

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

**FORM S-8
REGISTRATION STATEMENT UNDER THE
SECURITIES ACT OF 1933**

PEREGRINE PHARMACEUTICALS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

95-3698422
(I.R.S. Employer
Identification No.)

**14272 Franklin Avenue, Suite 100
Tustin, California 92780**
(Address of Principal Executive Offices, Including Zip Code)

2003 Stock Incentive Plan
(Full Title of Plan)

**Paul J. Lytle, Chief Financial Officer, Corporate Secretary
Peregrine Pharmaceuticals, Inc.**
14272 Franklin Avenue, Suite 100, Tustin, California 92780-7017
(Name and Address of Agent For Service)

(714) 508-6000
(Telephone Number, Including Area Code, of Agent For Service)

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered ⁽¹⁾	Proposed maximum offering price per unit ⁽²⁾	Proposed maximum aggregate offering price ⁽²⁾	Amount of registration fee
Common Stock, \$0.001 par value	5,000,000 shares	\$1.275	\$6,375,000	\$750.34

- (1) This registration statement also relates to any additional number of shares as may be issuable pursuant to the anti-dilution provisions of the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan in the event of any future stock split, stock dividend or other similar transactions.
- (2) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457(c) and (h) under the Securities Act of 1933, as amended, based on the average of the high (\$1.30) and low (\$1.25) prices of the Registrant's Common Stock, \$0.001 par value per share, reported on the Nasdaq Stock Market on December 15, 2004.

PART II. Information Required in the Registration Statement

Item 3. Incorporation of Certain Documents by Reference.

We hereby incorporate by reference into this Registration Statement the following documents previously filed with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"):

1. Annual Report on Form 10-K for the fiscal year ended April 30, 2004, as filed with the Commission on July 14, 2004 under Section 13(a) of the Securities Exchange Act of 1934;
2. Quarterly Report on Form 10-Q for the quarter ended October 31, 2004, filed with the Commission on December 10, 2004;
3. Quarterly Report on Form 10-Q for the quarter ended July 31, 2004, filed with the Commission on September 9, 2004;
4. Definitive Proxy Statement with respect to the Annual Meeting of Stockholders held on October 25, 2004, as filed with the Commission on September 13, 2004; and
5. The description of our common stock contained in our Registration Statement on Form 8-A and Form 8-B (Registration of Successor Issuers) filed under the Securities Exchange Act of 1934, including any amendment or report filed for the purpose of updating such description.

In addition, all documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities and Exchange Act of 1934 (the "Exchange Act") prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference into the prospectus and to be a part hereof from the date of filing of such documents.

Item 4. Description of Securities.

Our common stock is registered pursuant to Section 12 of the Exchange Act, and, therefore, the description of securities is omitted.

Item 5. Interests of Named Experts and Counsel.

None.

Item 6. Indemnification of Directors and Officers.

Our Bylaws provide that we will indemnify our directors and officers and may indemnify our employees and other agents to the fullest extent permitted by law. We believe that indemnification under our Bylaws covers at least negligence and gross negligence by indemnified parties, and permits us to advance litigation expenses in the case of stockholder derivative actions or other actions, against an undertaking by the indemnified party to repay such advances if it is ultimately determined that the indemnified party is not entitled to indemnification. We have liability insurance for our directors and officers.

In addition, our Certificate of Incorporation provides that, under Delaware law, our directors shall not be liable for monetary damages for breach of the directors' fiduciary duty as a director to us and our stockholders. This provision in the Certificate of Incorporation does not eliminate the directors' fiduciary duty, and in appropriate circumstances equitable remedies such as injunctive or other forms of non-monetary relief will remain available under Delaware law. In addition, each director will continue to be subject to liability for breach of the director's duty of loyalty to our Company for acts or omissions not in good faith or involving intentional misconduct, for knowing violations of law, for actions leading to improper personal benefit to the director, and for payment of dividends or approval of stock repurchases or redemptions that are unlawful under Delaware law. The provision also does not affect a director's responsibilities under any other law, such as the federal securities laws or state or federal environmental laws.

