May 13, 2010

Tekmira Pharmaceuticals Announces First Quarter 2010 Financial Results

VANCOUVER, BC — Tekmira Pharmaceuticals Corporation (TSX: TKM), a leader in RNA interference (RNAi) therapeutics, today announced its financial and operational results for the first quarter ended March 31, 2010.

Dr. Mark J. Murray, Tekmira's President and CEO, said, "We are pleased with the progress we made in the first quarter of 2010 advancing of our clinical stage RNAi product candidates and supporting our partners as they advance programs using our technology. During the first quarter, we initiated a collaboration with Pfizer, expanded our collaboration with Takeda, completed a Phase 1 clinical trial for ApoB SNALP and made continued progress on advancing PLK1 SNALP to an IND filing mid-year."

"Subsequent to the end of the quarter, we announced an expansion of our collaboration with Bristol-Myers Squibb as well as our plans to list our shares on NASDAQ. We intend to build on this momentum through the remainder of the year at which point we expect there to be five RNAi therapeutics in clinical development using our leading SNALP delivery technology," added Dr. Murray.

Key achievements to date in 2010 include:

- Completed the Phase 1 human clinical trial for ApoB SNALP, Tekmira's lead RNAi therapeutic product candidate. ApoB SNALP is being developed as a treatment for patients with high LDL cholesterol, or "bad" cholesterol, who are not well served by current therapy. The Phase 1 clinical trial showed that ApoB SNALP was well tolerated with no liver toxicity in any of the subjects treated. Tekmira plans to initiate a Phase 1-2 human clinical trial in the second half of 2010 with an improved second generation ApoB SNALP. It is estimated that up to 60 million patients in the US have high cholesterol and over 10 million patients are unable to adequately control their cholesterol levels with current therapy;

- Continued the advancement of PLK1 SNALP to support the filing of an investigational new drug (IND) application mid year. Tekmira expects to initiate a Phase 1 human clinical trial in the second half of 2010. PLK1 SNALP is being developed as a treatment for cancer. PLK1 SNALP has been shown in preclinical studies to potently and selectively kill cancer cells and cause tumor regression;

- Initiated a new collaboration with Pfizer (NYSE: PFE), one of the world's leading pharmaceutical companies and an organization that has made a commitment to the development of nucleic acid therapeutics. Tekmira and Pfizer are collaborating on evaluating Tekmira's stable nucleic acid-lipid particle (SNALP) technology to deliver small interfering RNA (siRNA) molecules provided by Pfizer. Tekmira is preparing the SNALP formulations and Pfizer is evaluating the formulations in preclinical models;

- Expanded Tekmira's ongoing collaboration with Takeda Pharmaceutical Company Limited. During the first quarter, Tekmira and Takeda expanded the research collaboration to include Takeda's evaluation of new SNALP formulations. Takeda has access to certain Tekmira intellectual property through a license agreement with Alnylam Pharmaceuticals, Inc. (NASDAQ: ALNY). Tekmira is eligible to receive up to US$16 million in milestones on each RNAi therapeutic advanced by Alnylam or its partners as well as a royalty on product sales;

- Continued the advancement of product candidates that use Tekmira's SNALP delivery technology by Tekmira's partners Alnylam and Roche. Alnylam is currently conducting a Phase 1 clinical trial for ALN-VSP as a treatment for advanced liver cancers, including hepatocellular carcinoma and other solid tumors with liver involvement. Alnylam expects to initiate a Phase 1 clinical trial of ALN-TTR01 in transthyretin (TTR)-mediated amyloidosis patients in the first half of 2010. Both ALN-VSP and ALN-TTR01 utilize Tekmira's SNALP technology and are being manufactured by Tekmira. In addition, Roche expects to file an IND for its first product candidate using SNALP technology before the end of 2010;

- Subsequent to the quarter end, announced the signing of a US$3.0 million multiyear, target validation agreement with global pharmaceutical company Bristol-Myers Squibb (NYSE: BMY). As part of the agreement, Tekmira has the opportunity to use the data generated by Bristol-Myers Squibb to advance its own proprietary RNAi therapeutic products;

