



July 6, 2004

## **Peregrine Pharmaceuticals Licenses Additional Intellectual Property for Its Anti-Phospholipid Therapy Platform Technology**

TUSTIN, Calif., July 6 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals (Nasdaq: PPHM) announced today that it has completed a worldwide exclusive licensing agreement for intellectual property related to anti-phosphatidylserine (anti-PS) antibodies from The University of Texas M. D. Anderson Cancer Center for use in mammalian therapeutics. The intellectual property, including U.S. Patent No. 6,300,308, entitled "Methods And Compositions For Inducing Autoimmunity In The Treatment Of Cancers," was invented by Alan J. Schroit, Professor of Cancer Biology at M. D. Anderson and a scientific consultant to Peregrine.

The new technology further expands Peregrine's patent coverage for its Anti-Phospholipid Therapy (APT) programs which include the technology invented by Dr. Philip E. Thorpe and licensed from The University of Texas Southwestern Medical Center at Dallas. David Sherris, Ph.D., Peregrine's head of business development, said, "Dr. Schroit's laboratory has concentrated on the chemistry, biology and pathology of phosphatidylserine exposure in the outer leaflet of cells. These studies have led to the development of new methods to treat cancer by inducing production of anti-PS antibodies in patients. By expanding our intellectual property in this field, we enhance the overall value and potential of the APT technology platform."

Under the terms of the agreement, Peregrine will pay M. D. Anderson an upfront fee, milestone fees based on the future success of drugs that fall under the licensed intellectual property and a royalty on net sales as defined in the agreement. Tarvacin™, Peregrine's lead APT clinical candidate, is expected to enter clinical trials later this year for the treatment of solid tumors.

### **About Phosphatidylserine (PS)**

PS is an anionic phospholipid. The main function of phospholipids is the formation of cellular membranes. In normal cells, anionic phospholipids are on the inside of the cellular membrane. It is now known that exposure of anionic phospholipids on the cell surface occurs during apoptosis (normal cell death), necrosis, cell injury, cell activation and malignant transformation into tumor cells. Studies in Dr. Thorpe's laboratory, which led to U.S. Patent Nos. 6,406,693 and 6,312,694, exclusively licensed to Peregrine, also showed that factors in the tumor microenvironment cause a breakdown of asymmetry and exposure of anionic phospholipids on the cell surface of the blood vessels within malignant tumors.

Anionic phospholipids such as PS are attractive as tumor blood vessel targets for several reasons: they are abundant; they are on the surface of the endothelial cells that line tumor vessels that are accessible to therapeutics in the blood; they are present on a significant percentage of endothelial cells in diverse solid tumors, and they appear to be absent from vascular endothelium in all normal tissues. Anti-PS antibodies and immunoconjugates are also being developed by Peregrine for use as anti-viral agents. These agents represent an important new class of therapeutics with the potential to inhibit viral infection, replication and spread, which are envisioned for use in treating a wide range of infections and diseases.

### **About Peregrine Pharmaceuticals**

Peregrine's research and development efforts focus on discovering and developing products that affect blood flow to tumors. Peregrine's vascular research programs fall under several different proprietary platforms including Anti-Phospholipid Therapy (APT), Vascular Targeting Agents (VTAs), Anti-Angiogenesis and Vasopermeation Enhancement Agents (VEAs). The company has research collaborations with pharmaceutical and biotechnology companies to develop its VTA platform for therapeutic and diagnostic applications and expects to enter its first APT compound into clinical trials for cancer therapy during calendar year 2004.

Peregrine's vascular agents may also have applications in other angiogenesis-dependent diseases besides cancer such as diabetes, arthritis, skin disorders and eye diseases. Peregrine currently has exclusive rights to over 190 U.S. and foreign patents and patent applications that broadly cover its vascular programs. In addition, the company is currently evaluating its proprietary technology for use in treating non-angiogenesis dependent diseases such as viral infections. The company believes that the pre-clinical data generated by the company and the broad nature of its intellectual property may provide many opportunities for product development, partnering and licensing.

Peregrine's most clinically advanced therapeutic program is based on a targeting platform outside vascular biology. This

technology platform is known as Tumor Necrosis Therapy (TNT) and targets dead or dying tumor cells that are common to the majority of different tumor types. Cotara™, the most clinically advanced TNT program, is currently in a Phase I clinical trial for the treatment of colorectal carcinoma at Stanford University Medical Center. In addition, we received protocol approval from the U.S. Food and Drug Administration ("FDA") to initiate a registration clinical study in February 2003 for the treatment of brain cancer. The company is currently seeking a development or funding partner to move the brain cancer program forward. The company believes that continuing the clinical development of Cotara™ in tumor types other than brain cancer will add significant value to the program. The company has a research collaboration to develop immunocytokines based on the TNT platform and a TNT based agent has been developed and approved for the treatment of lung cancer in China under a licensing agreement.

The company also operates a cGMP contract manufacturing facility for monoclonal antibodies and recombinant proteins through its wholly owned subsidiary Avid Bioservices, Inc. (<http://www.avidbio.com>). Avid produces clinical trial materials to support Phase I through Phase III clinical trials for biotechnology companies including Peregrine. Copies of Peregrine press releases, SEC filings, current price quotes and other valuable information for investors may be found on the websites <http://www.peregrineinc.com>, <http://www.hawkassociates.com> and <http://www.hawkmicrocaps.com>.

Safe Harbor Statement: This release may contain certain forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Actual events or results may differ from the company's expectations as a result of risk factors discussed in Peregrine's reports on file with the U.S. Securities and Exchange Commission, including, but not limited to, Peregrine's report on Form 10-Q for the quarter ended January 31, 2004 and on Form 10-K for the year ended April 30, 2003.

Peregrine Investor Relations  
Frank Hawkins and Julie Marshall  
Hawk Associates, Inc.  
(800) 987-8256 or [info@hawkassociates.com](mailto:info@hawkassociates.com)

SOURCE Peregrine Pharmaceuticals, Inc.

07/06/2004

Web site: <http://www.peregrineinc.com>  
<http://www.hawkassociates.com>  
<http://www.hawkmicrocaps.com>