Provisions of our Bylaws require us, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers (other than liabilities arising from actions not taken in good faith or in a manner the indemnitee believed to be opposed to our best interests) to advance their expenses incurred as a result of any proceeding against them as to which they could be indemnified and to obtain directors' insurance if available on reasonable terms. To the extent that indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling our Company as discussed in the foregoing provisions, we have been informed that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act of 1933, and is therefore unenforceable. We believe that our Certificate of Incorporation and Bylaw provisions are necessary to attract and retain qualified persons as directors and officers.

We have in place a directors' and officers' liability insurance policy that, subject to the terms and conditions of the policy, insures our directors and officers against losses arising from any wrongful act (as defined by the policy) in his or her capacity as a director or officer. The policy reimburses us for amounts, which we lawfully indemnify or is required or permitted by law to indemnify its directors and officers.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

See Exhibit Index appearing at sequentially numbered page 6.

Item 9. Undertakings.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424 (b) if, in the aggregate, the changes in volume and price present no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

PROVIDED, HOWEVER, that paragraphs (1)(i) and (1)(ii) do not apply if the registration statement is on Form S-3, Form S-8, or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial BONA FIDE offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(h) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement on Form S-8 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Tustin, State of California, on December 15, 2004.

PEREGRINE PHARMACEUTICALS, INC.

By: /s/ Steven W. King

Steven W. King,
President and Chief Executive Officer

POWER OF ATTORNEY

We, the undersigned officers and directors of Peregrine Pharmaceuticals, Inc., hereby severally constitute and appoint, Steven W. King and Paul J. Lytle, and each of them singly, as true and lawful attorneys-in-fact, with full power of substitution, to sign for us in our names in the capacities indicated below, all additional amendments (including post-effective amendments), together with any exhibits thereto or documents therewith, to this Registration Statement, and generally to do all things in our names and on our behalf in such capacities to enable Peregrine Pharmaceuticals, Inc. to comply with the provisions of the Securities Act, and all applicable requirements of the Commission.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>SIGNATURE</u>	<u>TITLE</u>	<u>DATE</u>
/s/ Steven W. King _____ Steven W. King	President and Chief Executive Officer, Director	December 15, 2004
/s/ Paul J. Lytle _____ Paul J. Lytle	Chief Financial Officer and Corporate Secretary	December 15, 2004
/s/ Carlton M. Johnson _____ Carlton M. Johnson	Director	December 15, 2004
/s/ Eric S. Swartz _____ Eric S. Swartz	Director	December 15, 2004
/s/ David H. Pohl _____ David H. Pohl	Director	December 15, 2004
/s/ Thomas A. Waltz, M.D. _____ Thomas A. Waltz, M.D.	Director	December 15, 2004

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
5.1*	Opinion of Snell & Wilmer LLP
10.94**	Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan
10.95*	Form of Non-Qualified Stock Option Agreement
10.96*	Form of Incentive Stock Option Agreement
23.1*	Consent of Independent Registered Public Accounting Firm
23.2*	Consent of Snell & Wilmer LLP (contained in Exhibit 5.1)

* Filed herewith.

** Previously filed as an Exhibit C to Definitive Proxy Statement, as filed with the Commission on August 27, 2003 and incorporated by reference herein.

OPINION OF COUNSEL

Snell & Wilmer, LLP
1920 Main Street
Suite 1200
Irvine, California 92614-7230
TELEPHONE: (949) 253-2700
FACSIMILE: (949) 955-2507

December 16, 2004

Peregrine Pharmaceuticals, Inc.
14272 Franklin Avenue
Suite 100
Tustin, California 92780
Attention: Steven M. King, CEO

Re: Issuance of Shares Pursuant to S-8 Registration Statement

Dear Mr. King:

This letter relates to the issuance of up to 5,000,000 shares of common stock, \$.001 par value (the "Shares"), of Peregrine Pharmaceuticals, Inc., a Delaware corporation (the "Company") registered pursuant to that Registration Statement on Form S-8, filed with the Securities and Exchange Commission on December 16, 2004 (the "Registration Statement"). You have requested that we deliver to you an opinion as to whether the Shares will have been duly authorized, validly issued, and, when issued, will be fully paid and non-assessable shares of common stock of the Company. We have examined the Certificate of Incorporation, as amended, and such other corporate records, including the resolutions of the Company's Board of Directors, and such other documents as we have deemed necessary in order to express the opinion set forth below. In our examination we have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as originals and the conformity of all originals of all documents submitted to us as copies. As to questions of fact material to such opinion, we have relied upon statements and representations of the Company.

