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Peregrine Pharmaceuticals Doses First Patient in Clinical Trial of Bavituximab in HCV Patients Co-Infected With HIV

- New Trial in Important Patient Subgroup Will Assess Safety and Anti-Viral Activity -

TUSTIN, Calif., Oct. 10 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a clinical stage biopharmaceutical company developing targeted therapies for the treatment of cancer and hepatitis C virus infection (HCV), today announced that the first patient has been dosed in a clinical trial designed to evaluate the safety and pharmacokinetics of bavituximab in patients co-infected with HCV and the human immunodeficiency virus (HIV). The multi-center trial is being conducted initially at Saint Michael's Medical Center in Newark, NJ under the guidance of Dr. Stephen Smith, director of the Peter Ho Memorial Clinic, the largest HIV/AIDS treatment facility in the state.

"We are delighted that patient treatment has begun in this important clinical trial that was designed to evaluate an extended bavituximab treatment schedule in an important HCV patient population," said Steven W. King, president and CEO of Peregrine. "We believe that bavituximab has the potential to act on both HCV and HIV infections, and this trial gives us our first opportunity to assess the drug's anti-viral activity in this underserved group of patients."

This open-label, dose escalation study will be conducted in approximately 24 patients chronically infected with HCV and HIV. Patient cohorts will receive ascending dose levels of bavituximab weekly for up to eight 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 HCV and HIV, representing up to 30% of all HIV-infected patients. Co-infected patients have been shown to have a lower response to current HCV treatment 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 may be less susceptible to the development of anti-viral resistance. Peregrine has completed two bavituximab Phase l monotherapy clinical trials in patients with chronic HCV infection. In these trials, the drug appeared safe and well tolerated with 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, 2007 and the quarterly report on Form 10-Q for the quarter ended July 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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