

ADDENDUM TO PROSPECTUS

1. Introduction

EpiCept Corporation ("EpiCept"), a Delaware corporation, is in the process of merging one of its wholly owned subsidiaries, Magazine Acquisition Corp., with another Delaware corporation, Maxim Pharmaceuticals, Inc. ("Maxim"). The merger is governed by the General Corporation Law of the State of Delaware (the "DGCL"). On completion of the merger, Maxim will become a wholly-owned subsidiary of EpiCept.

It is the intention of EpiCept that following completion of the merger of Magazine Acquisition Corp. with Maxim, EpiCept's shares shall be listed on the Nasdaq National Market in New York (primary listing) and on the O-list of the Stockholm Stock Exchange (secondary listing). EpiCept has submitted applications for listing to both of the aforementioned market places.

EpiCept has prepared and filed with the U.S. Securities and Exchange Commission ("SEC"), the prospectus attached hereto as Exhibit A (the "U.S. Prospectus"). The U.S. Prospectus was approved and registered by the SEC on November 10, 2005.

As part of the secondary listing of EpiCept's shares on the Stockholm Stock Exchange, a listing prospectus also has to be prepared under Swedish rules (the "Swedish Prospectus"). The Swedish Prospectus must be approved by the Swedish Financial Supervisory Authority (Finansinspektionen) prior to the listing of EpiCept's shares on the Stockholm Stock Exchange. The U.S. Prospectus will form the basis of the Swedish Prospectus, which will consist of the following documents:

- (i) the U.S. Prospectus;
- (ii) this addendum (the "Addendum"); and
- (iii) a summary and a Swedish translation thereof (attached hereto as Exhibit B, the "Summary").

Following approval of the Swedish Prospectus, all of the aforementioned documents will be posted on EpiCept's website, www.epicept.com, together with information of particular interest for Swedish investors and the Swedish market. Such information will consist of (i) a brief description of differences between the accounting principles generally accepted in the United States of America ("US GAAP") and International Financial Reporting Standards ("IFRS"), (ii) material legal differences between United States (Delaware or applicable U.S. federal law) and Swedish law with respect to rights of shareholders, (iii) a description of how the EpiCept shares will be registered and handled by VPC AB, the Swedish Central Securities Depository and Clearing Organisation, (iv) a description of certain tax issues of relevance for a Swedish shareholder, and (v) a description of how EpiCept will disclose information to the Swedish Market following the listing on the Stockholm Stock Exchange.

This Addendum consists of additional disclosures (other than those contained in the U.S. Prospectus) that are required under Swedish prospectus rules. The Swedish Prospectus is intended for shareholders of EpiCept and potential investors domiciled in Sweden only and may under no circumstances be distributed to persons in countries where such distribution is unlawful, such as the United States, Canada and Japan.

2. Additional Disclosures

Below follow certain disclosures required to be made under Annex I-III to the Prospectus Regulation (809/2004), which have not been disclosed in the U.S. Prospectus. The additional disclosures follow the headings and order set out in Annex I-III.

2.1 *Persons Responsible (Section 1 of Annex I)*

2.1.1 EpiCept, represented by its Chief Executive Officer, Mr. John V. Talley, is responsible for the information in the U.S. Prospectus concerning EpiCept, the information in the Summary and the information in this Addendum. Maxim, represented by its President and Chief Executive Officer, Mr. Larry Stambaugh, is responsible for the information in the U.S. Prospectus concerning Maxim.

2.1.2 To the best of my knowledge, and after having taken all reasonable care to ensure that such is the case, the information contained in the U.S. Prospectus concerning EpiCept, in the Summary and in this Addendum, is in accordance with the facts and contains no omission likely to affect its import.

John W. Talley
Chief Executive Officer, EpiCept Corporation

2.1.3 To the best of my knowledge, and after having taken all reasonable care to ensure that such is the case, the information contained in the U.S. Prospectus concerning Maxim is in accordance with the facts and contains no omission likely to affect its import.

Larry Stambaugh
President and Chief Executive Officer, Maxim Pharmaceuticals, Inc.

2.2 Selected Financial Information (Section 3 of Annex I)

Financial information for the interim period ended on September 30, 2005 is appended to this Addendum as Exhibit C (Form 10-Q as filed with the SEC).

