

Peregrine Pharmaceuticals, Inc.

**CHARTER OF THE NOMINATING COMMITTEE
OF THE BOARD OF DIRECTORS**
(ADOPTED APRIL 29, 2004)

Purpose

The purpose of the Nominating Committee (“Committee”) of the Board of Directors (the “Board”) of Peregrine Pharmaceuticals, Inc., a Delaware corporation. (“Corporation”) shall be to (i) make recommendations to the Board regarding the size of the Board, (ii) make recommendations to the Board regarding criteria for the selection of Director nominees, (iii) identify and recommend to the Board for selection as Director nominees individuals qualified to become members of the Board, and (iv) recommend committee assignments to the Board.

Composition

The Committee will consist of not less than two directors, each of whom will satisfy the definition of "independent" under the listing standards of The Nasdaq Stock Market. All Committee members shall also be both a “non-employee director” within the meaning of Rule 16b-3 issued by the Securities and Exchange Commission (“SEC”) and an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code, as amended. Members of the Committee will be elected by majority vote of the Board and elected annually to one-year terms. If a Committee Chair is not designated or present, the members may designate a Chair by majority vote. Vacancies on the Committee shall be filled by majority vote of the Board at the next meeting of the Board following the occurrence of the vacancy.

Authority

The Committee will have the resources and authority necessary to discharge its duties and responsibilities, including the authority and resources to retain a search firm to be used to identify director candidates, outside counsel and other experts or consultants, as deemed appropriate. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications by the Corporation and the Committee will take all necessary steps to preserve the privileged nature of those communications.

The Committee may request that any directors, officers or employees of the Corporation, or other persons whose advice and counsel are sought by the Committee, attend any meeting to provide such pertinent information as the Committee requests.

Functions

The Committee shall have the following specific responsibilities and such other responsibilities as from time to time may be prescribed by the Board:

1. Oversee evaluation of the Board, its committees, and the Corporation's management.
2. Develop and periodically review criteria for director nominees and a process for the nomination of directors by the Committee.
3. Identify, evaluate and recommend to the Board slates of Director nominees for election or re-election at each annual meeting of the stockholders of the Company, including those recommended by stockholders, or for nomination to election to the Board when Board vacancies arise, consistent with the developed nomination criteria, including nominees' qualifications, capability and availability to serve, conflicts of interests and other relevant factors. In connection with stockholder recommendations, the Committee shall adopt procedures for the submission of recommendations by stockholders, as it deems appropriate. Any such procedures shall be appended hereto as Exhibit A, and shall be periodically reviewed for continued compliance with applicable rules and regulations.
4. Make recommendations to the Board regarding director retirement age, tenure and removal for cause.
5. Make recommendations to the Board regarding the size and composition of the Board.
6. Review and make recommendations to the Board regarding committee assignments.
7. Retain and terminate any search firm to be used to identify director candidates and to approve the fees and retention terms of any such search firm.
8. Review and reassess the adequacy of this Charter annually, or more often as circumstances dictate, and recommend any changes to the Board.
9. Review proposed activities of directors with the Company or other entities that may diminish such director's effectiveness or be inconsistent with the criteria established by the Committee for Board membership.
10. Perform such other duties and functions consistent with this Charter and applicable law as may be deemed necessary or appropriate by the Board or this Committee.

Meetings

The Committee will hold at least two regular meetings per year and additional meetings as the Chairperson or Committee deems appropriate. A majority of the members of the Committee present in person or via teleconference or similar communications equipment shall constitute a quorum. The President and Chief Executive Officer and Secretary may attend any meeting of the Committee, except for portions of the meetings where such person's presence would be inappropriate, as determined by the Committee Chairperson.

Minutes and Reports

Minutes of each meeting of the Committee shall be kept and distributed to each member of the Committee, members of the Board who are not members of the Committee and the Secretary of the Company. The Chairperson of the Committee shall report to the Board from time to time, or whenever so requested by the Board.

General

The powers of the Committee shall be limited, and all activities of the Committee shall be governed, by the provisions of the Bylaws of the Corporation.

