

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

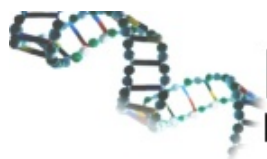
Washington, DC 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **December 22, 2005**



**PEREGRINE
Pharmaceuticals, Inc.**

(Exact name of registrant as specified in its charter)

Delaware
(State of other jurisdiction
of incorporation)

0-17085
(Commission File Number)

95-3698422
(IRS Employer
Identification No.)

14272 Franklin Avenue, Tustin, California 92780
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(714) 508-6000**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425).
 - Soliciting material pursuant to Rule 14A-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry Into a Material Definitive Agreement.

On December 22, 2005, we entered into a First Amendment to Lease and Agreement of Lease (this “First Amendment”) with TNCA, LLC (the “Landlord”) to our original lease dated December 24, 1998 covering our leased facilities in Tustin, California with aggregate square footage of approximately 47,771. Under the First Amendment, we extended the term of our original lease from December 31, 2010 to December 31, 2017 while maintaining our two 5-year options to renew the lease through December 31, 2027. In addition, certain leasehold improvements that we were required to make by 2009 under the original lease were removed under the First Amendment. All other terms remain consistent with the original lease dated December 24, 1998.

In connection with this First Amendment, we entered into a separate agreement with the Landlord on December 22, 2005 regarding the immediate payoff of our note receivable previously reserved for during October 1999. The note receivable was initially recorded during December 1998 upon the sale and subsequent leaseback of our facilities. The amount received of \$1,229,000 represents the current note receivable balance less twenty percent.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

[99.1 First Amendment to Lease and Agreement of Lease dated December 22, 2005](#)

[99.2 Repayment of Loan dated December 22, 2005](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PEREGRINE PHARMACEUTICALS, INC.

Date: December 23, 2005

By: /s/ PAUL J. LYTLE

Name: Paul J. Lytle
Title: Chief Financial Officer

FIRST AMENDMENT TO LEASE AND AGREEMENT OF LEASE

THIS FIRST AMENDMENT TO LEASE AND AGREEMENT OF LEASE (this "**First Amendment**") is made and entered into as of December 22, 2005 (the "**Effective Date**") by and between TNCA, LLC, a Delaware limited liability company ("**Landlord**") and PEREGRINE PHARMACEUTICALS, INC., a Delaware corporation (successor-in-interest to Techniclone Corporation, a Delaware corporation) ("**Tenant**").

R E C I T A L S:

- A. Landlord and Tenant entered into that certain Lease and Agreement of Lease dated as of December 24, 1998 (the "**Lease**").
- B. Pursuant to the Lease, Landlord leases to Tenant and Tenant leases from Landlord that certain office space containing approximately 47,771 rentable square feet (the "**Premises**") of those certain industrial and office warehouse buildings located at 14272 and 14282 Franklin Avenue, Tustin, California (collectively, the "**Buildings**").
- C. The parties now desire to amend the Lease to extend the Term of the Lease and modify various terms and provisions of the Lease, all as hereinafter provided.

A G R E E M E N T:

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Capitalized Terms. All capitalized terms when used herein shall have the same meanings given such terms in the Lease unless expressly superseded by the terms of this First Amendment.
2. Extension of Lease Term. The Primary Term which is scheduled to expire on December 31, 2010 is hereby extended until December 31, 2017 (the "**Revised Termination Date**"). Such period commencing as of the Effective Date and ending on the Revised Termination Date shall be referred to herein as the "**Revised Primary Term**".
3. Base Rent. During the Revised Primary Term, Tenant shall pay Base Rent to Landlord for the Premises in accordance with the following schedule:

Period of Revised Primary Term	Annual Base Rent	Monthly Base Rent
Effective Date- 12/31/2006	\$ 745,135.44	\$ 62,094.62
1/1/2007-12/31/2008	\$ 770,097.48	\$ 64,174.79
1/1/2009-12/31/2010	\$ 795,895.68	\$ 66,324.64
1/1/2011-12/31/2012	\$ 822,558.24	\$ 68,546.52
1/1/2013-12/31/2014	\$ 850,113.96	\$ 70,842.83
1/1/2015-12/31/2016	\$ 878,592.72	\$ 73,216.06
1/1/2017-12/31/2017	\$ 908,025.60	\$ 75,668.80

4. Options to Renew. Tenant shall continue to have the options to renew the Lease, as hereby amended, as provided in Section 2.1 of the Lease, except that (a) Tenant's first (1st) option to extend the Revised Primary Term shall commence on the expiration of the Revised Primary Term and end on December 31, 2022 (such period commencing on January 1, 2018 and ending on December 31, 2022 herein referred to as the "**1st Extended Term**"); (b) the Base Rent payable by Tenant during the 1st Extended Term shall be as set forth in the following schedule:

Periods of 1st Extended Term	Annual Base Rent	Monthly Base Rent
1/1/2018-12/31/2018	\$ 908,025.60	\$ 75,668.80
1/1/2019-12/31/2020	\$ 938,444.40	\$ 78,203.70
1/1/2021-12/31/2022	\$ 969,882.24	\$ 80,823.52

(c) Tenant's second (2nd) option to extend the 1st Extended Term shall commence on the expiration of the 1st Extended Term and end on December 31, 2027 (such period commencing on January 1, 2023 and ending on December 31, 2027 herein referred to as the "**2nd Extended Term**"); and (d) the Base Rent payable by Tenant during the 2nd Extended Term shall be as set forth in the following schedule:

Periods of 2nd Extended Term	Annual Base Rent	Monthly Base Rent
1/1/2023-12/31/2024	\$ 1,002,373.32	\$ 83,531.11
1/1/2025-12/31/2026	\$ 1,035,952.80	\$ 86,329.40
1/1/2027-12/31/2027	\$ 1,070,657.16	\$ 89,221.43

5. Condition of Premises. Tenant is in possession of the Premises and accepts the same in its current "AS IS" condition without any agreements, representations, understandings or obligations on the part of Landlord to perform or pay for any alterations, repairs or improvements.

