



March 13, 2002

## **Avid Bioservices Announces Manufacturing Supply Agreement for the Production of a Therapeutic Monoclonal Antibody Intended for Phase III Clinical Trials**

TUSTIN, Calif., Mar 13, 2002 (BW HealthWire) -- Avid Bioservices, Inc. (Avid), a wholly-owned subsidiary of Peregrine Pharmaceuticals (Nasdaq: PPHM), today announced that it has signed a manufacturing supply agreement with a biotechnology company for the current Good Manufacturing Practices (cGMP) production of a monoclonal antibody anticipated to be used in an upcoming Phase III clinical study.

The client has requested the details of this project remain confidential.

"We are very happy to be working with this company and look forward to manufacturing its promising new therapeutic compound," said Steven King, Avid's president. "Since announcing the formation of Avid in January, there has been tremendous interest in Avid's development and production capabilities. We have already had a number of on-site client audits, and the reviews of the facilities and capabilities at Avid have been very positive. We look forward to signing additional supply agreements in the future."

"We expect that Avid will commence generating revenues during the ensuing quarter and will continue to generate revenues for the foreseeable future," stated Paul Lytle, Avid's chief financial officer. "These revenues will assist Avid in expanding its operations over the coming years to meet anticipated demand."

The biotechnology and biopharmaceutical industries are currently facing a worldwide shortage of manufacturing facilities for monoclonal antibodies and other recombinant proteins. Based on the number of non-monoclonal antibodies biopharmaceutical companies currently have in the pipeline, industry experts estimate that over the next three to five years, manufacturing capacity will fall short by two to three times what is required. The current shortfall is even more severe for monoclonal antibodies where the requirement is likely to be five to six times current capacities. There is a critical need for increased manufacturing capacity or many of these potential new and life saving biological drugs will be significantly delayed. Due to the cost and time required to build new manufacturing facilities and the expertise required to manage operations, an increasing number of companies are switching from in-house manufacturing to outsourcing with contract manufacturing facilities.

### About Avid Bioservices

Avid Bioservices provides a full range of cGMP manufacturing services for the biotechnology and biopharmaceutical industries. 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. For more information about Avid, please visit [www.avidbio.com](http://www.avidbio.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, 2001 and on Form 10-Q for the quarter ended October 31, 2001.

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