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Maxim Pharmaceuticals Announces Publication of the Discovery and Characterization of Potent Anti-Cancer Compound

Based upon a natural product with a novel mechanism for killing cancer cells

SAN DIEGO, February 12, 2004 – Maxim Pharmaceuticals (Nasdaq: MAXM) (SSE: MAXM) announced the publication of its manuscript entitled "Discovery, Characterization and SAR of Gambogic Acid as A Potent Apoptosis Inducer by a HTS Assay." The manuscript has been published in Bioorganic & Medicinal Chemistry (*Bioorg. Med. Chem.* 2004, *12*, 309-317). In this paper, Maxim's scientists report the discovery of gambogic acid as a potent inducer of apoptosis (programmed cell death) using the Company's proprietary cell- and caspase-based high-throughput screening technology, and through sensitive structure-activity relationship (SAR) studies. The high potency of gambogic acid as an inducer of apoptosis, its novel mechanism of action, easy isolation and abundant supply, as well as the fact that it is amenable to chemical modification, makes it an attractive molecule for the development of a new anticancer agent.

"This discovery is another example of our ability to use our proprietary screening technology to discover and characterize new compounds that may prove to have significant anticancer activity in a relatively short period of time. Importantly, as is the case of gambogic acid, many of these compounds attack cancer cells in a new and targeted manner which could make them extremely useful in advancing our treatment of various life-threatening cancers," says Dr. Kurt R. Gehlsen, Senior Vice President and Chief Scientific Officer.

Based on Maxim's understanding of the structure and activity of gambogic acid, Company scientists have designed and synthesized novel derivatives that have been found to have potent *in vivo* antitumor activity, as well as reagents for the identification of the novel targets of gambogic acid. Additional efficacy studies, as well as target identification and validation will be reported in later publications. Maxim has received a U.S. Patent and has filed additional U.S. and international patent applications encompassing the composition of matter and use of the gambogic acid derivatives and the use of the target and novel mechanism.

Maxim Overview

Maxim Pharmaceuticals is a global biopharmaceutical company with a diverse pipeline of therapeutic candidates for life-threatening cancers and liver diseases. Maxim's research and development programs are designed to offer hope to patients by developing safe and effective therapeutic candidates that have the potential to extend survival while maintaining quality of life. Maxim's lead drug candidate Ceplene(TM) (histamine dihydrochloride) is designed to prevent or inhibit oxidative stress, thereby reversing immune suppression and protecting critical immune cells. In November 2003, Maxim filed an application for market authorization in Europe for approval to market Ceplene for the treatment of advanced malignant melanoma. Ceplene is currently being tested in Phase 3 cancer clinical trials for advanced malignant melanoma with liver metastasis and acute myeloid leukemia. Phase 2 trials of Ceplene are also underway for the treatment of hepatitis C and advanced renal cell carcinoma. Maxim is also developing an oral formulation of histamine for the potential treatment of chronic liver diseases. More than 2,000 patients have participated in 17 completed and ongoing clinical trials of Ceplene.

In addition to Ceplene, Maxim is developing small-molecule inhibitors and activators of programmed cell death, also known as apoptosis, which may serve as drug candidates for cancer, cardiovascular disease and other degenerative diseases. Ceplene and the apoptosis inducers, including gambogic acid are investigational drugs and have not been approved by the U.S. Food and Drug Administration (FDA) or any international regulatory agency.

This news release contains certain forward-looking statements that involve risks and uncertainties. Such forward-looking statements include statements regarding the efficacy, safety and intended utilization of Ceplene, the oral histamine formulation and the apoptosis inducers, including gambogic acid, and the conduct, results and timelines associated with the Company's clinical trials. Such statements are only predictions and the Company's actual results may differ materially from those anticipated in these forward-looking statements. Factors that may cause such differences include the risk that products that appeared promising in early research and clinical trials do not demonstrate safety or efficacy in larger-scale clinical trials, the risks associated with dependence upon key personnel, and the risk that the Company will not obtain approval to market its products. These factors and others are more fully discussed in the Company's periodic reports and other filings with the Securities and Exchange Commission.

Note: The Maxim logo is a trademark of the Company.

Editor's Note: This release is also available on the Internet at http://www.maxim.com.

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