



June 28, 2004

Peregrine Pharmaceuticals Announces Patent Grants for Vascular Targeting Agents

TUSTIN, Calif., June 28 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM) announced today the grant of European Patent No. EP 0988056 B1, entitled "Tissue Factor Methods and Compositions for Coagulation and Tumor Treatment" and the issuance of U.S. Patent No. 6,749,853, entitled "Combined Methods and Compositions for Coagulation and Tumor Treatment." Both patents cover agents that occlude (coagulate) tumor blood vessels for therapeutic applications. The U.S. patent is part of Peregrine's Vascular Targeting Agent (VTA) technology platform. Peregrine's VTAs specifically bind to tumor blood vessels and shut down blood flow to the tumor resulting in tumor cell death. Peregrine is currently evaluating the use of VTAs incorporating Tissue Factor for the treatment of cancer.

"The issuance of the European patent is a particularly important extension of coverage for Tissue Factor based therapeutics since Europe represents a major worldwide market for cancer therapeutics," said Steven King, president and CEO of Peregrine. "We believe there will be a number of licensing and co-development opportunities for compounds that may fall under our patent portfolio, so any extension of our already broad coverage is beneficial." Peregrine's VTA patent estate includes more than 190 issued or pending U.S. and foreign patents and patent applications.

About Vascular Targeting Agents

VTAs developed by Dr. Thorpe and his team represent the next generation of cancer therapy that works by a novel mechanism of action. Essentially, all detectable tumors rely on blood vessels to obtain oxygen and nutrients. Peregrine's 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 occludes the tumor vessels. 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.

There are thought to be a number of advantages of VTAs over other cancer therapies making them 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. VTAs produce a characteristic pattern of necrosis after administration to mice and rats with solid tumors. They cause a widespread central necrosis that can extend to as much as 95% of the tumor. 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 part 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, the cells targeted by VTAs do not mutate to become drug resistant. Peregrine believes that VTAs will be most effective when used in combination with existing anti-cancer therapies, providing a powerful "1-2 punch" for the effective treatment of various solid tumor cancers.

About Peregrine Pharmaceuticals, Inc.

Peregrine's research and development efforts focus on discovering and developing products that affect blood flow to tumors. Peregrine's vascular research programs fall under several different proprietary platforms including Anti-Phospholipid Therapy (APT), Vascular Targeting Agents (VTAs), Anti-Angiogenesis and Vasopermeation Enhancement Agents (VEAs). The company has research collaborations with pharmaceutical and biotechnology companies to develop its VTA platform for therapeutic and diagnostic applications and expects to enter its first APT compound into clinical trials for cancer therapy during calendar year 2004.

Peregrine's vascular agents may also have applications in other angiogenesis-dependent diseases besides cancer such as diabetes, arthritis, skin disorders and eye diseases. Peregrine currently has exclusive rights to over 190 U.S. and foreign patents and patent applications that broadly cover its vascular programs. In addition, the company is currently evaluating its proprietary technology for use in treating non-angiogenesis dependent diseases such as viral infections. The company believes that the pre-clinical data generated by the company and the broad nature of its intellectual property may provide many opportunities for product development, partnering and licensing.

Peregrine's most clinically advanced therapeutic program is based on a targeting platform outside vascular biology. This technology platform is known as Tumor Necrosis Therapy (TNT) and targets dead or dying tumor cells that are common to the majority of different tumor types. Cotara™, the most clinically advanced TNT program, is currently in a Phase I clinical trial for the treatment of colorectal carcinoma at Stanford University Medical Center. In addition, we have received protocol approval

from the U.S. Food and Drug Administration ("FDA") to initiate a registration clinical study for the treatment of brain cancer. The company is currently seeking a development or funding partner to move the brain cancer program forward. The company believes that continuing the clinical development of Cotara™ in tumor types other than brain cancer will add significant value to the program. The company has a research collaboration to develop immunocytokines based on the TNT platform and a TNT based agent has been developed and approved for the treatment of lung cancer in China under a licensing agreement.

The company also operates a cGMP contract manufacturing facility for monoclonal antibodies and recombinant proteins through its wholly owned subsidiary Avid Bioservices, Inc. (<http://www.avidbio.com>). Avid produces clinical trial materials to support Phase I through Phase III clinical trials for biotechnology companies including Peregrine. Copies of Peregrine press releases, SEC filings, current price quotes and other valuable information for investors may be found on the websites <http://www.peregrineinc.com>, <http://www.hawkassociates.com> and <http://www.hawkmicrocaps.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 January 31, 2004 and on Form 10-K for the year ended April 30, 2003.

Peregrine Investor Relations
Frank Hawkins and Julie Marshall
Hawk Associates, Inc.
(800) 987-8256 or
info@hawkassociates.com

SOURCE Peregrine Pharmaceuticals, Inc. 06/28/2004 CONTACT:
Investor Relations, Frank Hawkins or Julie Marshall
both of Hawk Associates, Inc.
+1-800-987-8256, or info@hawkassociates.com
for Peregrine Pharmaceuticals
Web site: <http://www.peregrineinc.com>
<http://www.hawkassociates.com>
<http://www.avidbio.com>