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Peregrine and Affitech to Collaborate on Developing Fully Human Vascular Targeting Agent Antibodies

TUSTIN, Calif., and OSLO, Norway, June 18 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc (Nasdaq: PPHM) and Affitech AS today announced that they will collaborate on the production of human antibodies for Peregrine's Vascular Targeting Agent (VTA) and anti-angiogenesis programs. In this collaboration, Peregrine will provide targets and Affitech will apply its high-quality human antibody libraries and its proprietary discovery and screening technologies, including its unique AffiScreen™ platform, to generate a panel of fully human antibodies against the targets. The agreement allows flexibility for th development of any clinical candidates that are generated, including joint development, internal development at Peregrine or Affitech, or out-licensing to a third party. Details of the financial terms were not disclosed.

"We are very pleased to enter into this collaboration with Affitech to expand our VTA and anti-angiogenesis programs," stated Steven King, Peregrine's president and CEO. "Our mutual goal is that, through this collaboration, we will be able to identify a number of fully human monoclonal antibodies that can be used either for our VTA or anti-angiogenesis technology platforms. Along with clinical candidates that we have already identified and other collaborations that are underway, we believe we will be able to have several VTAs in the clinic with unique target and effector functions."

Commenting on the collaboration, Dr. Ole Jorgen Marvik, CEO of Affitech said, "This is a very significant partnership for us, and we are excited to be able to enter into this deal, especially because of Peregrine's dedicated research and development efforts in anti-angiogenesis and Vascular Targeting Agent programs." Dr. Marvik further stated, "This is our third collaboration deal that we have secured in the past two months and all of them are in the oncology field. Given the general success of monoclonal antibodies in the cancer area and in line with Affitech's strategies and ambition to build a pipeline of successful anti-cancer antibody products, we confidently look forward to leverage our validated technology together with Peregrine's patented targets, as well as their long-standing expertise in the development of tumor targeting agents."

About Affitech

Affitech is a human antibody therapeutics company based in Oslo, Norway, having its US subsidiary in the San Francisco Bay Area. The Company's primary focus is in the discovery and development of human therapeutic antibodies for cancer and infectious diseases. Affitech is the exclusive worldwide patent holder of the phagemid system of antibody and antibody fragments. Additionally, the Company has recently implemented a pair of completely novel and exclusive technologies for efficient and rapid discovery of antibodies for therapeutic use. These include an in vitro selection platform, and its Patient Library/AffiScreen™ antibody screening technology that utilizes antibody repertoires from patients suffering from cancer and infectious diseases. Affitech's business strategy is to generate short-term revenue through customer-based projects and out-licensing of technology assets and early stage products, and in addition to build a proprietary product pipeline through collaborations and partnership.

About Peregrine Pharmaceuticals

Peregrine Pharmaceuticals is a biopharmaceutical company focused on the development, commercialization and licensing of unique technologies for the treatment of cancer, primarily based on three collateral targeting technologies. Peregrine's Tumor Necrosis Therapy (TNT), Vasopermeation Enhancement Agents (VEA), and Vascular Targeting Agents (VTA) technologies target cell structures and cell types that are common among solid tumor cancers, giving them broad applicability across various tumor types. The company has received approval from the FDA to start a Cotara™ Phase II clinical trial for brain cancer. Cotara is also being studied in a Phase I trial for colorectal, pancreas, soft tissue sarcoma and biliary cancers at Stanford University. The company is focused on licensing collaborations for all of its technologies under development. The company's Oncolym® technology to treat non-Hodgkin's B-cell lymphoma in Phase I/II of development is available for licensing. The company operates a cGMP contract manufacturing facility for monoclonal antibodies and recombinant proteins through its wholly owned subsidiary Avid Bioservices, Inc. (www.avidbio.com). Copies of Peregrine press releases, SEC filings, current price quotes and other valuable information for investors may be found on the website www.peregrineinc.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, the company's report on Form 10-K for the year ended April 30, 2002 and on Form 10-Q for the quarter ended January 31, 2003.

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