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Peregrine Pharmaceuticals Reports Preclinical Data That Shows Bavituximab Equivalent Plus Docetaxel Reduces Growth of Human Prostate Tumors by 94 Percent

- Study Results Presented at Antibody Therapeutics Meeting Confirm Bavituximab Potential in Combination With Leading Chemotherapy -

TUSTIN, Calif. and SAN DIEGO, Dec. 12 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a clinical stage biopharmaceutical company developing targeted therapeutics for the treatment of cancer and hepatitis C virus (HCV) infection, announced that preclinical studies being presented today demonstrate that a mouse equivalent to its first-in-class anti-phospholipid agent bavituximab significantly decreased growth in human prostate tumors in mice when given in combination with docetaxel, a chemotherapy drug widely used to treat prostate, breast and lung cancers. Tumor growth was reduced by as much as 94%, with no toxicity observed from the addition of the bavituximab equivalent to the docetaxel regimen. The study findings will be presented today by Dr. Philip Thorpe, professor of pharmacology at UT Southwestern Medical Center and a member of the Peregrine Scientific Resource Board, at the "Antibody Therapeutics -- Advancing Clinical Development of Therapeutic Antibodies" meeting in San Diego, California.

In the study, Dr. Thorpe and colleagues at UT Southwestern studied a bavituximab equivalent antibody, 2aG4, in combination with the standard-of-care chemotherapy drug docetaxel in a mouse model of human prostate cancer. Tumor suppression in the group treated with the combination of the bavituximab equivalent and docetaxel was significantly better ($p<0.01$) than for either agent alone. In mice treated with the combination of docetaxel and the bavituximab equivalent, the growth of well-established tumors was inhibited by up to 94%. Similar to other preclinical bavituximab studies, this new study confirmed that the bavituximab equivalent appears safe -- therapy with the bavituximab equivalent and docetaxel was no more toxic than docetaxel alone.

"These new findings further strengthen the rationale for clinical trials assessing the utility of bavituximab and docetaxel used in combination to treat human prostate cancer," said Dr. Thorpe. "These encouraging results are consistent with the positive findings in our previous preclinical cancer studies combining a bavituximab equivalent and chemotherapy or radiation. We look forward to the results of the first tests in human cancer patients of bavituximab combined with docetaxel, which are currently on-going."

Bavituximab is a monoclonal antibody that binds to a phospholipid called phosphatidylserine, normally located inside normal cells, but which becomes exposed on the outside of the cells that line the blood vessels of tumors, thus creating a specific target for anti-cancer treatments. Bavituximab is currently in Phase Ia safety trials as monotherapy and in Phase Ib trials in combination with common cancer chemotherapy agents, including docetaxel, in patients with advanced solid cancers, including prostate, breast and lung cancers.

"Preclinically, we have now shown that bavituximab antibodies significantly enhance the anti-tumor activity of cancer chemotherapy and radiation in prostate, breast, lung, brain and pancreatic cancers," said Steven W. King, president and CEO of Peregrine. "This new study is especially timely since it further demonstrates the rationale for including docetaxel in our bavituximab Phase Ib combination therapy cancer trial in India, which is currently enrolling patients receiving one of three major chemotherapy agents for prostate, breast and other solid cancers."

Prostate cancer is the most commonly diagnosed cancer in men, accounting for 30% of all male cancers, and prostate cancer is second only to lung cancer as a leading cause of cancer deaths in men. Currently, there is no cure for locally advanced or metastatic prostate cancer.

This study, entitled "Antibodies to Phosphatidylserine for Targeting Tumor Blood Vessels and Viruses," will be presented by Dr. Thorpe at "Antibody Therapeutics -- Advancing Clinical Development of Therapeutic Antibodies" at the San Diego Convention Center on December 12, 2006 at 2:20 pm PST/ 5:20 pm EST. Conference presentations are not available via webcast.

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 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. (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 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 recently initiated clinical study using bavituximab in combination with major chemotherapy agents for prostate, breast and other solid tumor cancers will not be consistent with the results from the preclinical studies using bavituximab in combination with docetaxel. 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 our 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 October 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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/CONTACT: Investors, GendeLLindheim BioCom Partners, +1-800-987-8256, info@peregrineinc.com, for Peregrine Pharmaceuticals, Inc.; or Media, Barbara Lindheim of Peregrine Pharmaceuticals, Inc., +1-212-918-4650/
Web site: http://www.avidbio.com
/Web site: http://www.peregrineinc.com