Our opinion is based on existing law that is subject to change either prospectively or retroactively. Relevant laws could change in a manner that could adversely affect the Company or its stockholders. We have no obligation to inform the Company of any such change in the law. We have not been requested to opine, and we have not opined, as to any issues other than those expressly set forth herein. This opinion extends only to questions relating to the validity of the Shares offered and sold under the Registration Statement. We express no opinion with respect to any other issue.

We are admitted to practice law in the State of California and our opinion is limited to federal law and the corporate laws of the State of California and the State of Delaware that affect such opinion. We express no opinion with respect to any other law or the laws of any other jurisdiction.

Assuming the Shares are issued and paid for in accordance with the terms of the offering described in the Registration Statement, including documents incorporated by reference thereto, and when certificates representing such Shares have been issued to the purchasers, based on the foregoing, we are of the opinion that the Shares will have been duly authorized, validly issued, and will be fully paid and non-assessable shares of common stock of the Company.

For purposes of rendering this opinion we have made such legal and factual inquiries as we have deemed necessary under the circumstances. Although we have not independently verified all of the facts relied upon for purposes hereof, nothing has come to our attention that has led us to believe that the facts are other than as stated herein, or that there exist other material facts not considered.

Our opinion contained herein is solely for the benefit of the Company and may be relied upon by the Company only in connection with the Registration Statement. In this regard, we hereby consent to the filing of this opinion, including this consent, as an exhibit to the Registration Statement.

Very truly yours,

/s/ Snell & Wilmer, LLP

PEREGRINE PHARMACEUTICALS, INC.
2003 STOCK INCENTIVE PLAN
NON-QUALIFIED STOCK OPTION AGREEMENT

NON-QUALIFIED STOCK OPTION AGREEMENT (the "Agreement") dated as of _____, between PEREGRINE PHARMACEUTICALS, INC., a Delaware corporation (collectively with its direct and indirect subsidiaries, the "Company"), and _____, an employee of the Company ("Optionee" or "Participant").

The Company's Board of Directors or Option Committee (in either case, the "Committee") has determined that the objectives of the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan (the "Plan") will be furthered by granting to Optionee options pursuant to the Plan. Any capitalized terms not otherwise defined in this Agreement shall have the meaning ascribed to them in the Plan.

In consideration of the foregoing and of the mutual undertakings set forth in this Agreement, the Company and Optionee agree as follows:

1. **Grant of Option.**

(a) The Company hereby grants to Optionee options (the "Options") to purchase ___ Shares of Common Stock of the Company (the "Shares") at a purchase price of ___ per Share. The Options shall not qualify as incentive stock options as described under Section 422 of the Internal Revenue Code.

(b) For purposes of this Agreement, the term "Cause" means the Participant's (i) embezzlement, fraud or any conduct related to the performance of the Participant's duties for the Company that constitutes a crime, (ii) unauthorized disclosure of confidential information or breach of any confidentiality or non-disclosure agreement with the Company or any of its Subsidiaries, (iii) willful and habitual breach of duties, after notice to the Participant affording the Participant a reasonable opportunity to cure, or (iv) breach or violation of any statutory or common law duty of loyalty to the Company or the Company's Affiliates.

2. **Exercisability.** Subject to the further terms of this Agreement, the Options shall vest and become exercisable in accordance with Schedule 1 hereto. Unless earlier terminated pursuant to the provisions of the Plan or paragraph 5 of this Agreement, the unexercised portion of the Options shall expire and cease to be exercisable at 5:00 pm PST ten (10) years from the date of this Agreement. This Agreement shall not confer upon Optionee any right with respect to continuation of her/his employment or consulting relationship with the Company, nor shall it interfere with or affect in any manner the right or power of the Company, or a parent or subsidiary of the Company, to terminate any agreement with Optionee in accordance with the terms thereof.

