



Spectrum Pharmaceuticals and Handok Pharmaceuticals Announce Collaboration Agreement for Apaziquone in South Korea

- ***Spectrum Completes Asia Partnerships For Apaziquone***
- ***Total Deal Value For South Korea Could Exceed \$19 Million***
- ***Spectrum to Receive an Upfront Payment, Milestones, and Royalties***
- ***Handok Responsible for 100% of Development and Commercial Expenses***

IRVINE, Calif., Nov 23, 2009 (BUSINESS WIRE) -- Spectrum Pharmaceuticals, Inc. (NasdaqGM: SPPI), a commercial stage biotechnology company with a primary focus in oncology, and Handok Pharmaceuticals Co., Ltd., a fully integrated Korean pharmaceutical company, today announced a collaboration for the development and commercialization of apaziquone in South Korea. Apaziquone is an antineoplastic agent currently being investigated for the treatment of non-muscle invasive bladder cancer by intravesical instillation.

Spectrum Pharmaceuticals has previously entered into a strategic collaboration with Allergan, Inc. (NYSE: AGN) for North America, Europe, and other key markets and Nippon Kayaku Co., Ltd. for Asian countries excluding South Korea.

"This collaboration with Handok completes the Company's stated objective of achieving solid strategic partnerships that are aimed at fully exploiting developmental goals for apaziquone on a worldwide basis," said Rajesh C. Shrotriya, MD, Chairman of the Board, Chief Executive Officer, and President of Spectrum Pharmaceuticals. "Handok Pharmaceuticals is one of South Korea's most progressive pharmaceutical companies and we are delighted to partner apaziquone with an established Korean company."

"Apaziquone is a strategic fit for Handok," said Young-Jin Kim, Chief Executive Officer and Chairman of Handok. "Urology is one of the areas where we are trying to expand and we believe Spectrum's apaziquone will strengthen our presence in the field. We look forward to working with Spectrum in developing apaziquone for non-muscle invasive bladder cancer in South Korea."

Under the terms of the agreement, Handok will pay Spectrum an upfront payment and potential milestone payments totaling over \$19MM. The potential milestones will be based on the achievement of certain regulatory and commercialization milestones. Handok received rights to apaziquone for the treatment of non-muscle invasive bladder cancer in South Korea. Handok will conduct the apaziquone clinical trials pursuant to a development plan and will be responsible for all expenses relating to the development and commercialization of apaziquone in South Korea.

Spectrum is currently conducting two Phase 3 clinical trials to investigate apaziquone's safety and efficacy in non-muscle invasive bladder cancer. Spectrum's goal is to complete enrollment in both Phase 3 studies by year-end 2009.

About Non-Muscle Invasive Bladder Cancer

Non-muscle invasive bladder cancer is a form of bladder cancer localized in the surface layers of the bladder and is commonly treated with intravesical therapies. Approximately 70% of all patients newly diagnosed with bladder cancer have non-muscle invasive bladder cancer.¹ More than one million patients in the United States, Europe and Japan are estimated to be affected by the disease, which is treated predominantly by urologists.²

About Apaziquone

Apaziquone, an anti-cancer agent that becomes activated by reductase enzymes found in cancer cells, is formulated for administration directly into the urinary bladder. Phase 2 data has confirmed anti-tumor activity in patients with multiple, recurrent non-muscle invasive bladder cancer, as evidenced by 31 of 46 patients (67%) showing a complete response after receiving six weekly treatments with 4 mg of apaziquone instilled into the urinary bladder in a marker lesion study. In another Phase 2 study, apaziquone instilled into the bladder following surgery was well tolerated and was not absorbed in any detectable amount from the bladder wall into the bloodstream and therefore, is expected to carry a low risk of systemic toxicity, if any.

