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Avid Bioservices and Inhibitex Finalize Supply Agreement for Additional cGMP Manufacturing Runs

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Avid Completes Original Manufacturing Supply Agreement for Inhibitex

Avid Bioservices, Inc. (Avid), a wholly-owned subsidiary of Peregrine Pharmaceuticals (Nasdaq: PPHM), today announced that it has completed its initial manufacturing contract with Inhibitex, Inc. of Atlanta, GA related to the production of clinical trial material for Aurexis™, a humanized monoclonal antibody being developed by Inhibitex to treat serious Staphylococcal aureus infections. The companies have also finalized a manufacturing supply agreement for two additional cGMP manufacturing runs for Aurexis™.

"We are very pleased to have successfully completed the initial production of Aurexis™. The timelines were aggressive and th companies were able to collaborate to take the project from research cell bank to released cGMP material within the agreed-upon timeframe," said Steven King, Avid's president and CEO. "We look forward to working with Inhibitex on completing the additional production runs for Aurexis™."

Inhibitex, Inc. is a biopharmaceutical company developing and commercializing "first in field" antibody-based products for the treatment and prevention of staphylococcal and other serious bacterial and fungal infections. The company is utilizing its proprietary MSCRAMM® protein technology platform to develop a pipeline of these products. Their technology utilizes specific antibodies that inhibit the biological activity of a family of surface proteins present on certain pathogenic organisms.

About Avid Bioservices

Avid Bioservices provides a full range of cGMP manufacturing services for the biotechnology and biopharmaceutical industries. Avid operates a state-of- the-art cGMP biologics contract manufacturing facility and production laboratories in Tustin, California. The company's comprehensive package of services includes highly specialized cell culture, process and analytical development work, in addition to full-scale manufacturing, purification, bulk packaging, and regulatory support. Avid has 10 years of antibody manufacturing experience producing monoclonal antibodies to support various clinical trials. The Avid facility was designed to manufacture monoclonal antibodies and recombinant proteins from mammalian expression systems, and the Company has expertise in manufacturing in batch, fed-batch and perfusion modes. For more information about Avid, please visit www.avidbio.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™ Phase III clinical trial for brain cancer. Cotara is also being studied in a Phase I trial for colorectal, pancreas, soft tissue sarcoma and biliary cancers at Stanford University. The company is focused on licensing collaborations for all of its technologies under development. The company also 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, the company's report on Form 10-K for the year ended April 30, 2002 and on Form 10-Q for the quarter ended October 31, 2002.

Investor Relations Contact
Frank Hawkins and Julie Marshall

Hawk Associates, Inc.
(800) 987-8256 or info@hawkassociates.com

SOURCE Peregrine Pharmaceuticals

CONTACT: Frank Hawkins and Julie Marshall, both of Hawk Associates, Inc., +1-800-987-8256, or info@hawkassociates.com, for Peregrine Pharmaceuticals
URL: http://www.peregrineinc.com
http://www.prnewswire.com