3. **Method of Exercise.** The Options or any part of them may be exercised only by the giving of written notice to the Company in substantially the form annexed hereto as Schedule 2 hereto, or on such other form and in such other manner as the Committee shall prescribe from time to time. Such written notice must be accompanied by payment of the full purchase price for the number of Shares with respect to which the Options are being exercised. Such payment may be made by one or a combination of the following methods: (i) by a check acceptable to the Company; or (ii) by such other method as the Committee may authorize including, in the discretion of the Committee, the recourse promissory note of the Optionee. The date of exercise of the Options shall be the date on which written notice of exercise is hand delivered to the Company and payment of the full purchase price for the number of Shares with respect to which the Options are being exercised, during normal business hours, at its address as provided in Section 7 of this Agreement, or, if mailed, the date on which it is postmarked, provided such notice is actually received.

4. **Optionee's Representations.** As a condition to the exercise of an Option, the Company may require Optionee to make any representation and warranty to the Company as may be required by any applicable law or regulation.

5. **Termination of Employment; Death.** Upon termination of Optionee's employment with or status as a consultant to, the Company for any reason, the Options will immediately terminate and expire, except as provided in paragraphs (a) or (b) of this Section 5.

(a) If Optionee resigns as an employee of, or consultant to, the Company with the Company's prior written consent, or if the Company terminates Optionee's employment by the Company without Cause (as defined herein), the Option will be exercisable but only to the extent it was exercisable at the time of such termination or resignation and only until the earlier of the expiration date of the Option, determined pursuant to Section 2 of this Agreement, or the expiration of three (3) months following such termination or resignation.

(b) If Optionee dies or becomes Permanently Disabled while employed by, or rendering services as a consultant to, the Company or after Optionee's employment or status as a consultant to the Company terminates but during a period in which the Option is exercisable pursuant to paragraph (a) of this Section 5, the Option will be exercisable but only to the extent it was exercisable at the time of death and only until the earlier of the expiration date of the Option, determined pursuant to Section 2 of this Agreement, or the expiration of twelve (12) months following the date of Optionee's death.

6. **Plan Provisions to Prevail.** This Agreement is subject to all of the terms and provisions of the Plan. Without limiting the generality of the foregoing, by entering into this Agreement Optionee agrees that no member of the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any award thereunder or this Agreement. In the event that there is any inconsistency between the provisions of this Agreement and of the Plan, the provisions of the Plan shall govern.

7. **Notices.** Any notice to be given to the Company hereunder shall be in writing and shall be addressed to Paul Lytle, Corporate Secretary, or at such other address as the Company may hereafter designate to Optionee by notice as provided in this Section 7. Any notice to be given to Optionee hereunder shall be addressed to Optionee at the address set forth beneath her/his signature hereto, or at such other address as Optionee may hereafter designate to the Company by notice as provided herein. A notice shall be deemed to have been duly given when personally delivered or mailed by registered or certified mail to the party entitled to receive it.

8. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and the successors and assigns of the Company and to the extent consistent with Section 5 of this Agreement and with the Plan, the heirs and personal representatives of Optionee.

9. **Governing Law.** This Agreement shall be interpreted, construed and administered in accordance with the laws of the State of California as they apply to contracts made, delivered and performed in the State of California. Any dispute arising hereunder shall be resolved by binding arbitration before the American Arbitration Association under its Commercial Arbitration Rules, before a single arbitrator in Orange County, California. The parties will mutually determine the arbitrator from a list of arbitrators obtained from the American Arbitration Association office located in Orange County, California. If the parties are unable to agree on the arbitrator, the arbitrator will be selected by the American Arbitration Association with a preference for selecting a retired federal district judge or state superior court judge as the arbitrator.

10. **Withholding.** Upon exercise, the Optionee hereby agrees to promptly provide the necessary tax withholding, if applicable, in the Committee's view, pursuant to Section 15 of the Plan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first written above.

PEREGRINE PHARMACEUTICALS, INC.

By: _____

OPTIONEE:

Signature

Name: _____

Social Security Number:

**SCHEDULE 1 TO NON-QUALIFIED STOCK OPTION AGREEMENT
PURSUANT TO PEREGRINE PHARMACEUTICALS, INC.
2003 STOCK INCENTIVE PLAN**

(This Schedule 1 shall be incorporated by reference and become a part of the Option Agreement between the Company and the Optionee.)

I. NON-QUALIFIED STOCK OPTIONS: Non-qualified stock options generally give rise to ordinary compensation income for the Optionee when the option is exercised. The Company may require the Optionee to make arrangements for the payment of withholding taxes by the Company if the Optionee is an employee of the Company at the time of the exercise of the Non-qualified stock option.