The apaziquone registration plan, which the U.S. Food and Drug Administration (FDA) concurred with under a Special Protocol Assessment, calls for two double blind, placebo-controlled, randomized Phase 3 clinical studies, each with 562 patients with Ta G1 or G2 low risk non-invasive bladder cancer. Patients are randomized in a one-to-one ratio to apaziquone or placebo. Under the protocol, the patients are given a single 4 mg dose following surgical removal of the tumors. The primary endpoint is a statistically significant difference ($p < 0.05$) in the rate of tumor recurrence between the two treatment groups by year two. The FDA has granted Fast Track Designation for the investigation of apaziquone for the treatment of non-muscle invasive bladder cancer. Spectrum also received scientific advice from the European Medicines Agency (EMA) whereby the EMA agreed that the two Phase 3 studies as designed should be sufficient for a regulatory decision regarding European registration.

About Handok Pharmaceuticals Co., LTD.

HANDOK Pharmaceuticals Co., Ltd., (002390 KS), based in Seoul, Korea, is a company posting 275B KRW in pharmaceutical, diagnostic, and OTC sales in 2008. HANDOK, founded in 1954, is the pharmaceutical company in Korea with a distinguished and successful track record in various types of strategic partnerships. HANDOK is known to have leading expertise in various therapeutic categories including diabetes, CV, Urology and respiratory system and is planning to expand into additional categories such as oncology and CNS. HANDOK maintains a world class GMP manufacturing facility and was the first local Korean company to incorporate clinical research capabilities with medical directors on staff. For more information, visit the HANDOK website at www.handok.co.kr/english.

About Spectrum Pharmaceuticals

Spectrum Pharmaceuticals is a commercial-stage biotechnology company with a primary focus in oncology. The Company's strategy is comprised of acquiring and developing a broad and diverse pipeline of late-stage clinical and commercial products; establishing a commercial organization for its approved drugs; continuing to build a team with people who have demonstrated skills, passion, commitment and have a track record of success in its areas of focus; and, leveraging the expertise of partners around the world to assist it in the execution of its strategy. For more information, please visit the Company's website at www.sppirx.com.

Forward Looking Statements - This press release may also contain forward-looking statements regarding future events and the future performance of Spectrum Pharmaceuticals that involve risks and uncertainties that could cause actual results to differ materially. These statements include but are not limited to statements that relate to Spectrum's business and its future, Spectrum's ability to identify, acquire, develop and commercialize a broad and diverse pipeline of late-stage clinical and commercial products, establishing a commercial organization for Spectrum's approved drugs, continuing to build Spectrum's team, leveraging the expertise of partners around the world to assist Spectrum in the execution of its strategy, the safety and efficacy of apaziquone, that enrollment will be completed by year-end 2009, that apaziquone is expected to carry a low risk of systemic toxicity, if any and any statements that relate to the intent, belief, plans or expectations of Spectrum or its management, or that are not a statement of historical fact. Risks that could cause actual results to differ include the possibility that Spectrum's existing and new drug candidates may not prove safe or effective, the possibility that Spectrum's existing and new drug candidates may not receive approval from the FDA, and other regulatory agencies in a timely manner or at all, the possibility that Spectrum's existing and new drug candidates, if approved, may not be more effective, safer or more cost efficient than competing drugs, the possibility that Spectrum's efforts to acquire or in-license and develop additional drug candidates may fail, Spectrum's lack of revenues, limited marketing experience, dependence on third parties for clinical trials, manufacturing, distribution and quality control and other risks that are described in further detail in Spectrum's reports filed with the Securities and Exchange Commission. Spectrum does not plan to update any such forward-looking statements and expressly disclaim any duty to update the information contained in this press release except as required by law.

Information regarding Handok Pharmaceuticals has been obtained from Handok Pharmaceuticals and not independently verified by Spectrum.

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¹ Kirkali Z, et al. Bladder Cancer: Epidemiology, Staging and Grading, and Diagnosis. Urology 66 (Suppl 6A): 4-34, 2005.

² For U.S. see National Cancer Institute. Bethesda, MD, <http://seer.cancer.gov/statfacts/html/urinb.html> accessed 10-23-2008; For Europe see Globocan 2002 database, <http://www-dep.iarc.fr/> accessed 10-23-2008.

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