2.3 Capital Resources (Section 10 of Annex I)

An update of EpiCept's capital resources is included in Form 10-Q to be disclosed as described under Section 2.2 above.

2.4 Trend Information (Section 12.1 of Annex I)

EpiCept will undertake to inform the Stockholm Stock Exchange and Finansinspektionen of any events occurring after the date of this Addendum, which may have a material effect on EpiCept and its business and which have not been disclosed in the U.S. Prospectus or the Swedish Prospectus.

2.5 Administrative, Management and Supervisory Bodies and Senior Management (Section 14 of Annex I)

At the date hereof, the name of the second director to be appointed to the board of EpiCept by Maxim is not known. The names of the other directors are disclosed in the U.S. Prospectus together with the other information to be disclosed under Section 14 of Annex I (except for the additional information disclosed under this Section 2.5). EpiCept confirms that the U.S. Prospectus contains a complete description of all public companies and partnerships of which each member of the Board of Directors or management of EpiCept has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner of such public company or partnership.

2.5.1 The business address of each of John Talley, Robert Cook, Dov Elefant, Earle Lockhart, Oliver Wiedemann, Dileep Bhagwat, Robert Savage, Guy Jackson, Ernst-Günter Afting, Thorlef Spickshen and Gerhard Waldheim is: c/o EpiCept Corporation, 270 Sylvan Avenue, Englewood Cliffs, New Jersey 07632, U.S.A.

The business address of Gert Caspritz is: c/o Techno Venture Management, 101 Arch Street, Boston, MA 02110, U.S.A.

The business address of Mark Docherty is: c/o Merlin Biosciences Limited, 33 King Street, St. James', London, SW1Y 6RJ, United Kingdom.

2.5.2 To the best of EpiCept's knowledge, there are no family relationships between any of the persons referred to in Section 2.5.1 above.

- 2.5.3 To the best of EpiCept's knowledge, none of the following circumstances has occurred in relation to any of the persons referred to in Section 2.5.1 above:
- (i) any convictions in relation to fraudulent offences for at least the previous five years;
 - (ii) any bankruptcies, receiverships or liquidations with which such person, who was acting in the capacity of member of the administrative, management or supervisory bodies or as a founder, was associated for at least the previous five years;
 - (iii) any official public incrimination and/or sanctions of such person by statutory or regulatory authorities (including designated professional bodies) or disqualification of such person by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.
- 2.5.4 Other than the potential conflicts of interest disclosed on page 87-88 in the U.S. Prospectus, to the best of EpiCept's knowledge, there are no potential conflicts of interests between the duties to EpiCept of the persons referred to in Section 2.5.1 and their private interests or other duties.

2.6 *Remuneration and Benefits (Section 15 of Annex I)*

- 2.6.1 The total remuneration paid to the Board of Directors of EpiCept in fiscal year 2004 amounted to \$ 0.00. The total remuneration paid to the Board of Directors of EpiCept in fiscal year 2005, to date, amounts to \$ 0.00.
- 2.6.2 EpiCept Corporation does not set aside or accrue any amounts to provide pension, retirement or similar benefits.

2.7 *Board Practices (Section 16 of Annex I)*

To the best of EpiCept's knowledge, it complies with the corporate governance regime(s) applicable to it under U.S. and Delaware law.

2.8 *Employees (Section 17.1 of Annex I)*

At the end of each financial year during the period covered by the historical financial information disclosed in the U.S. Prospectus, EpiCept's workforce has consisted of 13 full-time employees.

2.9 Pro Forma Financial Information (Section 20.2 of Annex I and Section 5 of Annex II)

2.9.1 Pro forma information for the period up to and including 30 September 2005 is appended to this Addendum as Exhibit D.

2.9.2 The pro forma information provided in the Swedish Prospectus (including the U.S. Prospectus) has not been audited and an audit report has not been issued on the pro forma information.

2.10 Additional Information/Share Capital (Section 21.1 of Annex I)

2.10.1 At the completion of the merger with Maxim, EpiCept will have the authority to issue 55,000,000 shares of capital stock, with a par value of \$ 0.0001 per share, consisting of (i) 50,000,000 shares of common stock, par value \$ 0.0001 per share, and (ii) 5,000,000 shares of preferred stock, par value \$ 0.0001 per share.

