July 11, 2002

Peregrine Pharmaceuticals Announces Grant of New Patent for Vascular Targeting Agents

TUSTIN, Calif., Jul 11, 2002 (BW HealthWire) -- Peregrine Pharmaceuticals (Nasdaq:PPHM) today announced the issuance of U.S. Patent No. 6,416,758, titled "Antibody Conjugate Kits for Selectively Inhibiting VEGF," covering Vascular Targeting Agents (VTAs) developed at UT Southwestern Medical Center at Dallas that target vascular endothelial cell growth factor (VEGF), one of the prominent markers within tumor blood vessels. The patent was issued to The University of Texas System and is licensed exclusively to Peregrine. The issuance of this new patent further fortifies Peregrine's extensive portfolio of patents covering VTAs, one of the company's Collateral Targeting Technologies for the diagnosis and treatment of vascularized tumors.

Vascular Targeting Agents are anti-cancer compounds that function by specifically delivering attached therapeutic agents, such as toxins and coagulants, to blood vessels within tumors in order to cut off the tumor's blood supply and cause widespread tumor cell death. By providing targeting antibodies with an improved binding profile, the VTAs protected by the patent bind to VEGF on the tumor blood vessels without impairing the beneficial effects of VEGF in healthy tissues outside the tumor. The patent also covers the use of the new VTAs in combination with other anti-cancer agents, providing a series of therapeutic cocktails and kits for treating a wide range of solid tumors.

"Peregrine has a significant intellectual property position in the area of cancer therapeutics, including U.S. and international patents and patent applications covering different aspects of the Vascular Targeting Agent technology," said Edward J. Legere, Peregrine's President and CEO. "Our intellectual property position related to VTAs is making licensing and partnering opportunities attractive to potential collaborators. Licensing of different uses of the VTA technology is being evaluated by various companies."

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About Vascular Targeting Agents -- The Next Generation of Cancer
Therapy
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Virtually all detectable tumors rely on a vascular network to obtain oxygen and nutrients, and disruption of this network can have a devastating effect on a tumor. In pre-clinical animal studies, VTAs have shown to be potent anti-cancer agents that act by inducing blood clotting within the tumor's network of blood vessels, cutting off the supply of oxygen and nutrients to tumor cells. VTAs localize within the tumor vasculature by selectively binding to the flat endothelial cells that line tumor blood vessels. Once the VTA binds to its target, it initiates thrombosis (blood clotting) through a coagulation cascade, which leads to complete clotting of the tumor blood vessels within a matter of minutes. Because blockage of a single capillary results in the destruction of thousands of tumor cells, only a small quantity of VTAs localized in the tumor's vascular system may cause an avalanche of tumor cell death.

Vascular Targeting Agents offer several advantages as potentially powerful anti-cancer treatments. By targeting receptors unique to tumor cell vasculature, VTAs can kill tumors by cutting off oxygen and nutrients without causing damage to surrounding healthy tissue. Additionally, VTAs reduce the risk of potential side effects by operating at lower dosages than traditional cancer therapies because they do not need to penetrate the innermost layer of a tumor to take effect. Lastly, while drug resistance caused by the instability and mutability of cancer cells is a significant problem with conventional therapies that target tumor cells, cells targeted by VTAs do not mutate to become drug resistant.

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About Peregrine Pharmaceuticals Inc.
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Peregrine Pharmaceuticals is a biopharmaceutical company focused on the development, commercialization, and licensing of unique technologies for the treatment of cancer, primarily based on its three "collateral targeting technologies." Peregrine's Tumor Necrosis Therapy (TNT), Vasopermeation Enhancement Agents (VEA), and Vascular Targeting Agents (VTA) target cell structures and cell types that are common among solid tumor cancers, giving them broad applicability across various tumor types. The company's lead TNT anti-cancer drug, Cotara™, is currently in a multi-center Phase II clinical trial for brain cancer and Phase I trials for colorectal, pancreas, liver, soft tissue sarcoma and biliary cancers. Final preparations are being made to start a multi-center, multi-national Phase III trial for brain cancer. Peregrine's Oncolym®, for the treatment of non-Hodgkin's B-cell lymphoma, is currently in a multi-center Phase I/II study. Copies of Peregrine press releases, SEC filings, current price quotes and other valuable information for investors may be found on the website http://www.peregrineinc.com.

Safe Harbor Statement: 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, the company's report on Form 10-K for the year ended April 30, 2001 and on Form 10-Q for the quarter ended January 31, 2002.

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