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Positive Results From Peregrine's Bavituximab Phase Ia HCV Trial Presented At AASLD Meeting

-First-in-Class Targeted Immunotherapeutic Agent Appears Safe and Well Tolerated at All Doses Tested in Single Dose Trial in Patients With Chronic HCV infection-

-Final Study Data Confirm Encouraging Signs of Anti-Viral Activity in Patients Who Had Failed Traditional Anti-Viral Therapies-

- Enrollment in Phase Ib Repeat Dose HCV Trial Recently Completed and Planning for Additional Trials Underway-

TUSTIN, Calif. and BOSTON, Oct. 30 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a biopharmaceutical company developing targeted therapeutics for the treatment of hepatitis C virus (HCV) infection and cancer, today is reporting final results from a Phase Ia study of its lead compound bavituximab in chronic HCV patients. The Phase Ia trial tested escalating single doses of bavituximab in patients that had either failed or relapsed after standard HCV therapies. Bavituximab administration appeared generally safe and well-tolerated at all five dose levels tested. In addition, there were signs of anti-viral activity at all dose levels tested. Study results are being presented today at the 57th Annual Meeting & Postgraduate Course of AASLD -- The Liver Meeting®, at the John B. Hynes Convention Center in Boston, Massachusetts at 3:00 pm EST.

"We are very pleased with the results of this initial clinical trial giving a single dose of bavituximab to patients with chronic HCV infection -- its good safety profile and evidence of anti-viral activity after only one dose are very encouraging" said Eliot W. Godofsky M.D., principal investigator of the Phase I study and director of the University Hepatitis Center in Sarasota Florida, who is presenting the study findings at the AASLD meeting. "Bavituximab has a unique proposed immunotherapeutic mechanism of action with the potential to complement both existing and investigational therapies for this common viral infection with few current treatment options. We look forward to continuing our collaboration with Peregrine to further assess this novel agent's potential as a valuable new therapy for treating chronic HCV infection."

Peregrine recently announced it had completed patient enrollment in a Phase Ib repeat dose bavituximab HCV trial in patients who had failed standard HCV therapies.

The primary goals of the Phase Ia study were to determine the safety and pharmacologic profiles of bavituximab in patients with chronic HCV infection. In the ascending single dose trial, 30 patients with chronic HCV infection who had either failed or relapsed after standard-of-care treatment were administered one of five doses of bavituximab including 0.1, 0.3, 1, 3 and 6 milligrams per kilogram (mg/kg) of body weight. The drug was generally well tolerated, with no serious adverse events or dose limiting toxicities reported at any of the dose levels tested. Reported adverse events were mostly mild, infrequent, transient and likely not drug-related.

In this study, 87% of the subjects were infected with the genotype 1 strain of HCV, which in the U.S. is considered the most common and difficult- to-treat strain of the virus. All patients enrolled in the trial had failed or relapsed from prior HCV therapies. After a single dose of bavituximab, among the patients administered 1, 3 and 6 mg/kg doses, 50% achieved a greater than 75% (0.6 log) reduction in serum hepatitis C virus levels (HCV RNA) with one patient having a 97% (1.5 log) reduction. In these patients, the peak viral load reduction averaged 0.8 log. Anti-viral activity was seen at all dose levels.

"Given the single dose, solo agent design of this study in patients who had failed standard-of-care regimens that included traditional anti-viral therapies, the final study results reported today exceeded the expectations we had going into the trial," said Steven W. King, president and CEO of Peregrine. "Because bavituximab is a targeted therapy, we were allowed to test it directly in HCV patients rather than having to start with healthy volunteers, providing us with critical pharmacokinetic and safety data to guide future studies. This has allowed us to make significant progress in the clinical development of bavituximab more rapidly than would have otherwise been possible"

Mr. King continued, "We recognize that demonstrating safety is a major hurdle for any novel therapy, so confirming that ascending single doses of bavituximab in HCV patients are safe is a very positive development for the entire bavituximab

clinical program."

Mr. King concluded, "We expect the positive data from this first clinical study and the completion of patient enrollment in our ongoing repeat dose HCV trial will set the stage for additional dosing and combination studies that we plan to begin over the next few months. These studies should help us determine how bavituximab can be used most effectively as a potential new therapy for the millions of patients worldwide battling HCV infection."

These initial findings for bavituximab administered as a single dose, solo agent are noteworthy for several reasons. First, the rapid virus production and turnover characterizing HCV infection typically limit the impact of a single dose of any anti-viral drug. In addition, most other investigational HCV drugs have only reported activity results when the drug was tested in repeat dose or combination regimens that included standard-of-care therapies. In addition, preclinical data supports that bavituximab's proposed immunotherapeutic mechanism of action is likely to be most effective when administered as part of a repeat dose, combination regimen. In view of these factors, Peregrine researchers regard the anti-viral activity seen in this initial single dose, solo agent study in HCV patients as very encouraging.

About Bavituximab

Bavituximab is the first investigational agent 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. Bavituximab helps stimulate the body's immune defenses to destroy both the virus particles and the infected cells. Similar to the proposed anti-viral mechanism, anti-PS immunotherapeutic agents also bind to phospholipids exposed on tumor blood vessels in all solid cancers tested to date. Bavituximab is currently being studied in a Phase Ib repeat dose HCV trial and in two Phase I clinical trials for the treatment of advanced refractory solid tumor cancers.

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 with its lead product candidate 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 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 bavituximab's safety profile in a repeat dose trial or in a combination therapy trial will not be at the same safety level as was found in the phase Ia trial, the risk that the results of future trials will not correlate to the results from the phase Ia trial, and the risk that bavituximab will not be as well tolerated at ascending doses. 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 July 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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