

EPIX Pharmaceuticals, Inc.

Form SC 13G

February 14, 2008

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
SCHEDULE 13G
(Rule 13d-102)
INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO
RULES 13d-1(b), (c) AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b)
EPIX Pharmaceuticals, Inc.

(Name of Issuer)
Common Stock, par value \$0.01 per share

(Title of Class of Securities)
26881Q101

(CUSIP Number)
November 2, 2007

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

CUSIP No. 26881Q101

13G

NAME OF REPORTING PERSONS

1

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Prescott Group Capital Management, L.L.C.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

2

(a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF ORGANIZATION

4

State of Oklahoma

SOLE VOTING POWER

5

NUMBER OF 2,482,202

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY 6

0

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON 7

2,482,202

SHARED DISPOSITIVE POWER

WITH 8

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9

2,482,202

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

o

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

6.0%**

12 TYPE OF REPORTING PERSON*

IA

*SEE INSTRUCTIONS BEFORE FILLING OUT

**SEE ITEM 4(b).

CUSIP No. 26881Q101

13G

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)
Prescott Group Aggressive Small Cap, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a)
(b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
State of Oklahoma

5 SOLE VOTING POWER
NUMBER OF 0

6 SHARES BENEFICIALLY OWNED BY 2,482,202
SHARED VOTING POWER

7 EACH REPORTING PERSON 0
SOLE DISPOSITIVE POWER

8 WITH 2,482,202
SHARED DISPOSITIVE POWER

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,482,202

10

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

6.0%**

12

TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT

**SEE ITEM 4(b).

CUSIP No. 26881Q101

13G

NAME OF REPORTING PERSONS

1

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Prescott Group Aggressive Small Cap II, L.P.

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

2

(a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF ORGANIZATION

4

State of Oklahoma

SOLE VOTING POWER

5

NUMBER OF 0

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY 6

2,482,202

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON 7

0

SHARED DISPOSITIVE POWER

WITH 8

2,482,202

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9

2,482,202

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

10

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

11

6.0%**

TYPE OF REPORTING PERSON*

12

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT

**SEE ITEM 4(b).

CUSIP No. 26881Q101

13G

NAME OF REPORTING PERSONS

1

I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

Phil Frohlich

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

2

(a)

(b)

SEC USE ONLY

3

CITIZENSHIP OR PLACE OF ORGANIZATION

4

U.S. Citizen

SOLE VOTING POWER

5

NUMBER OF 2,482,202

SHARED VOTING POWER

SHARES BENEFICIALLY OWNED BY 6

0

SOLE DISPOSITIVE POWER

EACH REPORTING PERSON 7

2,482,202

SHARED DISPOSITIVE POWER

WITH 8

0

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

9

2,482,202

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

o

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

6.0%**

12 TYPE OF REPORTING PERSON*

IN

*SEE INSTRUCTIONS BEFORE FILLING OUT

**SEE ITEM 4(b).

SCHEDULE 13G

This Schedule 13G (the Schedule 13G) is being filed on behalf of Prescott Group Capital Management, L.L.C., an Oklahoma limited liability company (Prescott Capital), Prescott Group Aggressive Small Cap, L.P., an Oklahoma limited partnership (Prescott Small Cap), Prescott Group Aggressive Small Cap II, L.P., an Oklahoma limited partnership (Prescott Small Cap II and together with Prescott Small Cap, the Small Cap Funds) and Mr. Phil Frohlich the principal of Prescott Capital, relating to shares of common stock of EPIX Pharmaceuticals, Inc., a Delaware corporation (the Issuer).

This Schedule 13G relates to shares of common stock, \$0.01 par value, (the Common Stock) of the Issuer purchased by the Small Cap Funds through the account of Prescott Group Aggressive Small Cap Master Fund, G.P., an Oklahoma general partnership (Prescott Master Fund), of which the Prescott Small Cap Funds are general partners. Prescott Capital serves as the general partner of the Small Cap Funds and may direct the Small Cap Funds, the general partners of Prescott Master Fund, to direct the vote and disposition of the 2,482,202 shares of Common Stock held by the Master Fund. As the principal of Prescott Capital, Mr. Frohlich may direct the vote and disposition of the 2,482,202 shares of Common Stock held by Prescott Master Fund.

