July 11, 2007

Peregrine Pharmaceuticals Submits Clinical Protocol to Initiate Bavituximab Phase II Trial in Lung Cancer Patients

TUSTIN, Calif., July 11 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a clinical stage biopharmaceutical company developing monoclonal antibodies for the treatment of cancer and hepatitis C virus (HCV) infection, today announced that it has submitted a clinical protocol with the Drug Controller General of India (DCGI) for a Phase II trial of bavituximab in combination with chemotherapy in patients with non-small cell lung cancer (NSCLC). The multi-center trial is expected to begin enrolling patients once the protocol regulatory review is completed.

The trial has a two-stage design. Up to 21 NSCLC patients will be enrolled initially and the study will be expanded up to a total of 49 patients if positive results are observed in the first cohort. The primary objective of the Phase II study is to assess overall response rate to the combination of bavituximab and chemotherapy. Secondary objectives include measuring time to tumor progression, duration of response, overall patient survival and safety parameters. Patients will receive up to six cycles of chemotherapy with weekly administration of bavituximab until their cancer progresses.

"Submitting this Phase II clinical protocol represents a significant milestone for the bavituximab cancer program," said Steven W. King, president and CEO of Peregrine. "This trial builds on data generated from a recently completed Phase Ib clinical study in which bavituximab was administered in combination with chemotherapy, including carboplatin and paclitaxel. Results from that study indicated that the combination of bavituximab with paclitaxel and carboplatin was particularly promising, with encouraging signs of anti-tumor activity and a safety profile that appeared to be consistent with chemotherapy alone. We look forward to assessing its potential in this larger trial in patients with non-small cell lung cancer, a condition that currently lacks effective treatment options."

Tumor response will be evaluated every other month using Response Evaluation Criteria in Solid Tumors (RECIST) criteria. The trial is being conducted according to International Conference on Harmonization (ICH) and Good Clinical Practices (GCP) guidelines.

Bavituximab is a monoclonal antibody that binds to a phospholipid called phosphatidylserine (PS), normally located inside normal cells, but which becomes exposed on the outside of the cells that line the blood vessels of tumors, creating a specific target for anti-cancer treatments. Bavituximab is believed to help mobilize the body's immune system to destroy the blood vessels needed for tumor growth and spread. In a Phase Ib trial to assess its safety in combination with common chemotherapy agents in advanced cancer patients with metastatic disease, bavituximab plus chemotherapy appeared to have a safety profile consistent with chemotherapy alone and showed positive signs of clinical activity, achieving objective response or disease stabilization in 50% of the evaluable patients. Bavituximab is currently in clinical trials in the U.S. in patients with advanced solid tumors and in patients co-infected with HCV and HIV.

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. (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 results from this Phase II trial will not correlate with the results from the Phase Ib trial, the risk that bavituximab will not be as well tolerated by patients with non small cell lung cancer, and the risk that enrollment rates in the trial will be slower than anticipated. 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 all 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. 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.

Contacts:
GendeLLindheim BioCom Partners
Investors
info@peregrineinc.com
(800) 987-8256

Media
Barbara Lindheim
(212) 918-4650

SOURCE Peregrine Pharmaceuticals, Inc.

Web site: http://www.peregrineinc.com