



Spectrum Pharmaceuticals to Receive \$1 Million Investment

Investment to Support Accelerated Development of Spectrum's Generic Drug Business
Friday February 7, 8:30 am ET

IRVINE, Calif., Feb. 7 /PRNewswire-FirstCall/ -- Spectrum Pharmaceuticals, Inc. (Nasdaq: SPPI) today announced that it has entered into an agreement with a strategic investor who has agreed to invest \$1 million in Spectrum Pharmaceuticals to support the Company's emerging generic drug business. The investment will be subject to the achievement of two milestones, both of which relate to the first Abbreviated New Drug Application (ANDA) filed by Spectrum with the U.S. Food and Drug Administration (FDA) in January 2003. The investor will purchase \$250,000 of unregistered Spectrum common stock upon acceptance by the FDA of the ANDA. The investor will purchase an additional \$750,000 of unregistered Spectrum common stock upon approval of this ANDA by the FDA. The purchase prices in the transactions will be at a 5 percent premium to the closing price of Spectrum stock on the day prior to acceptance and approval, respectively. The investor will also receive five year warrants to purchase Spectrum common stock at a price \$1.00 above the purchase price of the common stock purchased in each transaction. The number of warrants will be equal to 20 percent of the number of common shares issued in each transaction.

"Earlier this year we filed our first ANDA with the US Food and Drug Administration, and we look forward to additional filings going forward," stated Rajesh C. Shrotriya, M.D., Chairman, Chief Executive Officer and President of Spectrum Pharmaceuticals. "This investment should help accelerate and expand our generic drug business, and we appreciate the investor's confidence in our potential. We look forward to achieving both milestones in this agreement, so that we can move to realize some of the significant revenue opportunities that we see from being a high quality, low-cost supplier in the growing U.S. generic drug market."

Spectrum Pharmaceuticals' primary focus is to develop in-licensed drugs for the treatment and supportive care of cancer patients. The Company's lead drug, satraplatin, is a phase 3 oral, anti-cancer drug being co-developed with GPC Biotech AG. Elsamitrucin, a phase 2 drug, will initially target non-Hodgkin's lymphoma. Neoquin™ is being studied in the treatment of superficial bladder cancer, and may have applications as a radiation sensitizer. The Company is actively working to develop, seek approval for and sell generic drugs in the U.S. market. Spectrum also has a pipeline of pre-clinical neurological drug candidates for disorders such as attention-deficit hyperactivity disorder, schizophrenia, mild cognitive impairment and pain, which it is actively seeking to out-license or co-develop. For additional information, visit the Company's web site at www.spectrumpharm.com.

This press release may 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 risks are described in further detail in the Company's reports filed with the Securities and Exchange Commission.

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