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Peregrine Pharmaceuticals Announces Formal Commissioning of New, State-of-the-Art Commercial Manufacturing Facility

-- Facility Being Operated by Avid Bioservices Subsidiary With Capacity to Potentially Generate Additional \$40 Million in Annual Revenue --

TUSTIN, Calif., March 07, 2016 (GLOBE NEWSWIRE) -- Peregrine Pharmaceuticals, Inc. (NASDAQ:PPHM) (NASDAQ:PPHMP), a biopharmaceutical company focused on developing therapeutics to stimulate the body's immune system to fight cancer, today announced that its new state-of-the-art commercial biomanufacturing suite in Tustin, California, has been formally commissioned. As part of the commissioning process, all relevant regulatory agencies have been notified and cGMP production is currently underway. The new Peregrine facility, which is being operated by Avid Bioservices, Inc., a wholly owned subsidiary of Peregrine, will more than double the company's prior manufacturing capacity, supporting up to an additional \$40 million in revenue each year.

"This is an exciting milestone for our biomanufacturing business, which already had 20% revenue growth in our last fiscal year to \$26.7 million and is expected to grow to \$35-40 million in revenue for the current fiscal year that ends April 30. The newly commissioned biomanufacturing suite is a state-of-the-art facility that utilizes fully disposable manufacturing systems at up to the 2,000-liter manufacturing scale. These unique capabilities provide flexibility that can meet the needs of our diverse clients, with the potential to generate an additional \$40 million in revenue," said Steven W. King, president and chief executive officer of Peregrine. "We have already had a tremendous response to the new facility and look forward to continuing to grow our biomanufacturing business which is an integral part of our overall business strategy."

Peregrine's new 40,000 square foot biomanufacturing facility is designed to utilize the most cutting-edge, single-use equipment to accommodate a fully disposable biomanufacturing process for late Phase III clinical and commercial production of biologics. The facility is located adjacent to the company's current campus in Orange County, California.

About Peregrine Pharmaceuticals, Inc.

Peregrine Pharmaceuticals, Inc. is a biopharmaceutical company developing therapeutics to stimulate the body's immune system to fight cancer. The company is focused on evaluating its lead immunotherapy candidate, bavituximab, in combination with a range of novel immuno-oncology (I-O) agents for the treatment of various cancers. One specific component of this I-O combination strategy includes planned clinical trials of bavituximab in combination with durvalumab, AstraZeneca's investigational anti-PD-L1 immune checkpoint inhibitor, in a range of cancer types under a clinical collaboration.

In addition to its drug development programs, Peregrine also has in-house cGMP manufacturing capabilities through its wholly-owned subsidiary Avid Bioservices, Inc. (www.avidbio.com), which provides development and biomanufacturing services for both Peregrine and third-party customers. For more information, please visit www.peregrineinc.com.

About Avid Bioservices

Avid Bioservices provides a comprehensive range of process development, high quality cGMP clinical and commercial manufacturing services for the biotechnology and biopharmaceutical industries. With over 15 years of experience producing monoclonal antibodies and recombinant proteins in batch, fed-batch and perfusion modes, Avid's services include cGMP clinical and commercial product manufacturing, purification, bulk packaging, stability testing and regulatory strategy, submission and support. The company also provides a variety of process development activities, including cell line development and optimization, cell culture and feed optimization, analytical methods development and product characterization. For more information about Avid, please visit www.avidbio.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 Avid's revenue growth may slow or decline, the risk that Avid may experience technical difficulties in processing customer orders which could delay*

delivery of products to customers and receipt of payment, and the risk that one or more existing Avid customers terminates its contract prior to completion. The company's actual results could differ materially from those in any such forward-looking statements. Our business could be affected by a number of factors, including the risk factors listed from time to time in our reports filed with the Securities and Exchange Commission including, but not limited to, our annual report on Form 10-K for the fiscal year ended April 30, 2015 as well as any updates to these risk factors filed from time to time in the company's other filings with the Securities and Exchange Commission. 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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