December 10, 2003

Avanir And Peregrine Execute Commercial License Agreement For Anti-Cancer Antibody

SAN DIEGO, Dec. 10 /PRNewswire-FirstCall/ -- Avanir Pharmaceuticals (Amex: AVN) announced today that a Commercial License Agreement with Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM) has been executed for an antibody Avanir produced for a cancer target in Peregrine's Vascular Targeting Agent (VTA) product pipeline. The drug candidate is the product of a previous antibody research agreement between the companies that was designed to develop monoclonal antibodies for the treatment of solid tumor cancers. Under the terms of the agreement, Avanir has received a license fee and may receive a milestone payment and a royalty on sales upon successful development and commercialization of the product candidate.

The VTA antibody was developed using a fully human constant region identified and isolated from Avanir's Xenerex™ technology. The antibody and the antibody producing cell line have been transferred to Peregrine for pre-clinical development.

Avanir's Xenerex technology is capable of generating fully human antibodies to target antigens through the engraftment of human immune system cells into mice lacking a native immune system. Avanir's process utilizes serum from donors that produce protective antibodies to a disease, increasing the likelihood of a successful outcome. After identifying the specific human protective antibody-producing lymphocytes, a recombinant antibody cell line is created. Monoclonal antibodies are harvested from these lines and become the basis of the therapeutic for treatment of a disease.

Peregrine Pharmaceuticals is a biopharmaceutical company focused on the development, commercialization and licensing of unique technologies for the treatment of cancer, primarily based on three collateral targeting technologies. Peregrine's Tumor Necrosis Therapy (TNT), Vasopermeation Enhancement Agents (VEA), and Vascular Targeting Agents (VTA) technologies target cell structures and cell types that are common among solid tumor cancers, giving them broad applicability across various tumor types. The company has received approval from the FDA to start a Cotara™ registration clinical trial for brain cancer. Cotara is also being studied in a Phase I trial for colorectal cancer at Stanford University. The company is focused on licensing collaborations for all of its technologies under development. The company's Oncolym® technology to treat non-Hodgkin's B-cell lymphoma in Phase I/II of development is available for licensing. The company operates a cGMP contract manufacturing facility for monoclonal antibodies and recombinant proteins through its wholly owned subsidiary Avid Bioservices, Inc. (www.avidbio.com). Copies of Peregrine press releases, SEC filings, current price quotes and other valuable information for investors may be found on the website www.peregrineinc.com.

Avanir Pharmaceuticals is a drug discovery and development company focused on the development of treatments for central nervous system disorders and inflammatory diseases. The company's first commercialized FDA-approved product, Abreva®, is marketed in North America by GlaxoSmithKline and is the leading over-the-counter product for the treatment of cold sores. The Company's lead product candidate, Neurodex™, is in Phase III clinical development for pseudobulbar affect and in Phase II clinical development for neuropathic pain. An internally developed small molecule, AVP 13358, is in a Phase I clinical trial for the treatment of allergy and asthma. Using its proprietary Xenerex™ technology, Avanir also develops human monoclonal antibodies for infectious diseases and other therapeutic applications. Further information about Avanir can be found at www.avanir.com.

Except for the historical information presented herein, matters discussed in this press release contain forward-looking statements that are subject to certain risks and uncertainties that could cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. Statements that are not historical facts, including statements that are preceded by, followed by, or that include such words like "estimate," "anticipate," "believe," "plan" or "expect" or similar statements are forward-looking statements. In regard to Avanir Pharmaceuticals, risks and uncertainties include risks associated with product discovery and development as well as risks shown in Avanir's Annual Report on Form 10-K and Form 10-Q and from time-to-time in other publicly available information regarding the company. Copies of such information are available from Avanir upon request. Such publicly available information sets forth many risks and uncertainties related to Avanir's business and technology. Xenerex's monoclonal antibody technology competes with several technologies used by large pharmaceutical and biotechnology companies and is subject to a number of uncertainties, including risks associated with the success of clinical trials, the progress of research and product development programs, the regulatory approval process, competitive products and future capital requirements. There can be no assurance that such development efforts will succeed, that such products will receive required regulatory clearance, or that even if such regulatory clearance were received, that such products would ultimately achieve commercial success. The company disclaims any intent or obligations to update these forward-looking statements.

In regard to Peregrine Pharmaceuticals, this release may contain certain forward-looking statements that are made pursuant to

the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Actual events or results may differ from the company's expectations as a result of risk factors discussed in Peregrine's reports on file with the U.S. Securities and Exchange Commission, including, but not limited to, Peregrine's report on Form 10-Q for the quarter ended July 31, 2003 and on Form 10-K for the year ended April 30, 2003.

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SOURCE Peregrine Pharmaceuticals, Inc.

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(PPHM AVN)

CO: Avid Bioservices, Inc.; Avanir Pharmaceuticals

ST: California

IN: MTC HEA

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