December 11, 2003

Peregrine and AERES Biomedical Sign Agreement to Humanize VTA Antibody

TUSTIN, Calif., Dec. 11 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM) announced today that it has signed an agreement with AERES Biomedical, Ltd. (London, UK) to humanize one of its Vascular Targeting Agent (VTA) antibodies. Peregrine will provide the murine VTA targeting antibody to AERES, which will use its proprietary humanization technology to provide a humanized VTA clinical candidate.

Steven King, Peregrine's president and chief executive officer, said, "This is an important step in further building our pipeline of VTA antibodies for future clinical trials as we prepare our lead VTA candidate for an Investigational New Drug (IND) filing in 2004."

"AERES has a proven technology for antibody humanization, and we have successfully humanized over 23 monoclonal antibodies," said Dr. Tarran Jones, chief executive officer of AERES Biomedical. "We look forward to working with Peregrine's scientists to humanize their VTA monoclonal antibody."

Monoclonal antibody humanization is important for drugs that are to be administered multiple times to individual patients. Research antibodies are typically made in mice and are called murine antibodies. Murine antibodies are not ideal for human clinical use because the patient's immune system can potentially recognize the murine antibody as foreign and may generate a Human Anti-Mouse Antibody (HAMA) immune response in an attempt to destroy the murine antibody. Monoclonal antibody humanization is a technique where specific regions of the mouse antibody not involved in target binding are replaced with human antibody building blocks, resulting in a final drug candidate that is approximately 93% human. The result is an antibody that has the targeting characteristics of the original mouse antibody, but does not have enough of a mouse structure to be recognized by the human body as foreign. Therefore, humanized antibodies reduce or eliminate the HAMA response during treatment, making multiple treatments possible.

About AERES Biomedical, Ltd.

AERES Biomedical, Ltd. is a privately-owned drug development company which has been active in the development and exploitation of antibody humanization since 1988. AERES is now applying its expertise to the development of humanized therapeutic antibodies both in-house and with its collaborative partners. Over the past 15 years, AERES scientists have radically improved this technology and developed a portfolio of related antibody engineering skills. With nearly 30 successful collaborative R&D programs with the biopharmaceutical industry, which have enabled at least seven humanized antibodies to enter clinical trials, AERES has established a world-wide reputation for its expertise in antibody humanization. In addition, AERES has a significant track record of success in maximizing the expression of antibody genes in mammalian cells. As a consequence, AERES is able to provide its commercial collaborators with drug candidates that move rapidly through clinical development with an increased probability of reaching the market. Further information on AERES can be found on its website www.aeresbiomedical.com.

About Peregrine Pharmaceuticals

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.

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, 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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CO: Peregrine Pharmaceuticals; AERES Biomedical, Ltd.

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