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Peregrine Pharmaceuticals and the United States Army Medical Research Institute of Infectious Diseases (USAMRIID) Sign Agreement for Anti-Viral Testing

USAMRIID to Evaluate Tarvacin™ for Anti-Viral Potential

TUSTIN, Calif., July 21 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals Inc. (Nasdaq: PPHM) announced today that it has signed a Cooperative Research and Development Agreement (CRADA) for Material Transfer with the United States Army Medical Research Institute of Infectious Diseases (USAMRIID) to evaluate the potential therapeutic application of Tarvacin™ t treat hemorrhagic diseases resulting from Ebola and Marburg viral infections. Under the agreement, Peregrine will supply Tarvacin™, its lead anti-phospholipid therapy agent, for in vitro and in vivo animal studies developed by the USAMRIID under the direction of Thomas W. Geisbert, M.D., Chief, Department of Viral Pathology and Ultrastructure at USAMRIID, Fort Detrick, MD.

"We are very pleased to be able to work with the group at USAMRIID to further explore possible anti-viral biodefense applications of Tarvacin™," said David Sherris, Ph.D., Peregrine's head of business development. "This agreement will allow u to expand on the promising results previously generated using Tarvacin® to treat a model of another hemorrhagic fever known as Lasssa fever."

Recent data presented at the Biotechnology Industry Organization 2005 annual meeting in Philadelphia, Pennsylvania showed that Tarvacin™ binds to enveloped virus particles representing 6 different virus families and binds to virally infected cells. The data also showed that Tarvacin™ provided significant protection against Cytomegalovirus (CMV) and Pichinde virus (an in viv Lassa fever model) infections. In April of 2005, Peregrine and the National Institute of Allergy and Infectious Diseases (NIAID) entered into a collaborative effort to screen Tarvacin™ for activity both in vitro and in vivo against a variety of enveloped viruses of health and bioterrorism concern including Hepatitis B and C, HIV, influenza and SARS.

Peregrine received FDA approval to begin a Tarvacin™ Phase I clinical trial in Hepatitis C infected patients in late May 2005. Peregrine is continuing to evaluate Tarvacin™ for the treatment of a variety of viral infections that could lead to additional therapeutic indications in this area. In addition, Peregrine is currently recruiting cancer patients in a Tarvacin™ Phase I clinica trial at multiple clinical sites in the United States.

About Tarvacin™

Anti-Phospholipid Therapy is Peregrine's novel approach to treating cancer, viral infections and certain other diseases. It is based on the finding that aminophospholipids, which are basic components of the inner surface of the cellular membrane, become exposed in certain disease states. Tarvacin™ is a chimeric monoclonal antibody that binds to the phospholipid, phosphatidylserine and is part of Peregrine's Anti-Phospholipid Therapy platform. Tarvacin™ binds directly to tumor blood vessels to inhibit growth and development of solid tumors. Tarvacin™ has also shown promise in the treatment of viral infections and is expected to recognize a broad spectrum of enveloped viral types. Tarvacin™ is currently being evaluated for the treatment of both cancer and viral diseases. Peregrine has received FDA approval to initiate two separate Phase 1 clinical trials in advanced solid cancer and chronic Hepatitis C virus indications.

About Enveloped Viruses

A large number of viruses significant to global health and security possess an "envelope" derived from their host cell membrane. The outer shell of the virus is known as the viral envelope. Since viruses lack the means to maintain structural organization of the envelope, amino-phospholipids such as phosphatidylserine (PS) and phosphatidylethanolamine (PE) become exposed on the surface of these viruses, making them a potential therapeutic target. Peregrine Pharmaceuticals, together with its collaborators, has developed a series of monoclonal antibodies, including Tarvacin™, directed against aminophospholipids to take advantage of this property.

About Peregrine Pharmaceuticals, Inc.

Peregrine Pharmaceuticals, Inc. is a biopharmaceutical company with a broad portfolio of products under development directed towards the treatment of cancer, viruses and other diseases. The company has opened patient enrollment in a Tarvacin™ clinical trial for the treatment of all solid cancers and has received clearance from the FDA to initiate a Tarvacin™ Phase I

clinical trial for the treatment of Hepatitis C virus infection, its first viral indication. In addition, Peregrine is in the process of initiating patient enrollment in a Cotara® clinical trial for the treatment of brain cancer. Peregrine Pharmaceuticals is also developing Vascular Targeting Agents, Anti-Angiogenesis, and Vasopermeation Enhancement Agents (VEAs) for the treatment of cancer and other diseases.

Peregrine Pharmaceuticals also has in-house expertise to develop and manufacture antibodies and recombinant proteins through its wholly-owned subsidiary, Avid Bioservices, Inc., (http://www.avidbio.com). Avid is engaged in providing contract manufacturing services and development of biologics for biopharmaceutical and biotechnology companies, including Peregrine.

About USAMRIID

USAMRIID, located at Fort Detrick, Maryland, is the lead medical research laboratory for the U.S. Biological Defense Research Program, and plays a key role in national defense and in infectious disease research. The Institute's mission is to conduct basic and applied research on biological threats resulting in medical solutions (such as vaccines, drugs and diagnostics) to protect the warfighter. USAMRIID is a subordinate laboratory of the U.S. Army Medical Research and Materiel Command.

The information contained in this press release does not constitute endorsement by the U.S. government.

Copies of Peregrine Pharmaceuticals press releases, SEC filings, current price quotes and other valuable information for investors may be found at http://www.peregrineinc.com.

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 uncertainties that pre-clinical binding studies of Tarvacin™ against various enveloped viruses may prove to be ineffective during clinical testing, the risk that Tarvacin™ will not show the same level of protection against Cytomegalovirus (CMV) and Pichinde virus in clinical studies as it has shown in pre-clinical binding studies, and the uncertainty as to whether binding data will be consistent across all enveloped viruses.. 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 and the outcomes of pre-clinical and clinical trials for our technologies; the early stage of product development; slower than expected rates of patient recruitment, unforeseen safety issues resulting from the administration of antibody products in patients, 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, complying with governmental regulations applicable to our business, consummating collaborative arrangements with corporate partners for product development; and achieving milestones under collaborative arrangements with corporate partners. Our business could be affected by all of the foregoing and 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,. 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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