September 26, 2006

Peregrine Announces Issuance of Broad Patent Covering Vascular Targeting Agents in Combination Therapy Regimens

- Extends Proprietary Protection for Peregrine's VTA Approach That Has Demonstrated Encouraging Anti-Cancer Potential in Preclinical Studies -

- Expands Peregrine's Technology Base and Opportunities for Technology Out-Licensing -

TUSTIN, Calif., Sept. 26 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a biopharmaceutical company with a portfolio of innovative, clinical stage products for the treatment of cancer and hepatitis C virus infection, today announced the issuance of a U.S. patent covering broad therapeutic uses of its Vascular Targeting Agent (VTA) technology platform in combination with standard treatments. Peregrine has in-licensed worldwide exclusive rights to the VTA technology, which includes the new patent, from UT Southwestern Medical Center. Peregrine is currently collaborating with UT Southwestern researchers to evaluate VTA constructs in preclinical studies for solid tumor therapy. In addition to its own research efforts, Peregrine can sub-license rights under the VTA technology platform on an exclusive or non-exclusive basis, and it has already licensed rights for use of VTA technology to a number of other companies.

"It is noteworthy that this key patent has issued soon after our collaborators reported additional encouraging animal data on the anti-cancer potential of our VTA approach," said Steven W. King, president and CEO of Peregrine. "This broad new patent further extends our U.S. intellectual property rights to cover VTA agents used in combination with standard cancer therapeutics -- both those VTA agents in preclinical development at Peregrine and similar approaches being developed by others. Extensive preclinical studies show that these agents are most effective in destroying tumors when used in combination regimens, so in effect these new claims mirror how we expect physicians to use these drugs in actual clinical practice. By covering these broad concepts of VTA therapy as well as the VTA agents themselves, this new patent provides additional impetus to our efforts to advance our VTA drug development and licensing programs."

Peregrine's VTA technology platform includes over 200 patents and patent applications covering broad concepts of tumor therapy using agents that target tumor blood vessels. The newly issued patent covers the therapeutic use of all regimens that combine agents specifically targeting tumor blood vessels with other anti-cancer agents, such as chemotherapy drugs.

"We believe that the breadth of this patent's allowed claims make it relevant to many of the researchers pursuing targeted combination therapy approaches based on destroying the essential blood supply of tumors," said F. David King, vice president of business development for Peregrine. "Sub-licenses to our VTA intellectual property will provide them with freedom to operate in this area, and this new patent should therefore be a valuable addition to our business development initiatives."

The patent, "Combined Methods and Compositions for Tumor Vasculature Targeting and Tumor Treatment," U.S. Patent No. 7,112,317, was invented by Philip E. Thorpe, professor of pharmacology at UT Southwestern Medical Center, and Francis J. Burrows, and issued today, September 26, 2006.

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 three separate clinical trials in cancer and HCV infection 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 which include statements with respect to the potential therapeutic benefits and successful development of drug candidates, involve risks and uncertainties including, but not limited to, the risk that preclinical animal model results using

Vascular Targeting Agents in combination with radiation or chemotherapy drugs will not correlate to efficacy studies in human clinical trials. 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 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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