



October 12, 2006
7:00 AM ET

**ARROWHEAD SUBSIDIARY, INSERT THERAPEUTICS, TO HIRE
PHARMACEUTICAL EXECUTIVE AS CHIEF EXECUTIVE OFFICER**

PASADENA, Calif.—October 12, 2006—Arrowhead Research Corporation (NASDAQ: ARWR), announced today that Edward Jacobs will be appointed Chief Executive Officer & President of its majority-owned subsidiary, Insert Therapeutics on January 1, 2007. Until then, Mr. Jacobs will serve as a consultant to Insert.

"Ed brings more than 20 years of executive level pharma and biotech experience, with particular emphasis in the oncology space, as well as strategic planning and marketing," said R. Bruce Stewart, Arrowhead's Chairman. "He has successfully led several biotech companies to acquisition by major pharmaceutical companies and secured substantial collaborations and licensing deals. Now that Insert's anti-cancer drug candidate is in the clinic, we felt it was time to bring an individual with Ed's background and skills to give Insert's technology the visibility it merits."

"Insert's technology represents a major step forward in delivery of oncologic agents to cancer patients," said Jacobs. "IT-101 and Insert's other pipeline candidates – all of which take advantage of this proprietary enabling delivery technology – signal a major change in how the performance of current and next generation pharmaceutical agents can be further enhanced for the benefit of patients. I am very excited to have been selected to direct this effort."

Mr. Jacobs is currently the Chief Operating Officer of SuperGen (NASDAQ:SUPG). During the next three months, Mr. Jacobs will be winding down his affairs with SuperGen while coming up to speed with Insert. During his seven-year tenure at SuperGen, Mr. Jacobs served in a number of positions, which culminated with him being named as Chief Operating Officer. Prior to SuperGen, Mr. Jacobs served as President and Chief Executive Officer of ETEX, a Cambridge, MA-based biomaterials and drug-delivery company that was acquired by Medtronic. Also prior to SuperGen, Mr. Jacobs served as Senior Vice President, Commercial Operations at Sequus Pharmaceuticals, Inc., which was acquired by Alza for an aggregate of \$800 million. Prior to his association with Sequus, Mr. Jacobs served in a variety of senior management positions with pharmaceutical companies, including as CEO of Trilex (acquired by Titan Pharmaceuticals), CEO of Transplant Therapeutics Inc., Vice President and General Manager of Syncor International, Vice President of NeoRx Corporation and Business Director of Pharmacia (a/k/a Adria Labs, Inc.).

John Petrovich, Insert's current CEO, will continue to head up Calando Pharmaceuticals, another of Arrowhead's majority owned subsidiaries. He will also serve at Insert in an advisory role after Mr. Jacobs joins Insert full time in January 2007. "I cannot imagine anyone better suited than Ed to whom we could hand over the reins at Insert," said Petrovich. "I look forward to working with him as IT-101 moves further into clinical trials and Insert's other pipeline candidates move toward the clinic."

.About Arrowhead Research Corporation

Arrowhead Research Corporation (www.arrowheadresearch.com) is a publicly-traded nanotechnology company commercializing new technologies in the areas of life sciences, electronics, and energy. Arrowhead is building value for shareholders through the progress of majority owned subsidiaries founded on nanotechnologies originally developed at universities. 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.

About Insert Therapeutics, Inc.

Insert Therapeutics, Inc., a majority-owned subsidiary of Arrowhead Research Corporation (NASDAQ:ARWR), is using its proprietary, nano-engineered, polymeric delivery system, Cyclosert(TM), to design, develop and commercialize drug-delivery-enhanced small-molecule therapeutics and nucleic acids. Cyclosert uses cyclodextrins as building blocks to create an entirely new class of biocompatible materials -- linear cyclodextrin-containing polymers that are nontoxic and nonimmunogenic at therapeutic doses. The company is pursuing this goal through its internal research and development, and also through collaborations and partnerships with pharmaceutical and biotechnology companies.

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 Annual Report on Form 10-K and 10-K/A, recent and forthcoming Quarterly Reports on Form 10-Q and 10-Q/A, recent Current Reports on Forms 8-K and 8-K/A, 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.

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