



PRESS RELEASE
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ARROWHEAD SUBSIDIARY, INSERT, PUBLISHES INTERIM PHASE I DATA FROM HUMAN CLINICAL TRIALS FOR NEW CANCER DRUG

PASADENA, Calif.—June 1, 2007—Arrowhead Research Corporation (NASDAQ: ARWR) announced today that interim Phase I data has been published in the 2007 American Society for Clinical Oncology Proceedings (ASCO) (Abstract ID 32638). The data are from an ongoing Phase I clinical study designed to evaluate the safety, tolerability, and pharmacokinetics of its lead anti-cancer drug candidate, IT-101 in patients with inoperable or metastatic tumors. IT-101 is a conjugate of the potent anti-cancer drug camptothecin and Insert's proprietary drug delivery technology, CycloSert™.

"The interim IT-101 study results look very promising," stated R. Bruce Stewart, Chairman of Arrowhead. "We were encouraged to see patients who have failed other chemotherapies complete the whole six cycles of treatment without disease progression."

The abstract's authors state that the stable disease rate, although not yet conclusive, is consistent with promising efficacy. In general, IT-101 was well tolerated and pancytopenia was the dose limiting toxicity. Patients that have completed the six cycle treatment regimen and showed stable disease or better are expected to continue to receive treatment on a compassionate care basis. The first person to enter the trial, a pancreatic cancer patient, is stable after 10 months.

"The type of dose limiting toxicity identified is consistent with the expectation for a camptothecin derivative," said Dr. Thomas Schlupe, Chief Scientific Officer at Insert. "We are encouraged that, at dose levels that have promising efficacy, we have not seen some of the other deleterious side effects commonly experienced by patients receiving camptothecin class drugs."

Pharmacokinetics data were favorable and consistent with results from preclinical animal studies. In the patients studied, IT-101 showed longer half life, lower clearance and lower volume of distribution than seen in patients treated with other camptothecin-based drugs. The study is ongoing and Insert expects to enter Phase II studies later this year or early next year.

“It is gratifying to see that the Cycloset system is working as designed in patients,” said Dr. Mark Davis, inventor of the technology and Insert’s Scientific Founder. “We are looking forward to completing this trial and moving into multiple Phase II studies.”

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

Insert Therapeutics, Inc. (www.insertt.com), a majority-owned subsidiary of Arrowhead Research Corporation (NASDAQ:ARWR), is using its proprietary, nano-engineered, polymeric delivery system, Cycloset(TM), to design, develop and commercialize drug-delivery-enhanced small-molecule therapeutics and nucleic acids. Cycloset 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. Insert’s affiliate company, Calando Pharmaceuticals, is using a related system for the systemic delivery of siRNA. The companies are pursuing this goal through 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 future success of our clinical studies, our ability to successfully develop and manufacture products, rapid technological change in our industry, changes in demand for our future products, legislative, regulatory and competitive developments and general economic conditions. Our Annual Report on Form 10-K, and other SEC filings discuss these and other 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.