2.10.2 At the date hereof, there are 6,846,985 shares of common stock issued and outstanding (without giving effect to the one-for-four reverse stock split that will occur immediately prior to the merger) and 15,314,694 shares of preferred stock issued and outstanding. All of the issued and outstanding shares have been fully paid. At the time of listing (after giving effect to the merger and assuming that the merger closes on January 4, 2006 and no options are exercised), EpiCept estimates that 20,343,113 shares of common stock and 0 shares of preferred stock, each with a par value of \$ 0.0001, will be issued and outstanding.

2.10.3 At January 1, 2005, there were 6,798,485 shares of common stock and 15,314,694 shares of preferred stock outstanding. At December 31, 2005, 6,846,985 shares of common stock and 15,314,694 shares of preferred stock are issued and outstanding.

No more than 10% of EpiCept's capital stock has been paid for with assets other than cash within the period covered by the historical financial information.

2.10.4 At the time of listing, other than the options described below, there will be no convertible securities, exchangeable securities or warrants outstanding. The table below shows relevant details concerning the options presently outstanding and the options to be granted in connection with the merger with Maxim. The latter options will be granted on the effective date of the merger and will expire 10 years thereafter. The strike price will be set at the fair market value of the EpiCept common stock on the date the merger closes.

<u>Date</u>	<u>Option Holders</u>	<u>Options</u>	<u>Exercise price</u>	<u>Expiration Date</u>
5-1-99	Gavril Pasternak	10 000	\$ 0.30	5-1-09
6-24-99	Earle Lockhart	60 000	\$ 0.75	6-24-09
6-24-99	Jan Misskerg	30 000	\$ 0.75	6-24-09
8-18-99	Oliver Wiedemann	40 000	\$ 0.75	8-18-09
8-18-99	Gabrielle Nesslauer	10 000	\$ 0.75	8-18-09
8-18-99	Uschi Lang	5 000	\$ 0.75	8-18-09
10-28-99	Oliver Wiedemann	40 000	\$ 0.30	10-28-09
10-28-99	Gabrielle Nesslauer	20 000	\$ 0.30	10-28-09
10-28-99	Uschi Lang	10 000	\$ 0.30	10-28-09
12-20-99	Dov Elefant	40 000	\$ 0.30	12-20-09
5-1-00	Gavril Pasternak	20 000	\$ 0.30	5-1-10
9-26-00	Dov Elefant	60 000	\$ 0.30	9-26-10
9-26-00	Earle Lockhart	90 000	\$ 0.30	9-26-10
9-26-00	Oliver Wiedemann	40 000	\$ 0.30	9-26-10
9-26-00	Jan Misskerg	14 000	\$ 0.30	9-26-10
9-26-00	Gabrielle Nesslauer	10 000	\$ 0.30	9-26-10
9-26-00	Uschi Lang	5 000	\$ 0.30	9-26-10
12-4-00	Dennis Everton	40 000	\$ 0.30	12-4-10
12-18-00	Dov Elefant	125 000	\$ 0.30	12-18-10
12-18-00	Earle Lockhart	75 000	\$ 0.30	12-18-10
5-1-01	Gavril Pasternak	30 000	\$ 0.30	5-1-11
7-19-01	Oliver Wiedemann	60 000	\$ 0.30	7-19-11
7-19-01	Ernst-Gunter Afting	7 500	\$ 0.30	7-19-11
11-1-01	Jack Talley	332 333	\$ 0.30	11-1-11