Item 1(a) Name of Issuer.

EPIX Pharmaceuticals, Inc.

Item 1(b) Address of Issuer s Principal Executive Offices.

161 First Street

Cambridge, Massachusetts 02142

Item 2(a) Name of Person Filing.

Prescott Group Capital Management, L.L.C. (Prescott Capital), Prescott Group Aggressive Small Cap, L.P. (Prescott Small Cap), Prescott Group Aggressive Small Cap II, L.P. (Prescott Small Cap II and together with Prescott Small Cap, the Small Cap Funds), and Mr. Phil Frohlich.

Item 2(b) Address of Principal Business Office, or, if none, Residence.

1924 South Utica, Suite 1120

Tulsa, Oklahoma 74104-6529

Item 2(c) Citizenship or Place of Organization.

Prescott Capital is an Oklahoma limited liability company. The Small Cap Funds are Oklahoma limited partnerships. Mr. Phil Frohlich is the principal of Prescott Capital and is a U.S. citizen.

Item 2(d) Title of Class of Securities.

Common Stock, par value \$0.01 per share (the Common Stock).

Item 2(e) CUSIP Number.

26881Q101

Item 3 Reporting Person.

Inapplicable.

Item 4 Ownership.

- (a) Prescott Capital is the beneficial owner of 2,482,202 shares of Common Stock and Mr. Phil Frohlich is the beneficial owner of 2,482,202 shares of Common Stock.
- (b) Prescott Capital and Mr. Phil Frohlich are the beneficial owners of 6.0% and 6.0%, respectively, of the outstanding shares of Common Stock. This percentage is determined by dividing 2,482,202 by (i) 36,059,436, the number of shares of Common Stock issued and outstanding, as reported in the Issuer's Form 10-Q filed on November 7, 2007, plus (ii) 5,245,468, the estimated number of shares of Common Stock issued in a private placement on November 15, 2007.
- (c) Prescott Capital, as the general partner of the Small Cap Funds, general partners of Prescott Master Fund, may direct them to direct the vote and disposition of the 2,482,202 shares of Common Stock held by Prescott Master Fund. As the principal of Prescott Capital, Mr. Phil Frohlich may direct the vote and disposition of the 2,482,202 shares of Common Stock held by Prescott Master Fund.

Item 5 Ownership of Five Percent or Less of a Class.

Inapplicable.

Item 6 Ownership of More Than Five Percent on Behalf of Another Person.

Inapplicable.

Item 7 Identification and Classification of the Subsidiary which Acquired the Security Being Reported On by the Parent Holding Company.

Inapplicable.

Item 8 Identification and Classification of Members of the Group.

Inapplicable.

Item 9 Notice of Dissolution of Group.

Inapplicable.

Item 10 Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

Exhibits Exhibit 1

Joint Filing Agreement dated February 14, 2008, between Prescott Capital, Prescott Small Cap and Mr. Phil Frohlich.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 14, 2008

Prescott Group Capital Management, L.L.C.

By: /s/ Phil Frohlich

PHIL FROHLICH, Managing Member

Prescott Group Aggressive Small Cap, L.P.

By: Prescott Group Capital Management, L.L.C., its general partner

By: /s/ Phil Frohlich

PHIL FROHLICH, Managing Member

Prescott Group Aggressive Small Cap II, L.P.

By: Prescott Group Capital Management, L.L.C., its general partner

By: /s/ Phil Frohlich

PHIL FROHLICH, Managing Member

/s/ Phil Frohlich

Phil Frohlich

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EXHIBIT INDEX

Exhibit 1 Joint Filing Agreement dated February 14, 2008, between Prescott Capital, Prescott Small Cap and Mr. Phil Frohlich.

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