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**PRESS RELEASE**

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**CALANDO PHARMACEUTICALS SCIENTISTS PRESENT AT ANNUAL TIDES  
CONFERENCE**

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**Founding Scientist Davis Gave Keynote Address on Oligonucleotide Delivery**

PASADENA, Calif.—May 22, 2007—Calando Pharmaceuticals, a leading siRNA therapeutics company and a majority-owned subsidiary of Arrowhead Research Corporation (NASDAQ: ARWR), announced today that Dr. Jeremy Heidel, its Chief Scientific Officer, and Dr. Mark Davis, its Founding Scientist and Chief Scientific Advisor, presented at the annual TIDES Oligonucleotide and Peptide Technology and Product Development Conference on Monday, May 21, 2007, at the Red Rock Resort in Las Vegas, Nevada.

Dr. Davis delivered a Keynote Presentation entitled “The Landscape of Delivery Technologies for Oligonucleotides: Where Are We Today, Prospects for the Near Future.” Dr. Davis gave an overview of siRNA delivery technologies that have reached the clinic and those that are nearing use in clinical trials, together with his thoughts on future developments for siRNA delivery.

Dr. Heidel’s presentation entitled “Development of siRNA-Containing, Targeted Nanoparticle Formulations” addressed strategies employed and obstacles faced and overcome in the development and path to clinical trials for CALAA-01, Calando’s lead siRNA-containing targeted nanoparticle formulation for the treatment of cancer using Calando’s RONDEL™ (RNA/Oligonucleotide Nanoparticle Delivery) technology. He highlighted Calando’s decision to adopt a “formulation at time of use” strategy, where delivery components are combined with siRNA duplexes to create nanoparticles at the time of use in the hospital pharmacy immediately prior to administration to a patient.

"We were pleased to have both our chief scientist and our founder and chief advisor present at this conference," said John Petrovich, Calando's CEO. "Dr. Davis' overview of the entire field of siRNA delivery technologies clearly showed that Calando is on pace to be the first to the clinic with a targeted, systemic delivery of formulated siRNA."

The formulation being advanced to clinical trials by Calando contains Calando's proprietary delivery technology and utilizes RNA interference in cancer cells with an siRNA duplex targeting the M2 subunit of ribonucleotide reductase, a well-established cancer target. This duplex, developed at Calando, demonstrates potent anti-proliferative activity across multiple types of cancer both in vitro and in vivo. The nanoparticle formulation has human transferrin protein (Tf) targeting agents decorating the surface. The transferrin receptor has long been known to be up-regulated in a broad spectrum of cancer cell types, and Tf binding to this receptor triggers the uptake of nanoparticles by cancer cells and release of the siRNA payload.

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#### **About Calando Pharmaceuticals Inc.**

Calando Pharmaceuticals Inc. ([www.calandopharma.com](http://www.calandopharma.com)), a majority-owned subsidiary of Arrowhead Research (NASDAQ:ARWR), is using its proprietary technologies in targeted polymeric delivery systems and siRNA design to design and create new, targeted siRNA therapeutics. Small interfering RNAs (siRNA) induce RNA interference, or RNAi, a naturally occurring mechanism within cells to selectively silence and regulate specific genes. The ability to silence genes through RNAi could provide a new way to treat a wide range of human diseases. The company is pursuing this goal through its internal research and development and also through collaborations and partnerships with pharmaceutical and biotechnology companies.

#### **About Arrowhead Research Corporation**

Arrowhead Research Corporation ([www.arrowheadresearch.com](http://www.arrowheadresearch.com)) is a publicly-traded nanotechnology company commercializing new technologies in the areas of life sciences, electronics, and energy. The company works closely with universities to source early stage deals and to generate rights to intellectual property covering promising new nanotechnologies. Currently, Arrowhead has four subsidiaries commercializing nanotech products and applications, including anti-cancer drugs, RNAi therapeutics, carbon-based electronics and compound semiconductor materials.

#### **Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:**

*This news release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based upon our current expectations and speak only as of the date hereof. Our actual results may differ materially and adversely from those expressed in any forward-looking statements as a result of various factors and uncertainties, including the recent economic slowdown affecting technology companies, the future success of our scientific studies, our ability to successfully develop products, rapid technological change in our markets, changes in demand for our future products, legislative, regulatory and competitive developments and general economic conditions. Our latest Annual Report on Form 10-K, recent and forthcoming Quarterly Reports on Form 10-Q, recent Current Reports on Forms 8-K, our Registration Statements on Form S-3, and other SEC filings discuss some of the important risk factors that may affect our business, results of operations and financial condition. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.*