Date of Grant:

Earliest Exercise Date:

Exercise Price:

Number of Shares:

Vesting Schedule:

Vesting Date

Options Vested

Expiration Date:

Governing Law; Resolution of Disputes. This Agreement has been made, executed and delivered in, and the interpretation, performance and enforcement hereof shall be governed by and construed under the laws of the State of California. Any dispute arising hereunder shall be resolved by binding arbitration before the American Arbitration Association under its Commercial Arbitration Rules, before a single arbitrator in Orange County, California. The parties will mutually determine the arbitrator from a list of arbitrators obtained from the American Arbitration Association office located in Orange County, California. If the parties are unable to agree on the arbitrator, the arbitrator will be selected by the American Arbitration Association with a preference for selecting a retired federal district judge or state superior court judge as the arbitrator.

I have read the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan, the terms of which are incorporated herein. As Optionee, I hereby acknowledge that as of the date of the Options referenced above, it sets forth the entire understanding between the undersigned Optionee and the Company and its Affiliates regarding the Options and supersedes all prior oral and written agreements on that subject with the exception of (i) the options and any other stock awards previously granted and delivered to the undersigned under stock award plans of the Company, and (ii) the following agreements only:

NONE _____
(Initial)

OTHER _____

IN WITNESS WHEREOF, this Non-Qualified Stock Option Agreement pursuant to the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan has been delivered by the parties hereto.

Date: _____

“Optionee”

Name

Address

Social Security Number: _____

The Company hereby agrees to all the terms of the Agreement.

Peregrine Pharmaceuticals, Inc.

By: _____

Name:

Title:

SCHEDULE 2

PEREGRINE PHARMACEUTICALS, INC.
EXERCISE NOTICE

Peregrine Pharmaceuticals, Inc.
14272 Franklin Avenue, Suite 100
Tustin, CA 92780

1. Exercise of Option. Effective as of today, _____, the undersigned (“Optionee”) hereby elects to exercise Optionee’s Options to purchase _____ shares of Common Stock (the “Shares”) of Peregrine Pharmaceuticals, Inc. (the “Company”) under and pursuant to the Non-Qualified Stock Option Agreement dated as of _____, (the “Option Agreement”) between the Company and Optionee pursuant to the Option Agreement.
2. Rights as Shareholder
 - (i) Until the certificate evidencing the Shares is issued (as evidenced by the appropriate entry on the stock ownership register of the Company or of a duly authorized transfer agent of the Company), no right to receive distributions or any other rights as a shareholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such certificate promptly upon exercise of the Option.
 - (ii) Upon issuance of the certificate, Optionee shall enjoy rights as a shareholder of Common Stock until such time as Optionee disposes of the Shares or the Company.
3. Governing Law; Severability. This Notice shall be governed by and construed in accordance with the laws of the State of California excluding that body of law pertaining to conflicts of law. Should any provision of this Notice be determined by a court of law to be illegal or unenforceable, the other provisions shall nevertheless remain effective and shall remain enforceable. Any dispute arising hereunder shall be resolved by binding arbitration before the American Arbitration Association under its Commercial Arbitration Rules, before a single arbitrator in Orange County. The parties will mutually determine the arbitrator from a list of arbitrators obtained from the American Arbitration Association office located in Orange County. If the parties are unable to agree on the arbitrator, the arbitrator will be selected by the American Arbitration Association with a preference for selecting a retired federal district judge or state superior court judge as the arbitrator.
4. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by certified mail, with postage and fees prepaid, addressed to the other party at its address as shown below beneath its signature, or to such other address as such party may designate in writing from time to time to the other party.
5. Further Instruments. The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this Notice.
6. Delivery of Payment. Optionee herewith delivers to the Company the full purchase price for the Shares as set forth in paragraph 1 of the Option Agreement.
7. Entire Agreement. The Option Agreement is incorporated herein by reference. This Notice, the Option Agreement and the Plan constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Optionee with respect to the subject matter hereof. In the event of a conflict or discrepancy between the terms of this Agreement and the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan (the “Plan”), the terms of the Plan shall control.

8. Representatives of Optionee. Optionee acknowledges that Optionee has received, read and understood the Option Agreement and this Notice and agrees to abide by and be bound by the terms and conditions of the Option Agreement and this Notice.

