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# Peregrine Receives Regulatory Approval for New Cotara(R) Brain Cancer Clinical Trial

- Efficacy and Safety Trial Will Be Conducted at Prominent Indian Brain Cancer Centers -

- Study Expected to Enhance Ongoing U.S. Cotara Development Efforts -

TUSTIN, Calif., Oct. 12 /PRNewswire-FirstCall/ -- Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a biopharmaceutical company with a portfolio of innovative, clinical stage products for the treatment of cancer and hepatitis C virus infection, today announced that it has received regulatory approval in India for a new clinical trial of its lead tumor necrosis therapy (TNT) agent Cotara®. The trial is designed to test the safety and efficacy of Cotara in patients with glioblastoma multiforme, a deadly form of brain cancer. Cotara is currently being studied in a multi-center U.S. glioblastoma trial. Previous studies using Cotara to treat brain cancer have produced encouraging results, and Peregrine expects that positive data from this trial in combination with data from the ongoing U.S. clinical trial should provide the foundation for planning the future development and commercialization of Cotara.

The new safety and efficacy study is expected to be an integral part of Peregrine's overall Cotara brain cancer development program. It will be conducted according to internationally accepted ICH GCP guidelines at up to seven clinical centers and is expected to enroll up to 40 patients with glioblastoma who have experienced their first relapse. Patients will receive a single infusion of the drug by convection-enhanced delivery (CED), an NIH-developed technique in which the drug is slowly administered directly into the glioblastoma tumor with great precision. The primary endpoints of the trial are to confirm safety and determine median survival time and median time to progression in Cotara-treated patients. Patient enrollment in the study is expected to be completed by the end of 2007.

"We believe this new clinical trial will be a cornerstone of our future plans to develop Cotara for the treatment of this deadly form of cancer," said Steven W. King, president and CEO of Peregrine. "We are moving this program forward in India because of the high level of experience of the participating neurosurgeons with CED delivery, the state-of-the-art facilities of the medical centers involved and the fact that the contract research organization overseeing the trial is highly experienced in successfully running similar glioblastoma trials with many of the investigators who will be involved with our study."

Mr. King added, "We have previously generated encouraging results using Cotara in this lethal cancer, and this study should allow us to evaluate the potential of the drug to extend patient survival more rapidly than we had originally anticipated. The new trial aims to provide clinical data in a timely manner that can be combined with the dosimetry and safety data we will be gathering from the ongoing U.S. study to guide the further clinical and commercial development of Cotara. We believe this trial could greatly expedite our Cotara brain cancer program based on the fact that some of the cancer centers we are working with routinely treat thousands of brain cancer patients each year, while major U.S. centers typically treat at most several hundred."

Global pharmaceutical companies including Pfizer, GlaxoSmithKline, Roche and Eli Lilly have been conducting an increasing number of major clinical trials in India in recent years, taking advantage of the country's world-class clinical research facilities that leverage India's large cadre of Western-trained medical personnel and enormous pool of patients eager to participate in clinical trials.

About Cotara®

Cotara is an experimental new treatment for brain cancer that links a radioactive substance designed for medical uses -- a radioactive isotope -- to a targeted monoclonal antibody. This monoclonal antibody is designed to bind to a type of DNA that is exposed only on dead and dying cells. Solid tumors, including brain tumors, have a significant number of dead and dying cells at their center, and Cotara's targeting mechanism enables it to home in on these dying tumor cells, delivering its radioactive "payload" directly to these cells at the center of the tumor mass. Cotara thus literally destroys the tumor "from the inside out" with minimal radiation exposure to healthy tissue.

Cotara is delivered through a special method called convection-enhanced delivery (CED). CED uses a catheter to bypass the blood brain barrier and target the specific tumor site in the brain, directing Cotara to the tumor more precisely. This type of delivery has been shown to achieve up to a 10,000-fold greater concentration in local therapy exposure than conventional

intravenous drug administration, while minimizing unwanted exposure.

In previous clinical studies Cotara has demonstrated encouraging results in a number of patients with advanced brain cancer. One study demonstrated a greater than 50% increase in median survival time in a group of patients suffering from late stage glioblastoma multiforme who were treated with Cotara. This was considered a promising development in this serious and deadly disease. Cotara is currently in a multi-center dosimetry and dose confirmation trial in glioblastoma patients being conducted by the New Approaches to Brain Tumor Therapy (NABTT), a consortium of leading U.S. academic brain cancer centers. Cotara has been granted orphan drug status and fast track designation by the U.S. Food and Drug Administration for the treatment of glioblastoma multiforme.

About Peregrine Pharmaceuticals

Peregrine Pharmaceuticals, Inc. is a biopharmaceutical company with a portfolio of innovative product candidates in clinical trials for the treatment of cancer and hepatitis C virus (HCV) infection. The company is pursuing five separate clinical trials in cancer and HCV infection with its lead product candidates bavituximab and Cotara® in the U.S. and India. Peregrine also has in-house manufacturing capabilities through its wholly owned subsidiary Avid Bioservices, Inc. (www.avidbio.com), which provides development and bio-manufacturing services for both Peregrine and outside customers. Additional information about Peregrine can be found at www.peregrineinc.com.

Safe Harbor Statement: Statements in this press release which are not purely historical, including statements regarding Peregrine Pharmaceuticals' intentions, hopes, beliefs, expectations, representations, projections, plans or predictions of the future are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements involve risks and uncertainties including, but not limited to, the risk that the Company will not be able to enroll a sufficient number of patients to complete the clinical study, the risk that enrollment will be slower than expected, the risk that the results from the clinical study will not be consistent with the results from previous clinical studies of Cotara and the uncertainties associated with conducting clinical studies in, and complying with the regulatory requirements of, India. It is important to note that the company's actual results could differ materially from those in any such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, uncertainties associated with completing preclinical and clinical trials for our technologies; the early stage of product development; the significant costs to develop our products as all of our products are currently in development, preclinical studies or clinical trials; obtaining additional financing to support our operations and the development of our products; obtaining regulatory approval for our technologies; anticipated timing of regulatory filings and the potential success in gaining regulatory approval and complying with governmental regulations applicable to our business. Our business could be affected by a number of other factors, including the risk factors listed from time to time in the Company's SEC reports including, but not limited to, the annual report on Form 10-K for the year ended April 30, 2006. The Company cautions investors not to place undue reliance on the forward-looking statements contained in this press release. Peregrine Pharmaceuticals, Inc. disclaims any obligation, and does not undertake to update or revise any forward-looking statements in this press release.

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