EXHIBIT A

Procedures for Stockholders Submitting Nominating Recommendations

1. Security Holders Entitled to Make Submissions. The Nominating Committee of the Company's Board of Directors will accept for consideration submissions from stockholders of recommendations for the nomination of directors. Acceptance of a recommendation for consideration does not imply that the Committee will nominate the recommended candidate.

2. Manner and Address for Submission. All stockholder nominating recommendations must be in writing, addressed to the Nominating Committee care of the Company's corporate secretary at the Company's principal headquarters, 14272 Franklin Avenue, Suite 100, Tustin, California 92780. Submissions must be made by mail, courier or personal delivery. E-mailed submissions will not be considered.

3. Information Concerning the Recommending Stockholders. A nominating recommendation must be accompanied by the following information concerning each recommending stockholder:

- The name and address, including telephone number, of the recommending stockholder;
- The number and class of the Company's shares owned by the recommending stockholder and the time period for which such shares have been held;
- If the recommending stockholder is not a stockholder of record, a statement from the record holder of the shares (usually a broker or bank) verifying the holdings of the stockholder and a statement from the recommending stockholder of the length of time that the shares have been held. (Alternatively, the stockholder may furnish a current Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5 filed with the Securities and Exchange Commission reflecting the holdings of the stockholder, together with a statement of the length of time that the shares have been held); and
- A statement from the stockholder as to whether the stockholder has a good faith intention to continue to hold the reported shares through the date of the Company's next annual meeting of stockholders.

4. Information Concerning the Proposed Nominee. A nominating recommendation must be accompanied by the following information concerning the proposed nominee:

- the information required by Item 401 of SEC Regulation S-K (generally providing for disclosure of the name, address, any arrangements or understanding regarding nomination and five year business experience of the proposed nominee, as well as information regarding certain types of legal proceedings within the past five years involving the nominee);
- the information required by Item 403 of SEC Regulation S-K (generally providing for disclosure regarding the proposed nominee's ownership of securities of the Company); and

- the information required by Item 404 of SEC Regulation S-K (generally providing for disclosure of transactions between the Company and the proposed nominee valued in excess of \$60,000 and certain other types of business relationships with the Company).

5. Relationships Between the Proposed Nominee and the Recommending Stockholder. The nominating recommendation must describe all relationships between the proposed nominee and the recommending stockholder and any agreements or understandings between the recommending stockholder and the nominee regarding the nomination.

6. Other Relationships of the Proposed Nominee. The nominating recommendation shall describe all relationships between the proposed nominee and any of the Company's competitors, customers, suppliers, labor unions or other persons with special interests regarding the Company.

7. Qualifications of the Proposed Nominee. The recommending stockholder must furnish a statement supporting its view that the proposed nominee possesses the minimum qualifications prescribed by the Nominating Committee for nominees, and briefly describing the contributions that the nominee would be expected to make to the board and to the governance of the Company.

8. Ability to Represent All Stockholders. The recommending stockholder must state whether, in the view of the stockholder, the nominee, if elected, would represent all stockholders and not serve for the purpose of advancing or favoring any particular stockholder or other constituency of the Company.

9. Consent to be interviewed by the Committee and, if nominated and elected, to serve. The nominating recommendation must be accompanied by the consent of the proposed nominee to be interviewed by the Committee, if the Committee chooses to do so in its discretion (and the recommending stockholder must furnish the proposed nominee's contact information for this purpose), and, if nominated and elected, to serve as a director of the Company.

10. Timing for Submissions Regarding Nominees for Election at Annual Meetings. A stockholder (or group of stockholders) wishing to submit a nominating recommendation for an annual meeting of stockholders must ensure that it is received by the Company, as provided above, not later than 120 calendar days prior to the first anniversary of the date of the proxy statement for the prior annual meeting of stockholders. In the event that the date of the annual meeting of stockholders for the current year is more than 30 days following the first anniversary date of the annual meeting of stockholders for the prior year, the submission of a recommendation will be considered timely if it is submitted a reasonable time in advance of the mailing of the Company's proxy statement for the annual meeting of stockholders for the current year.

11. Stockholder Groups. If a recommendation is submitted by a group of two or more stockholders, the information regarding recommending stockholders must be submitted with respect to each stockholder in the group.