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Peregrine to Initiate Bavituximab Combination Therapy Trial in India With Multiple Cancer Chemotherapy Regimens

- Clinical Trial to be Conducted With Experienced Indian Contract Research Organization and Top Cancer Centers -

- Data is Expected to Expedite Ongoing Development Efforts in the U.S. -

TUSTIN, Calif., Sept. 11 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a biopharmaceutical company with a portfolio of innovative, clinical stage products for the treatment of hepatitis C virus infection and cancer, today announced that it is completing plans to initiate a clinical trial in India of bavituximab in combination with chemotherapy. The trial is primarily designed to test the safety and tolerability of bavituximab with several standard chemotherapy regimens commonly used for treating major cancer types, including breast, lung and pancreatic cancer. The company is collaborating with an experienced Indian contract research organization with recent success in managing a registration clinical trial for a novel monoclonal antibody therapeutic. The new cancer trial will be conducted according to internationally accepted ICH GCP guidelines. Peregrine expects that results from this study, along with data from its ongoing U.S. Phase I cancer trial, will help support advancing bavituximab into Phase II cancer trials in 2007.

"Preclinical studies have repeatedly demonstrated the exciting potential of bavituximab plus chemotherapy for the treatment of solid cancers," said Steven W. King, president and CEO of Peregrine. "This new study, which complements our ongoing Phase I cancer trial in the U.S., will be an important milestone enabling us to accelerate the clinical assessment of bavituximab's anti-cancer potential."

Mr. King continued, "In recent years global pharmaceutical firms including Pfizer, GlaxoSmithKline, Roche and Eli Lilly have been conducting an increasing number of major clinical trials in India, taking advantage of the country's world-class clinical research facilities that leverage India's large cadre of Western-trained medical personnel and enormous pool of patients eager to participate in clinical trials. We look forward to working with our Indian collaborators to advance the bavituximab cancer program that we believe has significant potential for patients."

Bavituximab is currently being studied in Phase I clinical trials in the U.S. for the treatment of solid tumors and chronic hepatitis C infection. Clinical data collected to date has shown that bavituximab is safe and well-tolerated, and the company has reported promising signs of anti-viral activity in the hepatitis C trial. The new multi-center cancer trial is a pilot safety and pharmacokinetic study, with patients scheduled to receive bavituximab along with docetaxel, gemcitabine or carboplatin/paclitaxel for eight weeks. These chemotherapies are part of the current standard-of-care for a number of solid tumor types including breast, lung and pancreatic cancers. Study endpoints include safety and drug pharmacokinetics, and patients will be evaluated for tumor response according to Response Evaluation Criteria in Solid Tumors (RECIST) criteria. Peregrine has completed an investigator meeting in India to prepare for trial initiation, and the trial has already been cleared to proceed at one of the three sites. Clearance from the other sites is on schedule and expected shortly.

Numerous preclinical studies have confirmed that bavituximab acts synergistically when administered in combination with chemotherapy. In the past 12 to 18 months, researchers associated with Peregrine have presented and published multiple studies demonstrating the promising anti-cancer potential of bavituximab and chemotherapy in major tumor types. Preclinical studies presented at the AACR annual meeting showed the potential of a bavituximab equivalent plus chemotherapy or radiation to increase survival in resistant breast and brain cancer, a very positive result in these models of advanced disease. A study published in the International Journal of Cancer demonstrated that a bavituximab equivalent given in combination with gemcitabine showed encouraging efficacy in animal models of pancreatic cancer, including reductions in the metastatic disease that actually kills most victims. And an article in Cancer Research reported that a bavituximab equivalent plus docetaxel inhibited tumor growth by 93% in a model of advanced breast cancer.

"A growing body of research suggests that bavituximab acts synergistically with chemotherapy to kill cancer cells and possibly eliminate metastases far more effectively than either agent alone," said Dr. Philip Thorpe, an inventor of the bavituximab technology and scientific advisor to Peregrine. "We believe the excellent preclinical activity we have seen in a variety of tumor types reflects in part the fact that chemotherapy and radiation up-regulate bavituximab's phospholipid target. I am very pleased that this new trial in India will soon get underway and thereby speed up the timeline for the clinical development of bavituximab as a potentially major new cancer therapy."

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 involve risks and uncertainties including, but not limited to, the risk. that bavituximab's safety profile in a combination therapy trial will not be at the same safety level as was found in the phase Ia trial, the risk that the results of future trials will not correlate to the results from the phase Ia trial, the risk that bavituximab will not be as well tolerated at ascending doses or show promising results in other viral indications and the risk that results of human studies using bavituximab plus radiation or chemotherapy will not correlate to the results of the preclinical studies. 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. 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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