Submitted by:

Accepted by:

OPTIONEE:

PEREGRINE PHARMACEUTICALS, INC.

By: _____

By: _____

Name: _____

Address: _____

PEREGRINE PHARMACEUTICALS, INC.
2003 STOCK INCENTIVE PLAN
INCENTIVE STOCK OPTION AGREEMENT

INCENTIVE STOCK OPTION AGREEMENT (the "Agreement") dated as of _____, between PEREGRINE PHARMACEUTICALS, INC., a Delaware corporation (collectively with its direct and indirect subsidiaries, the "Company"), and _____, an employee of the Company ("Optionee" or "Participant").

The Company's Board of Directors or Option Committee (in either case, the "Committee") has determined that the objectives of the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan (the "Plan") will be furthered by granting to Optionee options and/or other incentives pursuant to the Plan. Any capitalized terms not otherwise defined in this Agreement shall have the meaning ascribed to them in the Plan.

In consideration of the foregoing and of the mutual undertakings set forth in this Agreement, the Company and Optionee agree as follows:

1. **Grant of Option and other rights.**

(a) The Company hereby grants to Optionee options (the "Options") to purchase ___ Shares of Common Stock of the Company (the "Shares") at a purchase price of ___ per Share. It is intended that _____ of the Options qualify as "Incentive Stock Options" to the maximum extent permissible under the Internal Revenue Code.

(b) For purposes of this Agreement, the term "Cause" means the Participant's (i) embezzlement, fraud or any conduct related to the performance of the Participant's duties for the Company that constitutes a crime, (ii) unauthorized disclosure of confidential information or breach of any confidentiality or non-disclosure agreement with the Company or any of its Subsidiaries, (iii) willful and habitual breach of duties, after notice to the Participant affording the Participant a reasonable opportunity to cure, or (iv) breach or violation of any statutory or common law duty of loyalty to the Company or the Company's Affiliates.

2. **Exercisability.** Subject to the further terms of this Agreement, the Options shall vest and become exercisable in accordance with Schedule 1 hereto. Unless earlier terminated pursuant to the provisions of the Plan or paragraph 5 of this Agreement, the unexercised portion of the Options shall expire and cease to be exercisable at 5:00 pm PST ten (10) years from the date of this Agreement. This Agreement shall not confer upon Optionee any right with respect to continuation of her/his employment or consulting relationship with the Company, nor shall it interfere with or affect in any manner the right or power of the Company, or a parent or subsidiary of the Company, to terminate any agreement with Optionee in accordance with the terms thereof.

3. **Method of Exercise.** The Options or any part of them may be exercised only by the giving of written notice to the Company in substantially the form annexed hereto as Schedule 2 hereto, or on such other form and in such other manner as the Committee shall prescribe from time to time. Such written notice must be accompanied by payment of the full purchase price for the number of Shares with respect to which the Options are being exercised. Such payment may be made by one or a combination of the following methods: (i) by a check acceptable to the Company; or (ii) by such other method as the Committee may authorize including, in the discretion of the Committee, the recourse promissory note of the Optionee. The date of exercise of the Options shall be the date on which written notice of exercise is hand delivered to the Company and payment of the full purchase price for the number of Shares with respect to which the Options are being exercised, during normal business hours, at its address as provided in Section 7 of this Agreement, or, if mailed, the date on which it is postmarked, provided such notice is actually received.

4. **Optionee's Representations.** As a condition to the exercise of an Option, the Company may require Optionee to make any representation and warranty to the Company as may be required by any applicable law or regulation.

5. **Termination of Employment; Death.** Upon termination of Optionee's employment with or status as a consultant to, the Company for any reason, the Options will immediately terminate and expire, except as provided in paragraphs (a) or (b) of this Section 5.

(a) If Optionee resigns as an employee of, or consultant to, the Company with the Company's prior written consent, or if the Company terminates Optionee's employment by the Company without Cause (as defined herein), the Option will be exercisable but only to the extent it was exercisable at the time of such termination or resignation and only until the earlier of the expiration date of the Option, determined pursuant to Section 2 of this Agreement, or the expiration of three (3) months following such termination or resignation.