1-1-02	Jack Talley	333 333	\$ 0.30	1-1-12
1-1-02	Jack Talley	8 334	\$ 0.30	1-1-12
1-1-02	Bruce Mackler	10 000	\$ 0.30	1-1-12
3-1-02	Misha Backonja	10 000	\$ 0.50	3-1-12
3-1-02	Howard Maibach	10 000	\$ 0.50	3-1-12
3-1-02	Christoph Stein	10 000	\$ 0.50	3-1-12
4-29-02	Scott Kozak ¹	180 000	\$ 0.50	4-29-12
7-19-02	Ernst-Gunter Afting	7 500	\$ 0.50	7-19-12
7-19-03	Ernst-Gunter Afting	7 500	\$ 0.50	7-19-13
7-19-03	Mark Docherty	7 500	\$ 0.50	7-19-13
Merger	Jack Talley	4 477 939	tbd	10 years
Merger	Dov Elefant	112 500	tbd	10 years
Merger	Earle Lockhart	112 500	tbd	10 years
Merger	Oliver Wiedemann	90 000	tbd	10 years
Merger	Jan Misskerg	22 500	tbd	10 years
Merger	Dennis Everton	20 000	tbd	10 years
Merger	Gabrielle Nesslauer	20 000	tbd	10 years
Merger	Uschi Lang	10 000	tbd	10 years
Merger	Bob Cook	772 405	tbd	10 years
Merger	Dileep Bhagwat	225 000	tbd	10 years
Merger	Corey Sohmer	120 000	tbd	10 years
Merger	Bob Savage	400 000	tbd	10 years
Merger	Guy Jackson	140 000	tbd	10 years
Merger	Gerhard Waldheim	140 000	tbd	10 years
	Totals Options	8 420 844		

At the time of listing, after giving effect to the consummation of the merger and the one-for-four reverse stock split contemplated thereby, there will be options outstanding to acquire a total number of 2,105,211 shares of EpiCept common stock.

2.10.5 The following describes the history of EpiCept's share capital, highlighting information about any changes, for the period covered by the historical financial information.

On January 1, 2002, EpiCept had 6,572,768 shares of common stock, par value \$0.0001, issued and outstanding and 15,261,469 shares of preferred stock, par value \$0.0001, issued and outstanding consisting of: 3,315,160 shares of Series A preferred stock, 3,106,736 shares of Series B preferred stock and 8,839,573 shares of Series C preferred stock.

In 2002, EpiCept granted options to certain executive officers and directors to purchase an aggregate of 566,667 shares of EpiCept common stock under EpiCept's 1995 Stock Option Plan at a weighted average exercise price of \$0.32 per share. In addition, EpiCept also granted options to purchase an aggregate of 80,000 shares of EpiCept's common stock under the 1995 Stock Option Plan at a weighted average exercise price of \$0.48 per share.

In November 2002, EpiCept entered into a convertible bridge loan in an aggregate amount of up to \$5,000,000 which is currently convertible in 2,348,154 shares of EpiCept common stock at a conversion price of \$1.50. In connection with the purchase of the convertible bridge loan, each lender also received stock purchase warrants that will expire at the effective time of the merger with Maxim and are currently exercisable for 15,445,858 shares of EpiCept common stock at an exercise price of \$0.157.

In 2002, a total of 28,591 stock options to purchase shares of common stock were exercised.

In 2003, EpiCept granted options to certain directors to purchase an aggregate of 45,000 shares of EpiCept common stock under the EpiCept 1995 Stock Option Plan at a weighted average exercise price of \$0.50 per share. In 2003, a total of 2,000 stock options to purchase shares of common stock were exercised.

In 2004, 195,126 stock options to purchase shares of common stock were exercised and 74,528 Series A warrants (issued in 1997) to purchase 53,225 shares of Series A preferred stock via a net share issuance were exercised.

In March 2005, EpiCept completed the private placement of \$4.0 million in aggregate principal amount of its 8% Senior Notes due 2006 which are currently convertible into 4,475,238 shares of EpiCept common stock at a conversion price of \$0.71 contingent on closing of the merger. In connection with the purchase of the 2006 Notes, each investor also purchased stock purchase warrants exercisable into EpiCept common stock. In connection

with and contingent on the merger, all of the investors other than the Sanders Investors, have agreed to cancel their stock purchase warrants. The stock purchase warrants held by the Sanders Investors will expire at the effective time of the merger and are currently exercisable for 88,384 shares of EpiCept common stock at an exercise price of \$0.99 contingent on closing of the merger.

In November 2005, EpiCept completed the private placement of \$2.0 million in aggregate principal amount of its 8% Senior Notes due 2006 to certain of its existing stockholders. The November 2005 Senior Notes mature on October 30, 2006. In connection with the merger, all investors will convert their November 2005 Senior Notes into approximately 711,788 shares of common stock of EpiCept at a conversion price of \$ 0.71 contingent on closing of the merger.

