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Peregrine Pharmaceuticals' Tumor Necrosis Therapy Product for the Treatment of Lung Cancer Launched in China

- Launch Represents First Market Introduction of a Therapeutic Based on Peregrine's TNT Anti-Cancer Technology -

TUSTIN, Calif., Jan 16, 2007 /PRNewswire-FirstCall via COMTEX News Network/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a clinical stage biopharmaceutical company developing targeted therapeutics for the treatment of cancer and hepatitis C virus (HCV) infection, today reported that Shanghai Medipharm Biotech (Medipharm) has launched an iodine-131 radiolabeled Tumor Necrosis Therapy (TNT) antibody for the treatment of lung cancer in the People's Republic of China. The new drug is part of Peregrine's proprietary TNT technology platform that also includes its investigational drug Cotara®. Peregrine is currently conducting Phase II clinical trials of Cotara as a treatment for malignant brain cancer in the U.S. and India.

According to clinical data reported by Medipharm in 2003, a registration study of advanced lung cancer patients in China demonstrated that Peregrine's radiolabeled TNT agent provided encouraging signs of patient benefit. Of the patients treated in the study, almost 4% experienced complete remissions, almost 31% had partial remissions involving at least 50% shrinkage of their tumors, 55% had their disease stabilized (representing no change in the tumor mass), and about 10% reported progressive disease. Responses to the therapy were defined according to the World Health Organization criteria for measuring solid tumors and confirmation of responses was obtained by using thoracic radiograph and computer tomography.

"The market launch of this TNT anti-cancer agent in China is a signal event further validating the potential clinical utility of Peregrine's TNT technology," said Steven W. King, president and CEO of Peregrine. "This development is especially positive since lung cancer is a major and growing health issue in China. This launch is also timely since Peregrine has recently established a wholly owned subsidiary in China where we plan to pursue product development and commercialization activities on our own and in collaboration with Chinese biopharmaceutical partners."

Peregrine had licensed certain rights to the company's TNT technology platform for development and commercialization in China exclusively to Cancer Therapeutics Laboratories, Inc. (CTL), which has a purported sublicense arrangement with Medipharm, the Chinese company developing and launching the new TNT drug for lung cancer. Peregrine recently filed a lawsuit against CTL alleging various breaches of contract following repeated attempts by Peregrine to obtain adequate information concerning the purported agreement. Peregrine will pursue its remedies under the lawsuit while it explores its options in China regarding other avenues for commercialization for its TNT technology platform.

Peregrine recently announced that it had established a wholly foreign-owned enterprise (WFOE) in the People's Republic of China. The new subsidiary, Peregrine Beijing Pharmaceuticals Technology Development Ltd., is expected to engage in a variety of drug development and commercialization activities.

Peregrine's proprietary Tumor Necrosis Therapy (TNT) approach links a radioactive isotope to a targeted monoclonal antibody that is designed to bind to a type of DNA that is exposed only on dead and dying cells. Solid tumors have a significant number of dead and dying cells at their center and the TNT agent's targeting mechanism enables it to home in on these dying tumor cells, delivering its radioactive "payload" directly to the center of the tumor mass. TNT agents thus literally destroy the tumor "from the inside out" with minimal radiation exposure to healthy tissue. Peregrine's TNT agent Cotara is currently in a multi-center trial in the U.S. for the treatment of glioblastoma multiforme (GBM) in collaboration with New Approaches to Brain Tumor Therapy (NABTT), a consortium of leading U.S. academic brain cancer centers. Peregrine has also received regulatory approval to initiate a Phase II Cotara trial for the treatment of GBM in India pending manufacturing clearance in that country. Cotara has been granted orphan drug status and fast track designation by the U.S. Food and Drug Administration for the treatment of GBM.

About Peregrine Pharmaceuticals

Peregrine Pharmaceuticals, Inc. is a biopharmaceutical company with a portfolio of innovative product candidates in clinical trials for the treatment of cancer and hepatitis C virus (HCV) infection. The company is pursuing five separate clinical trials in cancer and HCV infection in the U.S. and India with its lead product candidates bavituximab and Cotara®. Peregrine also has in-house manufacturing capabilities through its wholly owned subsidiary Avid Bioservices, Inc. (www.avidbio.com), which provides development and bio-manufacturing services for both Peregrine and outside customers. Additional information about Peregrine can be found at www.peregrineinc.com.

Safe Harbor Statement: Statements in this press release which are not purely historical, including statements regarding Peregrine Pharmaceuticals' intentions, hopes, beliefs, expectations, representations, projections, plans or predictions of the future are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements involve risks and uncertainties including, but not limited to, the risk that Medipharm will not be able to successfully market the drug or that the drug will not gain market acceptance in China, and the uncertainty of Peregrine's rights with respect to the sale of the drug by Medipharm in China. It is important to note that the company's actual results could differ materially from those in any such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, uncertainties associated with completing preclinical and clinical trials for our technologies; the early stage of product development; the significant costs to develop our products as all of our products are currently in development, preclinical studies or clinical trials; obtaining additional financing to support our operations and the development of our products; obtaining regulatory approval for our technologies; anticipated timing of regulatory filings and the potential success in gaining regulatory approval and complying with governmental regulations applicable to our business. Our business could be affected by a number of other factors, including the risk factors listed from time to time in the Company's SEC reports including, but not limited to, the annual report on Form 10-K for the year ended April 30, 2006, and the quarterly report on Form 10-Q for the quarter ended October 31, 2006. The Company cautions investors not to place undue reliance on the forward-looking statements contained in this press release. Peregrine Pharmaceuticals, Inc. disclaims any obligation, and does not undertake to update or revise any forward-looking statements in this press release.

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