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ARROWHEAD ANNOUNCES ISSUANCE OF PATENT ON SUBSIDIARY'S KEY TECHNOLOGY

Pasadena, CA – May 8, 2007 – **Arrowhead Research Corporation (Nasdaq: ARWR),** announced today that European Patent No. 1093469, titled "Linear Cyclodextrin Copolymers" has been issued to the California Institute of Technology. The patent is exclusively licensed to Arrowhead's majority-owned subsidiary, Insert Therapeutics, a company commercializing delivery-enhanced therapeutics using a patented class of polymeric systems.

"Having strong patent protection is crucial to high tech companies, particularly those in the nanotech space," said R. Bruce Stewart, Arrowhead's Chairman. "Arrowhead will continue to aggressively build and protect our intellectual property rights."

This patent covers all of the claims in three previously issued US patents covering the composition, method of preparation and methods of use of a new class of polymers for delivery of therapeutic compounds. Insert Therapeutics' proprietary Cyclosert™ technology platform is a part of the family of polymers covered by these patents, and represent a significant advance in the use of cyclodextrins for delivery of therapeutic compounds.

Insert is currently using Cyclosert™ technology in its lead drug candidate, IT-101, an experimental drug being studied for the treatment of cancer in Phase I clinical trials at City of Hope Cancer Center in Duarte, CA. Insert expect to commence multiple Phase II trials later this year. IT-101 is a conjugate of one of the Cyclosert™ polymers and the anti-cancer, small molecule drug camptothecin.

Insert has also licensed a portion of the polymer family to its affiliate, Calando Pharmaceuticals, which is using polymers to deliver siRNA duplexes in the area of RNA interference, a novel gene-silencing technology that may lead to an entire new class of therapeutics. Calando is preparing to file with the FDA to begin clinical trials later this year.

The claims cover polymers containing repeating units of cyclodextrin molecules and various co-monomers, linked together in a linear chain. In contrast to other approaches that graft molecules onto a

polymer, the claimed polymers incorporate the cyclodextrin molecules into the polymer "backbone." This feature has aided in scale-up and resulted in more consistent commercial manufacture. Insert's linear cyclodextrin-containing polymers can form complexes with compounds ranging in size from small molecule drugs to nucleic acids for improved therapeutic effects.

Other issued and allowed patents cover various means of adding modifier components to the polymer that aid the stability of the resulting polymer-drug nanoparticles *in vivo* and allow for the attachment of various targeting ligands.

For more information about Insert, please visit the website at www.insertt.com.

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About Arrowhead Research Corporation

Arrowhead Research Corporation (www.arrowheadresearch.com) (NASDAQ:ARWR) is a leading 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. (www.insertt.com) 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 non-toxic and non-immunogenic 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.

About Calando Pharmaceuticals Inc.

Calando Pharmaceuticals Inc. (www.calandopharma.com) 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) use RNA interference, or RNAi, a naturally occurring mechanism within cells to selectively silence and regulate specific genes. The ability to silence genes selectively 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.

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.