In 2005 (through the date hereof), 48,500 stock options to purchase shares of common stock were exercised. Thus, considering the aforementioned changes of the share capital, at the date hereof, EpiCept has 6,846,985 shares of common stock, par value \$0.0001, issued and outstanding and 15,314,694 shares of preferred stock, par value \$0.0001, issued and outstanding consisting of: 3,368,385 shares of Series A preferred stock, 3,106,736 shares of Series B preferred stock and 8,839,573 shares of Series C preferred stock.

2.11 Additional Information/Memorandum and Articles of Association, Section 21.2 of Annex I)

- 2.11.1 Article 3 of EpiCept's certificate of incorporation states that the purpose of EpiCept is to engage in any lawful act or activity for which corporations may be organized under the DGCL, as from time to time amended.
- 2.11.2 Subject to the provisions of the DGCL and any certificate of designations relating to preferred stock, the rights of holders of common and preferred stock of EpiCept can be modified by the board of directors with the approval of a majority of the shareholders authorized to vote on such matters.
- 2.11.3 There are no provisions in the articles of association, statutes, charter or bylaws of EpiCept, stipulating an ownership threshold above which shareholder ownership must be disclosed.
- 2.11.4 The certificate of incorporation provides that the number of authorized shares of common stock and/or preferred stock of EpiCept may be increased or decreased (but not below the number of shares then outstanding) by the affirmative vote of the holders of a majority of the stock of EpiCept entitled to vote, irrespective of the provisions of Section 242(b)(2) of the DGCL.

2.12 Third Party Information etc. (Section 23 of Annex I)

Certain information in the U.S. Prospectus relating to market share data has been sourced from IMS Health, a healthcare information provider in the United States. Such information has been accurately reproduced and so far as EpiCept is aware and is able to ascertain from information published by IMS Health, no facts have been omitted which would render the reproduced information inaccurate or misleading.

2.13 Documents on Display (Section 24 of Annex I)

Copies of EpiCept's certificate of incorporation and bylaws and consolidated historical financial statements (including the independent auditors' report thereon) for the last three fiscal years will be available for inspection on EpiCept's website at www.epicept.com or via the website of the SEC at www.sec.gov.

2.14 Key Information (Section 3 of Annex III)

2.14.1 An update of EpiCept's working capital statement is appended to this Addendum as Exhibit E.

2.14.2 Statement of capitalization and indebtedness based on the pro forma information as of September 30, 2005 are as follows:

Pro Forma Capitalization as of September 30, 2005

	(Numbers in \$000s)
Total Current Debt:	
Guaranteed	\$ —
Secured	\$ 253
Unguaranteed / Unsecured	\$ 1,446
Total Non Current Debt	
Guaranteed	\$ —
Secured	\$ —
Unguaranteed / Unsecured	\$ 3,558
Shareholder's Equity	
Share Capital	\$ 104,308
Legal Reserve	\$ —
Other Reserve	\$ —
Total	\$ <u>109,565</u>

Pro Forma Indebtedness as of September 30, 2005

	(Numbers in \$000s)
A. Cash	\$ 7,999
B. Cash Equivalent	\$ -
C. Trading Securities	\$ 15,206
D. Liquidity (A) + (B) + (C)	\$ 23,205
E. Current Financial Receivable	-
F. Current Bank debt	\$ 253
G. Current portion of non current debt	\$ 1,446
H. Other current financial debt	\$ -
I. Current Financial Debt (F) + (G) + (H)	\$ 1,699
J. Net Current Cash (D) + (E) - (I)	\$ 21,506
K. Non Current Bank loan	\$ -
L. Bonds issued	\$ -
M. Other non-current loans	\$ 3,558
N. Non current Financial Indebtedness (K) + (L) + (M)	3,558
O. Net Cash (J) - (N)	\$ 17,948

2.15 Information Concerning the Securities to Be Admitted to Trading (Section 4 of Annex III)

2.15.1 CUSIP: 294264 20 5
ISIN: US2942642057.

2.15.2 EpiCept's common stock will be in registered form and will be held in both certificated form and book-entry form at the option of the stockholder. The entity in charge of keeping the stock transfer records in the United States will be Wachovia Bank, N.A.

2.16 Admission to Trading and Dealing Arrangements (Section 6 of Annex III)

See Section 2.10 above.