(b) If Optionee dies or becomes Permanently Disabled while employed by, or rendering services as a consultant to, the Company or after Optionee's employment or status as a consultant to the Company terminates but during a period in which the Option is exercisable pursuant to paragraph (a) of this Section 5, the Option will be exercisable but only to the extent it was exercisable at the time of death and only until the earlier of the expiration date of the Option, determined pursuant to Section 2 of this Agreement, or the expiration of twelve (12) months following the date of Optionee's death.

6. **Plan Provisions to Prevail.** This Agreement is subject to all of the terms and provisions of the Plan. Without limiting the generality of the foregoing, by entering into this Agreement Optionee agrees that no member of the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any award thereunder or this Agreement. In the event that there is any inconsistency between the provisions of this Agreement and of the Plan, the provisions of the Plan shall govern.

7. **Notices.** Any notice to be given to the Company hereunder shall be in writing and shall be addressed to Paul Lytle, Corporate Secretary, or at such other address as the Company may hereafter designate to Optionee by notice as provided in this Section 7. Any notice to be given to Optionee hereunder shall be addressed to Optionee at the address set forth beneath her/his signature hereto, or at such other address as Optionee may hereafter designate to the Company by notice as provided herein. A notice shall be deemed to have been duly given when personally delivered or mailed by registered or certified mail to the party entitled to receive it. Optionee expressly agrees to notify the Company of any transfer of the Common Stock or other action reasonably expected to cause any Option designated as an Incentive Stock Option to be retroactively classified for tax purposes as a Non-Qualified Option.

8. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and the successors and assigns of the Company and to the extent consistent with Section 5 of this Agreement and with the Plan, the heirs and personal representatives of Optionee.

9. **Governing Law.** This Agreement shall be interpreted, construed and administered in accordance with the laws of the State of California as they apply to contracts made, delivered and performed in the State of California. Any dispute arising hereunder shall be resolved by binding arbitration before the American Arbitration Association under its Commercial Arbitration Rules, before a single arbitrator in Orange County, California. The parties will mutually determine the arbitrator from a list of arbitrators obtained from the American Arbitration Association office located in Orange County, California. If the parties are unable to agree on the arbitrator, the arbitrator will be selected by the American Arbitration Association with a preference for selecting a retired federal district judge or state superior court judge as the arbitrator.

10. **Withholding.** If the Optionee takes any action that would cause the Options to be classified as nonqualified options for tax purposes, the Optionee will promptly provide the necessary tax withholding, if applicable, in the Committee's view, pursuant to Article IV, Section V of the Plan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first written above.

PEREGRINE PHARMACEUTICALS, INC.

By: _____

OPTIONEE:

Signature

Name: _____

Social Security Number:

**SCHEDULE 1 TO INCENTIVE STOCK OPTION AGREEMENT
PURSUANT TO PEREGRINE PHARMACEUTICALS, INC., INC.
2003 STOCK INCENTIVE PLAN**

(This Schedule 1 shall be incorporated by reference and become a part of the Incentive Stock Option Agreement between the Company and the Optionee.)

I. INCENTIVE STOCK OPTIONS: Incentive stock options do not result in compensation income on exercise by the Optionee and result in capital gain or loss when the stock is sold. Incentive stock options may only be issued to employees of the Company. There are a number of other legal requirements that the Company and the Optionee must satisfy in order for options to be classified as incentive stock options. Some of the rules affecting incentive stock options are (a) the stock received on the exercise of an incentive stock option must be held for two years from the date of grant of the option and one year from the date of exercise of the option, (b) no more than \$100,000 in options may first become exercisable in any one year, and (c) the exercise of the incentive stock option may generate an item of tax preference for purposes of calculating the alternative minimum tax liability of the Optionee. Violation of any of those requirements by the Company or the Optionee can result in the Option being treated as a Non-qualified stock option.

Date of Grant:

Earliest Exercise Date:

Exercise Price:

Number of Shares:

Vesting Schedule:

Vesting Date

Options Vested

Expiration Date:

Governing Law; Resolution of Disputes. This Agreement has been made, executed and delivered in, and the interpretation, performance and enforcement hereof shall be governed by and construed under the laws of the State of California. Any dispute arising hereunder shall be resolved by binding arbitration before the American Arbitration Association under its Commercial Arbitration Rules, before a single arbitrator in Orange County, California. The parties will mutually determine the arbitrator from a list of arbitrators obtained from the American Arbitration Association office located in Orange County, California. If the parties are unable to agree on the arbitrator, the arbitrator will be selected by the American Arbitration Association with a preference for selecting a retired federal district judge or state superior court judge as the arbitrator.

