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Peregrine Pharmaceuticals and Affitech AS Expand Collaboration to Develop Up to Six New Fully Human Antibodies

Six New Targets Planned for Oncology and Viral Indications

TUSTIN, Calif., and OSLO, Norway, Nov 8, 2004 /PRNewswire-FirstCall via COMTEX/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM) and Affitech AS today announced that they have expanded their antibody collaboration to include the production of fully human monoclonal antibodies against up to six additional targets.

Peregrine and Affitech are currently collaborating to produce fully human monoclonal antibodies against three targets that will be evaluated for the treatment of cancer and viral diseases. The expanded collaboration includes the production of up to an additional six human antibodies. The financial terms of the collaboration include research fees, milestone payments and royalties on net sales upon commercialization.

"This collaboration with Affitech allows us to continue to expand our robust product pipeline over the next several years," stated Steven King, president and CEO of Peregrine. "We believe our broad intellectual property combined with the expansion of clinical candidates creates a strong foundation of future opportunities. We are very pleased with Affitech's dedication to our collaboration and the achievements to date."

"Our partnership with Peregrine Pharmaceuticals has been extremely productive and collaborative," commented Martin Welschof, Ph.D., Chief Executive Officer of Affitech. "We are delighted that based on our achievements, Peregrine has extended the collaboration since they are a very important partner for Affitech on its way to building a human antibody-based product portfolio."

About Affitech AS

Affitech AS is a human antibody therapeutics company based in Oslo, Norway, having its U.S. subsidiary in the San Francisco Bay Area. The company's primary focus is in the discovery and development of human therapeutic antibodies for cancer, infectious and other diseases of unmet medical needs. Affitech's technology portfolio includes its worldwide patents of a phagemid system for antibody and antibody fragments called BREITLING Patent, as well as its proprietary AffiScreen™ method that utilizes patient-derived antibody repertoires in a high-throughput screening platform. More significantly, Affitech's recent implementation of the C.B.A.S. system, which is an integrated functional cell-based screening approach for simultaneous discovery of human antibodies and cognate targets, further emphasizes its ongoing focused efforts in "advancing antibody therapeutics." Affitech's business strategy is to generate short-term revenue through customer-based projects and out-licensing of technology assets and early stage products and, in addition, to build a proprietary product pipeline through collaborations and partnerships. Besides Peregrine, Affitech has commercial partnerships with the Danish biotechnology company NatImmune and the Canadian antibody company Viventia. More recently Affitech and the Norwegian Radium Hospital were awarded NOK 6.2 million from FUGE (the Norwegian national FUnctional GENomics program) to carry out research on the development of new cancer therapeutics, vaccines and diagnostics. Affitech's Norwegian investors include Teknoinvest Management, Four Seasons Venture, Ferd Venture and Braganza. Further information can be found at <http://www.affitech.com>.

About Peregrine Pharmaceuticals, Inc.

Peregrine Pharmaceuticals is a biopharmaceutical company primarily engaged in the research, development, manufacture and commercialization of cancer therapeutics and diagnostics through a series of proprietary platform technologies. The company is primarily focused on discovering and developing products that affect blood vessels and blood flow in cancer and other diseases. 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 is working closely with the U.S. Food and Drug Administration ("FDA") to initiate its first clinical trial under its APT program using Tarvacin™. Tarvacin™ is an antibody that binds to the phospholipid, phosphatidylserine, which binds directly to tumor blood vessels to inhibit tumor growth and development.

Peregrine's most clinically advanced therapeutic program is known as Tumor Necrosis Therapy (TNT) and targets dead or dying tumor cells that are common to the majority of different tumor types. The company is developing a radio-labeled TNT

agent that it has trademarked Cotara®; for the treatment of cancer. Peregrine has completed enrollment in a Phase I Cotara®; clinical trial for the treatment of colorectal carcinoma at Stanford University Medical Center and has received approval from the FDA to initiate a product registration clinical trial using Cotara®; to treat brain cancer. In addition, a TNT-based agent similar to Cotara®; was developed under a licensing agreement in China and has received marketing approval for the treatment of advanced lung cancer.

The company's wholly owned subsidiary, Avid Bioservices, Inc. (<http://www.avidbio.com>), develops and manufactures monoclonal antibodies and recombinant proteins 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 at <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. Except for historical information presented herein, matters discussed in this release contain certain forward- looking statements. The inclusion of forward-looking statements should not be regarded as a representation by us, or any other person, that the objectives or plans will be achieved. The words "may," "should," "plans," "believe," "anticipate," "estimate," "expect," their opposites and similar expressions are intended to identify forward-looking statements. We caution readers that such statements are not guarantees of future performance or events and are subject to a number of factors that may tend to influence the accuracy of the statements, including but not limited to, risk factors discussed in Peregrine's report on Form 10-K for the year ended April 30, 2004 and subsequent quarterly reports on Form 10-Q. Peregrine disclaims any obligation and does not undertake to update or revise the forward-looking statements discussed in this press release.

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

Edelman Financial (media)
Jacqueline Hayot
jacqueline.hayot@edelman.com

Contacts for Affitech
Affitech (Norway)
Dr. Martin Welschof
Chief Executive Officer
Phone: +47 22 95 87 58
E-mail: m.welschof@affitech.com
Affitech (US office)
Dr. Rathin C. Das
Chief Business Officer
E-mail: r.das@affitech.com
Phone: + 1 925 935 9803
Affitech Media Enquiries
Richard Hayhurst
Phone: +44 77 11 82 15 27
E-mail: richardh@alto-marketing.com

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Investor Relations, Frank Hawkins or Julie Marshall, both of Hawk Associates, Inc., +1-800-987-8256, or info@hawkassociates.com, or Media, Jacqueline Hayot of Edelman Financial, jacqueline.hayot@edelman.com; or Dr. Martin Welschof, Chief Executive Officer in Norway, +011-47-22-95-87-58, or m.welschof@affitech.com, or Dr. Rathin C. Das, Chief Business Officer, +1-925-935-9803, or r.das@affitech.com, both of Affitech AS, or Media, Richard Hayhurst, +011-44-77-11-82-15-27, or richardh@alto-marketing.com, all for Peregrine Pharmaceuticals, Inc.

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