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Peregrine Awarded \$977,917 Grant Under IRS Section 48D for Qualifying Therapeutic Discovery Projects

Non-Dilutive Funding Supports Clinical Programs for Lung and Brain Cancer and Hepatitis C Virus (HCV)/HIV Coinfection

TUSTIN, CA, Nov 02, 2010 (MARKETWIRE via COMTEX News Network) -- Peregrine Pharmaceuticals, Inc. (NASDAQ: PPHM), a clinical-stage biopharmaceutical company developing first-in-class monoclonal antibodies for the treatment of cancer and viral infections, today announced the award of \$977,917 under the Internal Revenue Service's Section 48D for Qualifying Therapeutic Discovery Projects. Nearly all of this grant is available for immediate reimbursement, and supports the following projects:

- Bavituximab for the treatment of patients with second-line non-small cell lung cancer

- Bavituximab for the treatment of patients with front-line non-small cell lung cancer

- Bavituximab for the treatment of patients coinfecting with hepatitis C virus (HCV)/HIV

- Cotara(R) for the treatment of patients with glioblastoma multiforme (GBM)

"This award comes at an opportune time and will help further advance our clinical programs which have already shown clinical promise for addressing unmet medical needs in the treatment of cancer and viral infections," said Steven W. King, president and chief executive officer of Peregrine. "We are pleased to have been awarded the full available amount of this valuable non-dilutive funding for each of the four programs for which we applied."

About IRS Section 48D Under Section 48D of the Internal Revenue Code, businesses with fewer than 250 employees are eligible for reimbursement grants or tax credits for the tax years beginning in 2009 and/or 2010. The award payments were authorized on October 29, 2010.

A Qualifying Therapeutic Discovery Project should show reasonable potential to:

- Result in new therapies to treat areas of unmet medical need, or prevent, detect, or treat chronic or acute diseases or conditions;
- Reduce long-term health care costs in the United States; or
- Significantly advance the goal of curing cancer within 30 years.

For additional information about IRS Section 48D, please visit http://www.irs.gov/irb/2010-23_IRB/ar08.html#d0e1444.

About Peregrine Pharmaceuticals Peregrine Pharmaceuticals, Inc. is a biopharmaceutical company with a portfolio of innovative monoclonal antibodies in clinical trials for the treatment of cancer and serious viral infections. The company is pursuing multiple clinical programs in cancer and hepatitis C virus infection with its lead product candidate bavituximab and novel brain cancer agent Cotara(R). Peregrine also has in-house cGMP manufacturing capabilities through its wholly-owned subsidiary Avid

Bioservices, Inc. (www.avidbio.com), which provides development and biomanufacturing services for both Peregrine and outside customers. Additional information about Peregrine can be found at www.peregrineinc.com.

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