in Stamford, CT, Purdue is engaged in the research, development, production, and distribution of both prescription and over-the-counter medicines and hospital products. Additional information about Purdue can be found at www.purduepharma.com.

About Novelos Therapeutics, Inc.

Novelos Therapeutics, Inc. is a biopharmaceutical 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 SPA and Fast Track, acts together with chemotherapy as a chemopotentiator and a chemoprotectant. NOV-002 is also in Phase 2 development for early-stage breast cancer and chemotherapy-resistant ovarian cancer. Novelos has a partnership with Mundipharma to develop and commercialize NOV-002 in Europe and Asia (excluding China). Novelos' second compound, NOV-205, acts as a hepatoprotective agent with immunomodulating and anti-inflammatory properties. NOV-205 is in Phase 1b development for chronic hepatitis C non-responders. Both compounds have been partnered with Lee's Pharm in China. 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.