6. Miscellaneous Deletions. Section 5.6 of the Lease and Exhibit "F" attached to the Lease are hereby deleted in their entirety.

7. Brokers. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this First Amendment other than Cushman & Wakefield of California, Inc. (the "**Broker**"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this First Amendment. Each party agrees to defend, indemnify and hold the other party harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including, without limitation, reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of any dealings with any real estate broker or agent, other than to the Broker, occurring by, through or in connection with the indemnifying party.

8. Counterparts. This First Amendment may be executed in multiple facsimile counterparts, each of which is to be deemed an original for all purposes, but all of which together shall constitute one and the same instrument.

9. No Further Modification. Except as set forth in this First Amendment, all of the terms and provisions of the Lease shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, Landlord and Tenant have caused this First Amendment to be duly executed and delivered on the date shown below, their respective signatures to memorialize the agreement of the parties, as of the date first above written.

"Landlord"

TNCA, LLC.
a Delaware limited liability company

By: TNCA Holdings, LLC,
a Delaware limited liability company
Its Manager

By: /s/ C. FREDERICK WEHBA II

Name: C. Frederick Wehba II
Title: President

Executed Date: December 22, 2005

"Tenant"

PEREGRINE PHARMACEUTICALS, INC.,
a Delaware corporation (successor-in-interest to Techniclone
Corporation, a Delaware corporation)

By: /s/ PAUL J. LYTLE

Name: Paul J. Lytle
Title: Chief Financial Officer

Executed Date: December 22, 2005

**TNCA, LLC
10250 Constellation Boulevard, Suite 2300
Los Angeles, CA 90067**

December 22, 2005

Peregrine Pharmaceuticals, Inc.
14282 Franklin Avenue
Tustin, CA 92780

Attn: Paul J. Lytle, Chief Financial Officer

Re: Repayment of Loan

Ladies and Gentlemen:

In connection with execution of the First Amendment to Lease and Agreement of Lease, dated as of December 22, 2005 ("First Amendment"), to that certain Lease and Agreement of Lease, dated as of December 24, 1998, each of the foregoing by and between TNCA, LLC, a Delaware limited liability company ("Landlord"), and Peregrine Pharmaceuticals, Inc., a Delaware corporation (successor-in-interest to Techniclone Corporation, a Delaware corporation) ("Tenant"), Landlord and Tenant hereby concurrently agree to a discounted payoff of the Loan (defined below) as follows:

On or about December 24, 1998, Landlord executed that certain Promissory Note (the "**Note**") in favor of Tenant in the original principal amount of One Million Nine Hundred Twenty-Five Thousand Dollars (\$1,925,000.00) (the "**Loan**"). The Note is secured by that certain Pledge and Security Agreement (the "**Pledge Agreement**") executed on or about December 24, 1998 by Landlord in favor of Tenant, and by certain UCC Financing Statements (collectively, the "**Financing Statements**") executed on or about December 24, 1998 by Landlord in favor of Tenant. The Note, Pledge Agreement and Financing Statements are referred to herein as the "**Loan Documents**."

Concurrently with the execution of the First Amendment and the funding contemplated by that certain Loan Agreement by and between Landlord and Bank of America, N.A. scheduled to fund contemporaneously herewith (the "Funding"), Landlord shall pay to Tenant, via wire transfer, the then outstanding principal balance of the Loan; provided, however, that immediately prior to such repayment, Tenant shall reduce the then current principal balance of the Loan by twenty percent (20%), and such repayment by Landlord shall be based on the amount of such reduced loan balance, plus any accrued interest owed to date, in the total aggregate amount of \$1,228,668.55 Concurrently with Landlord's repayment of the Loan (as reduced) and accrued interest, Tenant shall deliver to Landlord a termination of the Pledge Agreement, and cause the Financing Statements to be terminated.

If Landlord does not make the payment provided for in this letter agreement to Tenant within seven (7) business days from the date of the Funding, and in any event by February 1, 2006, then: (a) the twenty percent (20%) reduction in the principal balance of the Loan provided for in this letter agreement shall automatically terminate, and the amount payable by Landlord to Tenant pursuant to this letter agreement shall be the full outstanding principal balance of the Loan without regard to the terminated reduction, plus any accrued interest owed to date; and (b) the First Amendment shall no longer have any force or effect.

In any action to enforce or interpret this letter agreement, the prevailing party shall recover from the other party, in addition to any damages or other relief, all costs (whether or not allowable as "cost" items by law) incurred at, before, and after arbitration, reference proceeding, trial, or on appeal, or in any bankruptcy proceeding, including without limitation attorneys' fees and witness (expert and otherwise) fees, deposition costs, and other expenses.

This letter agreement, dated as of the date set forth above, may be executed in multiple facsimile counterparts, each of which is to be deemed an original for all purposes, but all of which together shall constitute one and the same instrument.

Acknowledged and Agreed:

TNCA, LLC, a Delaware limited liability company

By: TNCA Holding, LLC, a Delaware limited liability company
Its Manager

By: /s/ C. FREDERICK WEHBA II

C. Frederick Wehba II, President

PEREGRINE PHARMACEUTICALS, INC.,
a Delaware corporation (successor-in-interest to Techniclone Corporation, a Delaware corporation)

By: /s/ PAUL J. LYTLE

Paul J. Lytle, Chief Financial Officer
