AVI BioPharma Presents Positive Preclinical Data Evaluating NEUGENE Antisense Compounds Against Influenza A Virus and the E. coli Bacteria

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PORTLAND, Ore.--(BUSINESS WIRE)--Sept. 29, 2006--AVI BioPharma, Inc. (Nasdaq:AVII), today presented preclinical data regarding the use of its NEUGENE(R) antisense technology against influenza A and E. coli infection. The data was presented in two posters at the 46th Interscience Conference on Antimicrobial Agents and Chemotherapy (ICAAC) meetings held in San Francisco.

The first presentation, titled "Inhibition of Several Subtypes of Influenza A Virus with Antisense Morpholino Oligomers," was presented by AVI collaborators from Oregon State University and included data from collaborators at the Massachusetts Institute of Technology; the Public Health Agency of Canada in Winnipeg; and Mahidol University in Bangkok, Thailand. The data showed that two AVI antisense compounds inhibited several strains of influenza A, including the avian strain H5N1 in cell culture as previously reported. Experiments in mice are ongoing.

The second presentation, titled "Antisense Phosphorodiamidate Morpholino Oligomer-Peptide Conjugate: Dose-Response in Mice Infected with Escherichia Coli," was presented by AVI scientist Bruce Geller, Ph.D. The data showed that the AVI antisense compounds promoted survival in mice infected with E. coli. These antisense compounds, referred to as NeuBiotics, reduced bacteremia in mice by three orders of magnitude compared with controls.

"We believe that the diverse applications of our NEUGENE antisense technology exhibited by these presentations suggest that our technology holds promise for broad utility in battling infectious diseases," said Patrick L. Iversen, Ph.D., senior vice president of research and development at AVI. "By targeting regions of the viral genetic code that are common to all influenza A subtypes, we expect that our NEUGENE drugs will be effective against avian flu and the far more common seasonal influenza viruses. Owing to the events of the past several weeks, we are acutely aware of the importance of developing new strategies for combating troublesome bacterial infections like E. coli."

About AVI BioPharma

AVI BioPharma develops therapeutic products for the treatment of life-threatening diseases using third-generation NEUGENE antisense drugs. AVI's lead NEUGENE antisense compound is designed to target cell proliferation disorders, including cardiovascular restenosis, cancer and polycystic kidney disease. In addition to targeting specific genes in the body, AVI's antiviral program uses NEUGENE antisense compounds to combat disease by targeting single-stranded RNA viruses, including West Nile virus, hepatitis C virus, dengue virus, Ebola virus and influenza A virus. AVI has introduced a NEUGENE-based exon-skipping technology called ESPRIT therapy. More information about AVI is available on the company's Web site at http://www.avibio.com.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: The statements that are not historical facts contained in this release are forward-looking statements that involve risks and uncertainties, including, but not limited to, the results of research and development efforts, the results of preclinical and clinical testing, the effect of regulation by the FDA and other agencies, the impact of competitive products, product development, commercialization and technological difficulties, and other risks detailed in the company's Securities and Exchange Commission filings.

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