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MAXIM PHARMACEUTICALS AND HOFFMANN - LA ROCHE ENTER INTO SIGNIFICANT DEVELOPMENT COLLABORATION

- Maxim and Roche Expect Collaboration to Lead to Important Advances in the Treatment of Cancer and Hepatitis C -

San Diego, CA, August 10, 2000 - Maxim Pharmaceuticals (Nasdaq NM: MAXM, SSE: MAXM) announced that it has entered into a comprehensive development collaboration with F. Hoffmann - La Roche Ltd, Switzerland and its US branch Hoffmann - La Roche, Inc. for the development of Maxim's lead drug *MaxamineÒ* (histamine dihydrochloride) in combination with the investigational compound Pegasys®, Roche's pegylated interferon-alpha agent. Both parties expect that the combination of *Maxamine* and Pegasys will lead to important advances in the treatment of cancer and hepatitis C.

"Roche clearly represents a great development partner for Maxim due to the success they have had with the clinical development of Pegasys, and the fact that they share our commitment to advancing the treatment of hepatitis C and cancer," said Larry G. Stambaugh, Maxim's Chairman and Chief Executive Officer. "This collaboration not only produces a substantial strategic and economic benefit to us, it allows us to accelerate and expand the clinical development of *Maxamine*."

"We are excited about the potential contribution that the combination of *Maxamine* and Pegasys may make to the treatment of hepatitis C and the targeted cancers," said Simon Pedder, Ph.D., Pharmaceutical Business Director for Pegasys. "Hepatitis C in particular is a substantial unmet need. Our hope is that the addition of *Maxamine* to Pegasys, an agent that has produced promising clinical data in hepatitis C as a monotherapy, will result in a combination therapy that represents a further improvement in patient care. In addition, the data from the Phase III trial of *Maxamine* in advanced malignant melanoma encouraged us to move aggressively forward with the development of the Pegasys/*Maxamine* combination treatment in cancer."

Under the agreement, Maxim and Roche will undertake clinical trials and other activities designed to seek regulatory approval of the combination of *Maxamine* and Pegasys for the treatment of hepatitis C and certain cancers. Specifically, the collaboration program will include two Phase III trials of the *Maxamine* and Pegasys combination for the treatment of hepatitis C, one Phase III trial of *Maxamine* and Pegasys for the treatment of advanced-stage renal cell carcinoma, and an additional Phase III trial in another cancer to be selected by the two companies. Roche will

perform the management, monitoring and data management of the trials at its own cost and Roche and Maxim will share equally the third party costs of the trials. Each company will retain marketing responsibilities and revenues for their respective drugs, although under the collaboration agreement they will cooperate in the training of their respective sales forces.

The U.S. Phase III trial of *Maxamine* for the treatment of malignant melanoma was completed in March 2000 and the related New Drug Application was filed by Maxim with the U.S. Food and Drug Administration in July 2000. In addition, interim 24-week results from a Phase II dose-ranging hepatitis C study showed that the combination of the optimal dosing regimen of *Maxamine* and interferon-alpha achieved a complete viral response in 69 percent of all patients, compared to the 29 percent or less response that is commonly observed in patients treated with interferon-alpha alone.

Maxamine Mode of Action

Research suggests that a universal mechanism in the human body suppresses the capacity of the immune system to detect and destroy tumor cells or virally infected cells in patients with cancer and chronic infectious diseases. *Maxamine* is designed to reverse this immune suppression, thereby enhancing the effectiveness of immunotherapy, a class of therapies that employ the body's immune system to fight these diseases. *Maxamine* protects critical immune cells and is administered in combination with stimulators of these same immune cells (cytokines such as interferon-alpha and IL-2). More than 1,200 patients have been treated in the Maxim's completed and ongoing clinical trials.

In addition to the U.S. Phase III trial for the treatment of malignant melanoma completed in March 2000, *Maxamine* is currently being tested in two additional Phase III cancer clinical trials in 12 countries for malignant melanoma and acute myelogenous leukemia. Phase II trials of *Maxamine* are also underway for the treatment of hepatitis C and advanced renal cell carcinoma. *Maxamine* is an investigational drug and safety and efficacy have not been established at this time. However, clinical trial results to date suggest that *Maxamine Therapy*, the administration of *Maxamine* in combination with cytokines, is a safe, at-home treatment that may improve patient survival.

Maxim Overview

Maxim Pharmaceuticals is a late-stage biopharmaceutical company developing advanced drugs and therapies for cancer, infectious diseases, degenerative diseases and topical disorders. In addition to *Maxamine*, the Company has also developed product candidates based on its *MaxDerm*™ technology that are designed for the treatment of medical conditions for which topical therapy is appropriate such as oral mucositis, herpes, decubitus ulcers, shingles, burns and related conditions. Further, Maxim is developing small-molecule inhibitors and activators of caspases, key enzymes that modulate and carry out the cellular signaling pathways involved in programmed cell death, also known as apoptosis. Compounds that can either inhibit caspases or induce caspases may form the basis for important new drugs for a wide variety of disease targets, such as cancer, cardiovascular disease and other degenerative diseases.

This news release contains certain forward-looking statements that involve risks and uncertainties. Such forward-looking statements include statements regarding the efficacy and intended utilization of Maxamine, MaxDerm and the caspase modulator compounds, and regarding 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 risk that the Company will not obtain approval to market its products, and the risks associated with the dependence upon collaborative partners. These factors and others are more fully discussed in the Company's periodic reports and other filings with the Securities and Exchange Commission.

Note: *Maxamine*®, *Maxamine Therapy*™, *MaxDerm*™, and the Maxim logo are trademarks of the Company.

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