I have read the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan, the terms of which are incorporated herein. As Optionee, I hereby acknowledge that as of the date of the Options referenced above, it sets forth the entire understanding between the undersigned Optionee and the Company and its Affiliates regarding the Options and supersedes all prior oral and written agreements on that subject with the exception of (i) the options and any other stock awards previously granted and delivered to the undersigned under stock award plans of the Company, and (ii) the following agreements only:

NONE _____
(Initial)

OTHER _____

-

IN WITNESS WHEREOF, this Incentive Stock Option Agreement pursuant to the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan has been delivered by the parties hereto.

Date: _____

“Optionee”

Name

Address

Social Security Number: _____

The Company hereby agrees to all the terms of the Agreement.

Peregrine Pharmaceuticals, Inc.

By: _____

Name:

Title:

SCHEDULE 2

PEREGRINE PHARMACEUTICALS, INC.
EXERCISE NOTICE

Peregrine Pharmaceuticals, Inc.
14272 Franklin Avenue, Suite 100
Tustin, CA 92780

1. Exercise of Option. Effective as of today, _____, the undersigned (“Optionee”) hereby elects to exercise Optionee’s Options to purchase _____ shares of Common Stock (the “Shares”) of Peregrine Pharmaceuticals, Inc. (the “Company”) under and pursuant to the Incentive Stock Option Agreement dated as of _____, (the “Option Agreement”) between the Company and Optionee pursuant to the Option Agreement.
 2. Rights as Shareholder
 - (i) Until the certificate evidencing the Shares is issued (as evidenced by the appropriate entry on the stock ownership register of the Company or of a duly authorized transfer agent of the Company), no right to receive distributions or any other rights as a shareholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such certificate promptly upon exercise of the Option.
 - (ii) Upon issuance of the certificate, Optionee shall enjoy rights as a shareholder of Common Stock until such time as Optionee disposes of the Shares or the Company.
 3. Governing Law; Severability. This Notice shall be governed by and construed in accordance with the laws of the State of California excluding that body of law pertaining to conflicts of law. Should any provision of this Notice be determined by a court of law to be illegal or unenforceable, the other provisions shall nevertheless remain effective and shall remain enforceable. Any dispute arising hereunder shall be resolved by binding arbitration before the American Arbitration Association under its Commercial Arbitration Rules, before a single arbitrator in Orange County. The parties will mutually determine the arbitrator from a list of arbitrators obtained from the American Arbitration Association office located in Orange County. If the parties are unable to agree on the arbitrator, the arbitrator will be selected by the American Arbitration Association with a preference for selecting a retired federal district judge or state superior court judge as the arbitrator.
 4. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by certified mail, with postage and fees prepaid, addressed to the other party at its address as shown below beneath its signature, or to such other address as such party may designate in writing from time to time to the other party.
 5. Further Instruments. The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this Notice.
 6. Delivery of Payment. Optionee herewith delivers to the Company the full purchase price for the Shares as set forth in paragraph 1 of the Option Agreement.
 7. Entire Agreement. The Option Agreement is incorporated herein by reference. This Notice, the Option Agreement and the Plan constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Optionee with respect to the subject matter hereof. In the event of a conflict or discrepancy between the terms of this Agreement and the Peregrine Pharmaceuticals, Inc. 2003 Stock Incentive Plan (the “Plan”), the terms of the Plan shall control.
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8. Representatives of Optionee. Optionee acknowledges that Optionee has received, read and understood the Option Agreement and this Notice and agrees to abide by and be bound by the terms and conditions of the Option Agreement and this Notice.

Submitted by:

Accepted by:

OPTIONEE:

PEREGRINE PHARMACEUTICALS, INC.

By: _____

By: _____

Name: _____

Address: _____

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statement (Form S-8) pertaining to the 2003 Stock Incentive Plan of Peregrine Pharmaceuticals, Inc. of our report dated June 30, 2004 (except Note 17, as to which the date is July 6, 2004), with respect to the consolidated financial statements and schedule of Peregrine Pharmaceuticals, Inc. included in its Annual Report (Form 10-K) for the year ended April 30, 2004, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Orange County, California
December 16, 2004

