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# Peregrine Pharmaceuticals Initiates Bavituximab Clinical Trial in HCV Patients Co-Infected With HIV

TUSTIN, Calif., July 10 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a clinical stage biopharmaceutical company developing monoclonal antibodies for the treatment of cancer and hepatitis C virus (HCV) infection, today announced initiation of patient enrolment in a study of bavituximab in patients co-infected with HCV and the human immunodeficiency virus (HIV). The multi-center trial will be initially conducted at Saint Michael's Medical Center in Newark, NJ under the direction of Dr. Stephen Smith, director of the Peter Ho Memorial Clinic, the largest HIV/AIDS treatment facility in the state.

"This is an important study for the bavituximab HCV clinical program that is designed to evaluate an extended treatment schedule in an important HCV patient population," said Steven W. King, president and CEO of Peregrine. "We believe that bavituximab's unique targeting mechanism has the potential to act on both HCV and HIV virus infections, and we look forward to working with Dr. Smith and his colleagues to assess the potential of bavituximab in this high need co-infected population."

The co-infection trial is an open-label, dose escalation safety study designed to assess the safety and pharmacokinetics of bavituximab in approximately 24 patients chronically infected with HCV and HIV. Patient cohorts will receive ascending dose levels of bavituximab weekly for up to 8 weeks. HCV and HIV viral titers and other biomarkers will be evaluated, although they are not formal study endpoints.

In the United States alone, an estimated 300,000 individuals are co-infected with HIV and HCV, representing up to 30% of all HIV-infected patients. Co-infected patients have been shown to have a lower response to current interferon/ribavirin HCV regimens and the adverse effects of these regimens can be especially problematic for some HIV patients.

Bavituximab is a monoclonal antibody in a new class of anti-phosphotidylserine (PS) immunotherapeutics that targets and binds to cellular components that are normally not present on the outside of cells, but which become exposed on certain virally infected cells and on the surface of enveloped viruses, including both HCV and HIV. Bavituximab helps stimulate the body's immune defenses to destroy both the virus particles and the infected cells. Since bavituximab's PS target comes from the host and not the virus, bavituximab is expected to be less susceptible to the development of anti-viral resistance than many other therapies. Bavituximab has successfully completed Phase Ia and Ib clinical trials as monotherapy in patients with chronic HCV infection, which showed that the drug appears safe and well-tolerated and demonstrated encouraging signs of anti-viral activity.

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 three separate clinical programs 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. (http://www.avidbio.com), which provides development and bio-manufacturing services for both Peregrine and outside customers. Additional information about Peregrine can be found at http://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 the results from the co-infected HCV/HIV clinical trial will not be consistent with the results from the Company's prior HCV clinical trials and the risk that bavituximab will not be as effective as the current standard of care for co-infected patients. 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 January 31, 2007. 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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