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Medical University of South Carolina Initiates New Trial of Cotara(R) in Brain Cancer Patients

- Veteran Cotara Researcher Dr. Sunil Patel Opens New U.S. Clinical Trial Site -

TUSTIN, Calif., June 26, 2007 /PRNewswire-FirstCall via COMTEX News Network/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a clinical stage biopharmaceutical company developing targeted antibodies for the treatment of cancer and hepatitis C virus infection, today announced that the Medical University of South Carolina (MUSC) is now enrolling patients in a dose confirmation and dosimetry trial of its tumor necrosis therapy (TNT) Cotara® in patients with glioblastoma multiforme (GBM), a deadly form of brain cancer. Cotara is also being studied at other clinical sites in the U.S. and in a multicenter Phase II trial in India.

MUSC trial lead Dr. Sunil Patel conducted earlier studies of Cotara in GBM patients that showed promising signs of anti-tumor activity, including one patient who is still alive six years post-treatment, when most patients with recurrent GBM live only about a year.

"Based on the positive results we saw in prior clinical studies of Cotara in patients with recurrent brain cancer, I am pleased to be leading this new study," said Sunil Patel, M.D., clinical chairman of the MUSC Department of Neurosciences. "Glioblastoma remains a deadly disease with few good treatment options, and I look forward to assessing Cotara's clinical potential using convection-enhanced delivery, which may further improve the life extending potential seen in earlier Cotara trials."

This open label study is enrolling glioblastoma patients who have recurrent disease. Patients will receive Cotara by convection-enhanced delivery (CED), an NIH-developed technique that delivers the agent to the tumor with great precision. The study's main objectives are to confirm the maximum tolerated dose; to determine radiation dosimetry; and to assess overall patient survival, progression free survival and the proportion of patients alive at six months following Cotara administration.

"Our efforts to accelerate these critical Cotara studies in the U.S. and India are now bearing fruit, with enrollment underway in the 40-patient phase II study in India and the U.S. dose confirmation and dosimetry trial proceeding well," said Steven W. King, president and CEO of Peregrine. "We believe these efforts will be significantly strengthened by the addition of the new trial at MUSC led by Cotara expert Dr. Patel. Cotara potentially could provide an important new option for the treatment of this deadly disease that lacks effective therapies. We look forward to working with all of our investigators to generate clinical data this year that should be critical for confirming the potential of Cotara for the treatment of brain cancer."

Peregrine is working directly with several of its New Approaches to Brain Tumor Therapy (NABTT) clinical sites in the U.S. and with additional centers such as MUSC to ensure the timely completion of the U.S. dose confirmation and dosimetry trial. The design of this new Cotara study is a modified version of the protocol developed for the NABTT program.

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 hone 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. This type of delivery has been shown to achieve up to a 10,000-fold greater concentration in local therapy exposure than conventional intravenous drug administration, while minimizing unwanted exposure to healthy tissue.

In previous clinical studies Cotara has demonstrated encouraging results in patients with advanced brain cancer. One study demonstrated a 58% increase in median survival time in a group of patients suffering from late stage glioblastoma multiforme who were treated with Cotara. This was considered a promising development in this serious and deadly disease. 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 MUSC

Founded in 1824 in Charleston, The Medical University of South Carolina is the oldest medical school in the south. Today, MUSC continues the tradition of excellence in education, research, and patient care. MUSC is home to over 3,000 students and residents, as well as nearly 10,000 employees, including 1,300 faculty members. MUSC operates a 600 bed medical center, which includes a nationally recognized Children's Hospital and a leading Institute of Psychiatry. http://www.musc.edu

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. (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 of future studies may not correlate to prior study results or that Cotara will prove to be no more effective in extending survival time than current therapies. 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 January 31, 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.

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