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Peregrine Pharmaceuticals Initiates Patient Enrollment In New Cotara(R) Brain Cancer Trial

- Access to Large Population of Glioblastoma Patients in India Expected to Support Rapid Enrollment in Phase II Safety and Efficacy Study of Promising Investigational Brain Cancer Therapy -

- Results from This Study are Expected to Help Advance Cotara Toward Phase III Product Registration Trials -

TUSTIN, Calif., June 25 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a clinical stage biopharmaceutical company developing targeted monoclonal antibodies for the treatment of cancer and hepatitis C virus infection, today announced initiation of a new clinical trial designed to evaluate the safety and efficacy of its tumor necrosis therapy (TNT) agent Cotara® in patients with glioblastoma multiforme (GBM), a deadly form of brain cancer. In pilot studies Cotara has shown encouraging results, demonstrating a 58% increase in the expected median survival time in a group of 28 patients suffering from recurrent late stage glioblastoma multiforme. This was considered a promising development in this serious and deadly disease, which kills half of its victims within 14 months of diagnosis. Peregrine believes that combined positive data from this new study in India and ongoing U.S. glioblastoma trials would provide a foundation for advancing Cotara into Phase III trials.

"Cotara has demonstrated promising increases in survival in previous clinical studies of late stage glioblastoma patients, and we are optimistic that the very large population of glioblastoma patients served by our Indian study centers will facilitate timely enrollment in this important new trial," said Steven W. King, president and CEO of Peregrine. "We anticipate that positive data from this study, together with dosimetry and dosing data being collected in ongoing U.S. Cotara trials, will help us determine the optimal design of Phase III product registration trials."

This multi-center open label Phase II safety and efficacy study is designed to enroll up to 40 glioblastoma patients who have experienced a first relapse. The study's primary objective is to confirm the maximum tolerated dose of Cotara in patients with GBM at first relapse. Secondary objectives include estimates of overall patient survival, progression free survival and the proportion of patients alive at six months. Patients in the trial are receiving a single infusion of Cotara by convection-enhanced delivery (CED), an NIH-developed technique that delivers the agent to the tumor with great precision, achieving up to a 10,000-fold greater concentration in local therapy exposure than conventional intravenous drug administration, while minimizing unwanted exposure to healthy tissue. This delivery method is expected to further enhance the tumor-killing efficacy of Cotara.

Mr. King continued, "We are launching this Cotara clinical program in India to take advantage of the large population of GBM patients served by our study centers and the high level of experience with CED delivery of the participating neurosurgeons, as well as the fact that the contract research organization overseeing the trial is highly experienced in conducting similar glioblastoma trials with many of the investigators involved with our study."

The new Cotara study is being conducted according to internationally accepted ICH GCP guidelines.

About Cotara®

Cotara is an experimental new treatment for brain cancer that links a radioactive substance designed for medical uses -- a radioactive isotope -- to a targeted monoclonal antibody. This monoclonal antibody is designed to bind to a type of DNA that is exposed only on dead and dying cells. Solid tumors, including brain tumors, have a significant number of dead and dying cells at their center, and Cotara's targeting mechanism enables it to home in on these dying tumor cells, delivering its radioactive "payload" directly to the center of the tumor mass. Cotara thus destroys the tumor "from the inside out," with minimal radiation exposure to healthy tissue. Cotara is delivered through a special method called convection-enhanced delivery (CED), which directs Cotara to the tumor by using a catheter to bypass the blood brain barrier and target the specific tumor site in the brain.

In pilot studies, 28 late stage glioblastoma patients achieved a median survival of 36 weeks, a 58% increase over the median survival time of 24 weeks for patients treated with standard of care therapy. Of this group, 25% of patients survived for more than a year post treatment and 10% of patients survived for more than three years. Patients receiving the dose being used in the current Cotara studies experienced even better increases in median survival.

In addition to the trial now underway in India, Cotara is currently in a dosimetry and dose confirmation trial in glioblastoma patients at a number of leading U.S. academic brain cancer centers. Cotara has been granted orphan drug status and fast

track designation for the treatment of glioblastoma multiforme and anaplastic astrocytoma by the U.S. Food and Drug Administration.

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 programs 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 Company will not be able to enroll a sufficient number of patients to complete the clinical study, the risk that enrollment will be slower than expected, the risk that the results from the clinical study will not be consistent with the results from the previous clinical studies supporting the potential efficacy of Cotara in brain cancer, and the uncertainties associated with conducting clinical studies in, and complying with the regulatory requirements of, India. 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 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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