January 18, 2006

Peregrine Announces Acceleration of Its Tarvacin(TM) Anti-Viral Hepatitis C Clinical Program

- Patient Enrollment and Dosing in Initial Phase I Trial Now Scheduled for Completion in February -

- Preliminary Phase I Safety Data to Be Presented at 'Viral Hepatitis in Drug Discovery and Development' Meeting on February 27 -

TUSTIN, Calif., Jan. 18 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a biopharmaceutical company with a portfolio of innovative, clinical-stage product candidates for viral diseases and cancer, today announced that it has accelerated its clinical program for Tarvacin™ Anti-Viral for the treatment of chronic hepatitis C virus infection (HCV). As a result of rapid enrollment in the Phase I HCV study, Peregrine is now targeting completion of patient dosing in February, several months ahead of initial estimates. Top-line safety data from the study will be presented by the company at the Viral Hepatitis in Drug Discovery and Development Meeting to be held in Boston on February 27, 2006. Tarvacin is also in a Phase I cancer trial for patients with advanced refractory solid tumors.

"The initial success of our efforts to accelerate the HCV clinical trial program for Tarvacin Anti-Viral is gratifying in view of Tarvacin's promise as an important new treatment option for a number of viral infections, including chronic hepatitis C infection," said Steven W. King, president and CEO of Peregrine. "In anticipation of completing the Phase I study ahead of schedule, we are now initiating additional collaborations with leading researchers and institutions in the HCV field to advance Tarvacin Anti-Viral to the next phase of development."

In the Phase I trial, a single dose of Tarvacin is being tested in patients with chronic hepatitis C infection. Data from the current study will enable the company to make preliminary assessments of Tarvacin's safety, drug distribution and clearance rates. Since patients with hepatitis C infection are being treated in this study, rather than healthy volunteers, data collected from the trial will be particularly relevant in designing repeat dose and combination therapy clinical trials that are expected to begin later this year. These additional studies will allow more complete assessments of the product's therapeutic potential.

Tarvacin is a monoclonal antibody with unique anti-viral properties. It attaches to specific cellular components called phospholipids found on the surface of virus particles, including influenza and certain other virus strains, as well as on the outer surface of human host cells only when they are infected with these viruses. Tarvacin helps stimulate the body's natural immune defenses to destroy both the virus particles and the infected cells. Since the targeted phospholipids are not exposed on healthy cells, they are not affected by Tarvacin, which in studies to date appears to be safe and well tolerated. Tarvacin Anti-Viral is also in preclinical studies for potential use against influenza, HIV, cytomegalovirus and other life-threatening viruses.

Similar to its anti-viral mechanism, Tarvacin also binds to phospholipids exposed on tumor blood vessels in all solid cancers tested to date, and it has shown promise in a number of preclinical cancer studies. Tarvacin Anti-Cancer is currently in a multi-center Phase I clinical trial for patients with advanced refractory solid tumors.

About Peregrine

Peregrine Pharmaceuticals, Inc. is a biopharmaceutical company with a portfolio of innovative product candidates in clinical trials for the treatment of cancer and viral diseases. The company is pursuing three separate clinical trials in cancer and anti-viral indications with its lead product candidates Tarvacin™ 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 Pharmaceutical's 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 we may not be able to enroll patients in other clinical studies as timely as the current Phase I HCV study. 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 pre-clinical 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, pre-clinical 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, 2005, and the quarterly report on Form 10-Q for the quarter ended October 31, 2005. 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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