EpiCept and GNI Partner to Develop Anti-Viral Hepatitis Drug in Asia

Tokyo, Japan, and Tarrytown, New York (July 17, 2008) – GNI Ltd, a leading biopharmaceutical company in Japan and China, and EpiCept Corporation (Nasdaq and OMX Nordic Exchange: EPCT), a US-based specialty pharmaceutical company, announced today that they have reached agreement to develop a new therapeutic drug, EP1013, in Asia, Australia, and New Zealand, for late-stage viral infection-induced hepatitis. EpiCept will retain the rights in the rest of the world. GNI's wholly owned subsidiary, Shanghai Genomics, will start preparation for pre-IND and clinical development in China immediately.

In return for granting a license to GNI to develop EP1013, EpiCept earned an upfront license fee and will be eligible to earn milestone payments and royalties on commercial sales.

EP1013 is a di-peptide small molecule compound with potent and irreversible inhibitory effect on caspases, a class of enzymes critical for cell death and inflammatory response. Initial tests of EP1013 by EpiCept and Shanghai Genomics have shown promising efficacy in animal models of liver failure, brain ischemia, and myocardial infarction. EP1013 was discovered by EpiCept scientists and is covered by patents in the U.S., China, and other key markets.

Liver disease is a "national" disease in China with more than 20 million people affected by HBV virus infection. The late stage of HBV infections is characterized by the dysfunction of liver cells and eventual cell death. Although liver transplantation may help some patients, it is costly and requires a long waiting period. Inhibiting liver cell death may help the liver to recover function. A novel therapy for liver disease represents a large market opportunity for GNI in China and Japan. GNI intends to complete toxicology and PK studies to prepare for an IND filing with the Chinese SFDA as soon as possible.

Dr. Ying Luo, Chief Executive Officer of GNI and Shanghai Genomics, said, "Both in-house development and external co-development are important components of our R&D strategy. EP1013 is complementary to F351, our first drug candidate in Phase I trial for liver fibrosis. Developing these two products in Asia will establish us as a leading player in liver disease therapy."

"We are pleased to establish this collaboration to accelerate the development of EP1013 for a therapeutic area which is outside of our core focus areas in oncology and pain management. Caspase inhibitors may provide a new therapeutic modality for the treatment of degenerative diseases that involve apoptotic cell death," added Jack Talley, President and CEO of EpiCept.

Further Inquiries

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About GNI

Founded in 2001, GNI is a clinical-stage drug development company with headquarters in Japan and major operation China. After years of discovery research, the Company has built a portfolio of drug candidates in cancer and inflammatory disease areas. In June 2005, GNI acquired Shanghai Genomics, which operates an integrated drug discovery and development platform in Shanghai, China. The combined strength of GNI and Shanghai Genomics has resulted in research collaboration with major international pharmaceutical companies. The Company is also in the process of acquiring Hengshan Pharmaceuticals, which has more than 15,900 square meter Chinese SFDA certified GMP manufacture facility near the central Shanghai and nationwide sales/distribution network in China. For further information, please visit www.gnipharma.com and www.shanghaigenomics.com.

About EpiCept

EpiCept is focused on unmet needs in the treatment of cancer and pain. The Company's broad portfolio of pharmaceutical product candidates includes several pain therapies in clinical development and a lead oncology compound for AML with demonstrated efficacy in a Phase III trial; a marketing authorization application for this compound recently received a negative opinion and is being re-examined in Europe. In addition, EpiCept's ASAP technology, a proprietary live cell high-throughput caspase-3 screening technology, can efficiently identify new cancer drug candidates and molecular targets that selectively induce apoptosis in cancer cells. Two oncology drug candidates currently in clinical development that were discovered using this technology have also been shown to act as vascular disruption agents in a variety of solid tumors.

Forward Looking Statements

This press release and oral statements made with respect to the information contained in this news release, contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include statements related to GNI's plans to pursue development of product candidates and the timing thereof. Any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "continue," "could," "may," and similar expressions are intended to identify these forward-looking statements. There are a number of important factors that could cause GNI's results to differ materially from those indicated by these forward-looking statements, including risks associated with the timing and success of clinical trials and the commercialization of product candidates. GNI does not undertake any obligation to update forward-looking statements.

Some forward-looking statements are based on EpiCept's current expectations and are subject to risks and uncertainties that could cause actual results or developments to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. Factors that may cause actual results or developments to differ materially include: the risk that EP1013 will not be developed successfully or that EpiCept will not receive any future payments under the license agreement with GNI, the risks associated with the adequacy of our existing cash resources and our need to raise additional financing to continue to meet our capital needs and our ability to continue as a going concern, the risks associated with our ability to continue to meet our obligations under our existing debt agreements or that we may default on our loans or that our lenders may declare the Company in default or that our secured lender would seek to sell our assets, the risk that the Company's securities may be delisted by The Nasdaq Capital Market or the OMX Nordic Exchange and that any appeal of the delisting determination may not be successful, the risk that our appeal of the negative opinion

regarding the MAA for Ceplene® will not be successful and that Ceplene® will not receive regulatory approval or marketing authorization in the EU, the risk that Ceplene®, if approved, will not achieve significant commercial success, the risk that Myriad's development of Azixa™ will not be successful, the risk that Azixa™ will not receive regulatory approval or achieve significant commercial success, the risk that we will not receive any significant payments under our agreement with Myriad, the risk that the development of our other apoptosis product candidates will not be successful, the risk that our ASAP technology will not yield any successful product candidates, the risk that clinical trials for NP-1 or EPC2407 will not be successful, the risk that NP-1 or EPC2407 will not receive regulatory approval or achieve significant commercial success, the risk that our other product candidates that appeared promising in early research and clinical trials do not demonstrate safety and/or efficacy in larger-scale or later stage clinical trials, the risk that we will not obtain approval to market any of our product candidates, the risks associated with dependence upon key personnel, the risks associated with reliance on collaborative partners and others for further clinical trials, development, manufacturing and commercialization of our product candidates; the cost, delays and uncertainties associated with our scientific research, product development, clinical trials and regulatory approval process; our history of operating losses since our inception; the highly competitive nature of our business; risks associated with litigation; risks associated with prior material weaknesses in our internal controls; and risks associated with our ability to protect our intellectual property. These factors and other material risks are more fully discussed in EpiCept's periodic reports, including its reports on Forms 8-K, 10-Q and 10-K and other filings with the U.S. Securities and Exchange Commission. You are urged to carefully review and consider the disclosures found in EpiCept's filings, which are available at www.sec.gov or at www.epicept.com. You are cautioned not to place undue reliance on any forward-looking statements, any of which could turn out to be wrong due to inaccurate assumptions, unknown risks or uncertainties or other risk factors.

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