

**FOR IMMEDIATE RELEASE**  
**PRESS RELEASE**  
Thursday, August 17, 2006

**New treatment aims to improve quality of life for hemodialysis patients**  
**Vascular Wrap™ - Lifespan® Graft technology platform expected to enter clinical trials in**  
**both the United Kingdom and United States**

VANCOUVER, BC, August 17, 2006 – Angiotech Pharmaceuticals, Inc. (NASDAQ: ANPI, TSX: ANP), a global specialty pharmaceutical and medical device company, announced today that it will begin enrolment in a clinical trial in the United Kingdom to assess the effectiveness and safety of the Vascular Wrap™ paclitaxel-eluting mesh and Lifespan® graft technology platform in hemodialysis patients. This announcement comes after Angiotech received a “letter of no objection” from the Medicine and Healthcare products Regulatory Agency, an executive agency of the Department of Health in the United Kingdom.

Specifically, the trial seeks to determine that hemodialysis patients who receive the Vascular Wrap paclitaxel-eluting mesh/Lifespan graft combination product experience fewer graft failures than those patients that receive the Lifespan graft alone. As a combination product, the graft serves as an access port for hemodialysis and the intent of the drug-eluting mesh is to prevent the scar formation that often leads to graft failure. Angiotech expects to enroll the first patient in the United Kingdom-based clinical trial in the next eight weeks. The company also intends to conduct a similar trial in the U.S. Both trials are expected to be about 24 months in duration, with enrolment taking approximately one year. The goal of the studies is to provide Angiotech with sufficient data to submit to regulatory authorities for the approval to market the products in the United States and Europe.

Patients with severe kidney disease require hemodialysis to survive. Today there are an estimated 450,000 people in the U.S. with end-stage renal disease. Of these patients, approximately 325,000 undergo hemodialysis treatment and a substantial portion of these patients require vascular access (AV), which is often achieved by surgically implanting a vascular graft to enable treatment. Currently, about 50% of grafts fail within one year and about 75% within two years as a result of scar formation. These failures can result in the need for additional surgical procedures for hemodialysis patients who are already suffering exhaustive treatments.

“We have been very encouraged by both the preliminary results from the European bypass trial and the results of our preclinical data, and believe that we may be able to offer a better treatment option for hemodialysis patients,” said Dr. Rui Avelar, Chief Medical Officer of Angiotech Pharmaceuticals. “We hope to improve the quality of life for these patients, who through the course of their treatments often have to endure multiple surgeries to replace AV grafts that have failed due to blockage caused by scar formation.”

“The Vascular Wrap paclitaxel-eluting mesh is an important part of our Vascular franchise,” said Dr. William Hunter, President and CEO of Angiotech Pharmaceuticals, “and we believe that hemodialysis is just one indication where the Vascular Wrap paclitaxel-eluting mesh may produce better outcomes for patients, with peripheral bypass surgery being another.

“From a business perspective, the Vascular Wrap paclitaxel-eluting mesh could be an important product for Angiotech, and one that we are very excited about,” continued Dr. Hunter, “With the potential launch of several other vascular graft products in the first half of 2007, as well as the possible approval of

products like the Vascular Wrap paclitaxel-eluting mesh in the next couple of years, we are hoping to see significant growth in our vascular business.”

### **Vascular Wrap™ Paclitaxel-Eluting Mesh/ Lifespan® Graft Combination Product**

Angiotech’s Vascular Wrap™ paclitaxel-eluting mesh/ Lifespan® graft combination product technology is designed to be used as a port for hemodialysis access or as a bypass for a blocked artery. It is a combination product consisting of both the Lifespan graft and the Vascular Wrap paclitaxel-eluting mesh. The Vascular Wrap component is a biodegradable mesh implant incorporating Angiotech’s paclitaxel technology in a novel biomaterial with the goal of mitigating scar formation caused by graft implantation and thereby potentially enhancing graft patency rates in AV-access patients as well as in peripheral bypass procedures.

### **About the study**

A multicentre, randomised study to assess the effectiveness of maintaining patency and safety of the Vascular Wrap paclitaxel-eluting mesh after surgical implantation with the Lifespan graft in the upper extremity for haemodialysis vascular access. The primary objective of this study is to demonstrate, for the purposes of CE marking, that the primary patency rate of the Vascular Wrap paclitaxel-eluting mesh (Vascular Wrap and Lifespan graft combination) is superior to the primary patency rate of the Lifespan graft alone up to 1 year following haemodialysis access surgery. There will be 10 centres participating in the study.

### **About Angiotech Pharmaceuticals**

Angiotech Pharmaceuticals, Inc. is a global specialty pharmaceutical and medical device company with 14 facilities in 6 countries and over 1,500 dedicated employees. Angiotech discovers, develops and markets innovative treatment solutions for diseases or complications associated with medical device implants, surgical interventions and acute injury. To find out more about Angiotech Pharmaceuticals, Inc. (NASDAQ: ANPI, TSX: ANP), please visit our website at [www.angiotech.com](http://www.angiotech.com).

### **Note on Forward Looking Statements:**

Statements contained in this press release or in our other written or oral public communications that are not based on historical or current fact, including without limitation statements containing the words “believes,” “may,” “plans,” “will,” “estimate,” “continue,” “anticipates,” “intends,” “expects”, “hopes” and similar expressions, constitute “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and constitute “forward-looking information” within the meaning of applicable Canadian securities laws. All such statements are made pursuant to the “safe harbor” provisions of applicable securities legislation.

Such forward-looking statements are based on assumptions that involve known and unknown risks, uncertainties and other factors that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Forward-looking statements in this release include the statements regarding; financial benefits to Angiotech to be realized in Angiotech’s vascular business, the ability of Angiotech to commercialize the Vascular Wrap paclitaxel-eluting mesh and to find other potential uses for the product and the successful initiation, completion and outcome of the clinical trials referred to in the press release.

These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, among others; the timing of, and safety and efficacy results from, the clinical trials referred to in the press release, decisions made by Angiotech based on these results, the ability to obtain regulatory approval to develop and commercialize new products, the ability to manufacture sufficient quantities of product for development and commercialization activities and to do so in a timely and cost efficient manner, the competitive environment for such products, the availability of resources and funding, and the risks and uncertainties associated with the business and described in Angiotech’s filings with the United States Securities and Exchange Commission or the Canadian securities regulators.

The forward looking statements are also based on a number of assumptions, including that the data provided with respect to the prevalence of end-stage renal disease in the U.S., the number of these patients who receive hemodialysis, and the failure rate of synthetic grafts, is accurate.

Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not assume the obligation to update any forward-looking statements.

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