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Peregrine To Develop Vascular Targeting Agents (VTA) With Schering AG

TUSTIN, Calif., Jan. 6 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM) has granted a worldwide exclusive license for the development of diagnostic and imaging agents in the field of oncology to Schering AG, Germany (Frankfurt: SCH)(NYSE: SHR). Under the terms of the agreement, Schering will have the exclusive right to develop and commercialize VTA based imaging and diagnostic agents for oncology. Financial terms of the agreement were not disclosed.

"We are pleased to expand our activities in the vascular targeting area, in which Schering is conducting very active research and development programs," stated Professor Matthias Brautigam, Head of Corporate Research Business Area Diagnostics and Radiopharmaceuticals at Schering AG. "We believe that Peregrine's profound intellectual property will strengthen our position in this field and in particular will support our strategic approach of bridging diagnosis and therapy."

"We feel that Schering is an ideal partner for imaging and diagnostic VTAs based on their expertise in the field," stated Steven King, Peregrine's Chief Operating Officer. "Schering is one of the few large pharmaceutical companies that have put a significant amount of resources into the development of VTAs for diagnostic applications. We believe VTA based diagnostic agents will have many advantages over traditional methods of imaging tumors and look forward to seeing the program move forward at Schering."

Additional information:

It is believed that VTA based imaging agents may be ideal for imaging a wide variety of cancer types. Most traditional tumor imaging and diagnostic agents must traverse the tumor blood vessel network and associated structures in order to reach the cancer cells that they target. VTA based imaging agents generally target structures in direct contact with the blood. By targeting the blood vessel structures directly, the VTAs may localize much more quickly and effectively. In this way, VTA based imaging agents may be designed that will have fast localization and clearance properties that will result in a good signal-to-noise ratio. A good signal-to-noise ratio makes it easier for physicians to distinguish between tumor tissue and the surrounding normal tissues. In addition, since VTA based imaging agents will likely target structures common to blood vessels in a variety of tumor types, a single VTA based imaging agent may be useful for imaging a variety of solid tumors.

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 is working closely with the FDA on the lead TNT anti-cancer drug, Cotara™, to obtain approval of Phase III clinical trial protocol 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 growing 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.

Schering AG is a research-based pharmaceutical company. Its activities are focused on four business areas: Fertility Control & Hormone Therapy, Diagnostics & Radiopharmaceuticals, Dermatology as well as Specialized Therapeutics for disabling diseases in the fields of the central nervous system, oncology and cardiovascular system. As a global player with innovative products Schering AG aims for leading positions in specialized markets worldwide. With in-house R&D and supported by an excellent global network of external partners, Schering AG is securing a promising product pipeline. Using new ideas, Schering AG aims to make a recognized contribution to medical progress and strives to improve the quality of life: making medicine work.

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.

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