

SPECTRUM PHARMACEUTICALS INC

Form 424B3

March 31, 2008

Filed pursuant to rule 424(b)(3)
Registration Statement No. 333-135029

PROSPECTUS SUPPLEMENT NO. 2
(TO PROSPECTUS DATED AUGUST 21, 2006)

PROSPECTUS
UP TO 1,550,134 SHARES OF
SPECTRUM PHARMACEUTICALS, INC.
COMMON STOCK

This prospectus supplement no. 2 relates to the offer and sale of up to 1,550,134 shares of our common stock by the selling stockholders named in the prospectus dated August 21, 2006, as supplemented by prospectus supplement no. 1 dated October 22, 2007 (the Prospectus). This prospectus supplement no. 2 should be read in conjunction with the Prospectus.

In connection with our 2006 acquisition of all the oncology drug assets of Targent, LLC, as the successor to Targent, Inc. (Targent), Targent is eligible to receive contingent consideration, in the form of either cash or shares, upon the satisfaction of certain milestones. As a result of the satisfaction of one such milestone in 2008, we are issuing 125,000 shares of our common stock, as directed by Targent, to the individuals named in the Selling Stockholders table below. Pursuant to this prospectus supplement no. 2, as required by the registration rights agreement with Targent, we are registering for resale 41,664 of those 125,000 shares. Other than the asset purchase agreement relating to the acquisition and transactions contemplated thereby, there are no material relationships between the Company and Targent.

The information appearing in the table below, as of the date hereof, supplements the information in the table appearing under the heading Selling Stockholders in the Prospectus. This table only provides beneficial ownership information with respect to selling stockholders who are receiving shares of our common stock in connection with the achievement of a milestone related to the acquisition of certain assets from Targent, as described above.

Name	Shares of Common Stock Beneficially Owned Before Offering		Number of Shares of Common Stock Offered Hereby	Shares of Common Stock Beneficially Owned Following the Offering(1)	
	Number	% of Class		Number	% of Class
Robert F. Johnston	351,210	1.12%	20,897	330,313	1.05%
Hephaestos II Trust UAD 12/31/1991	26,961	*	1,982	24,979	*
Lynn D. Johnston	34,577	*	2,131	32,446	*
Trust F/B/O William Johnston 11/6/1978	11,416	*	362	11,054	*
William Johnston Trust 07-15-1999	23,176	*	1,808	21,368	*
William M. Johnston GST 6-1-2004	8,534	*	618	7,916	*
Trust F/B/O Bradford Johnston 11/6/1978	36,501	*	2,287	34,214	*
Bradford D. Johnston GST DTD 1/29/02	6,626	*	502	6,124	*
	36,501	*	2,287	34,214	*

Trust F/B/O Alexandra Johnston

11/06/78

Alexandra F. Johnston Trust DTD

2-25-2004	6,625	*	501	6,124	*
Targent Pharmaceuticals, LLC	16,310	*	1,349	14,961	*
Seth Lederman	10,271	*	407	9,864	*
Eli R. Lederman	30,490	*	1,627	28,863	*
James Bell	522	*	40	482	*
Bayard Henry	5,415	*	363	5,052	*
Peter Melhado	2,325	*	301	2,024	*
Lysander, LLC	15,709	*	3,644	12,065	*
Patrick Maguire	1,990	*	151	1,839	*
Ernest Mario	2,578	*	256	2,322	*
Stephen K. Carter	1,990	*	151	1,839	*

less than 1%

- (1) Assumes the sale by the selling stockholders of all of the shares of common stock available for resale under this prospectus supplement.

INVESTING IN OUR COMMON STOCK INVOLVES A HIGH DEGREE OF RISK. SEE RISK FACTORS IN OUR FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2007 AND OTHER DOCUMENTS INCORPORATED BY REFERENCE INTO THE PROSPECTUS.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of the prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is March 31, 2008.