



December 24, 2008

Peregrine Pharmaceuticals Receives Notification of Extension to Regain Compliance With NASDAQ's Minimum Bid Price Rule

**- Now Has Until July 27, 2009 to Regain Compliance with \$1.00 Minimum Bid Price Rule -
- Also Reports Closing of Working Capital Loan Agreement Worth Up to \$10 Million -**

TUSTIN, Calif., Dec 24, 2008 /PRNewswire-FirstCall via COMTEX News Network/ --

Peregrine Pharmaceuticals, Inc. (Nasdaq: PPHM), a clinical stage biopharmaceutical company developing monoclonal antibodies for the treatment of cancer and serious viral infections, today announced it has received a letter from NASDAQ that provides Peregrine with an additional three months to regain compliance with the \$1.00 minimum bid price rule required for continued listing on The Nasdaq Stock Market. Peregrine now has until July 27, 2009 to regain compliance with the minimum bid price rule. This additional time was granted as part of NASDAQ's recently announced extension of its suspension of the minimum bid price and market value requirements for all NASDAQ-listed companies.

Separately, the company announced that it has received the initial \$5 million tranche under its previously announced working capital loan, which includes an option to acquire a second \$5 million tranche in the future subject to certain conditions.

"The recent capital infusion from MidCap Financial and BlueCrest Capital Finance augments the revenues generated by our Avid manufacturing subsidiary and our federally funded anti-viral development contract, providing us with additional resources to advance our ongoing clinical trials in cancer and serious viral diseases," said Steven W. King, president and CEO of Peregrine. "The loan funding and NASDAQ's action extending its suspension of the minimum bid price rule give us additional time to generate the clinical data that will help us build sustainable value in Peregrine."

As previously announced, in October 2008 Peregrine received a letter from NASDAQ informing the company that the deadline for regaining compliance with the minimum bid price rule had been extended until April 27, 2009. This deadline is now extended until July 27, 2009, at which time Peregrine must evidence a closing bid price of \$1.00 or more for a minimum of 10 prior consecutive trading days.

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 serious viral infections. The company is pursuing three separate clinical programs in cancer and HCV infection with its lead product candidates bavituximab and Cotara(R). Peregrine also has in-house manufacturing capabilities through its wholly owned subsidiary Avid Bioservices, Inc. (<http://www.avidbio.com>), which provides development and bio-manufacturing services for both Peregrine and outside customers. Additional information about Peregrine can be found at <http://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 we will not satisfy the additional conditions to exercise the option for the second \$5 million tranche and the risk that that the funding and additional time may not be sufficient to allow the company to generate clinical data that builds sustainable value. 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, 2008 and the quarterly report on Form 10-Q for the quarter ended October 31, 2008. 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.

Contacts:

GendeLindheim BioCom Partners

Investors

info@peregrineinc.com

(800) 987-8256

Media

Barbara Lindheim

(212) 918-4650

SOURCE Peregrine Pharmaceuticals, Inc.

<http://www.peregrineinc.com>

Copyright (C) 2008 PR Newswire. All rights reserved

News Provided by COMTEX