- Strengthened Tekmira's Board of Directors with the addition of three new directors. Dr. Dan Kisner, Mr. Ken Galbraith and Mr. Frank Karbe bring significant drug development and capital markets expertise to guide the advancement of

Tekmira's clinical stage RNAi products and support Tekmira's U.S. stock market listing;

- Presented at a number of scientific conferences including the AsiaTIDES Oligonucleotide and Peptide Research, Technology and Product Development Conference in Tokyo, Japan, and the DIA Oligonucleotide-based Therapeutics Conference in Bethesda, MD highlighting Tekmira's advances in the development of a second generation ApoB siRNA and the latest advances in SNALP formulation development;

- Concluded the first quarter with $18.5 million in cash through prudent management of expenses and continued recurring revenue from Tekmira's product development partners. Tekmira expects that the current cash on hand, the cash received from the recent expansion of Tekmira's agreement with Bristol-Myers Squibb and contractually committed revenue from Tekmira's partners will enable execution of its business strategy into the second half of 2011 without the need for additional financing.

FINANCIAL RESULTS
For Q1 2010, the Company's net loss was $4.4 million ($0.09 per common share, basic and fully diluted) as compared to a net loss of $2.1 million ($0.04 per common share, basic and fully diluted) for Q1 2009.

The primary reason for the increase in net loss is increased spending on the ApoB SNALP and PLK1 SNALP programs. Tekmira is manufacturing materials for preclinical and clinical trials and conducting toxicology studies in preparation for clinical development of both programs.

Revenue
Revenue from research and development collaborations was $2.5 million in Q1 2010 as compared to $2.9 million in Q1 2009. There was no revenue from licensing fees and milestone payments in Q1 2010 or Q1 2009.

Alnylam revenue has decreased from $2.4 million in Q1 2009 to $0.9 million in Q1 2010 as the Company's collaborative research agreement with Alnylam expired in August 2009. The Q1 2010 Alnylam revenue is earned under a manufacturing agreement that guarantees a minimum payment of $11.2 million over the three years from 2009 to 2011.

Roche revenue has increased from $0.4 million in Q1 2009 to $1.3 million in Q1 2010. Tekmira expanded its Roche collaboration in May 2009 with the signing of a Product Development Agreement. Under the agreement Tekmira is currently developing one product with Roche. There is provision in the agreement for Roche to select a second product for development.

Tekmira also earned revenue in Q1 2010 from its other RNAi collaborations.

Expenses - Research, Development and Collaborations
Research, development and collaborations expenses increased to $5.5 million in Q1 2010 from $3.6 million in Q1 2009, due largely to increased spending on the ApoB SNALP and PLK1 SNALP programs. In Q1 2010 Tekmira was manufacturing materials for preclinical and clinical trials and was conducting toxicology studies in preparation for clinical development of both programs.

Research, development and collaborations compensation expenses increased by about $0.3 million from Q1 2009 to Q1 2010 due to an increase in staff numbers and the vesting and expensing of a portion of stock options granted in Q1 2010. Research and development staff numbers have increased to 71 at March 31, 2010 (total staff 81) as compared to 60 (total staff 72) at March 31, 2009. Ordinarily, the Company issues an annual grant of stock options to all staff and directors at the end of its calendar year but due to a stock trading black-out its annual grant was delayed until Q1 2010. Typically, a portion of Tekmira's stock options vest immediately so there is a peak in stock option expense in the period when options are granted.

Intellectual property legal expenses increased by $0.2 million from Q1 2009 to Q1 2010 as the Company continues to expand and defend its technology base and patent portfolio.

Expenses - General and Administrative
General and administrative expenses were $1.0 million for Q1 2010 as compared to $1.0 million for Q1 2009. There was a reclassification in Q1 2010 of information systems costs out of general and administrative and into research, development and collaborations expenses. This decrease in Q1 2010 was offset by a charge for a severance payment made to the Company's former Vice President of Strategic Planning and Business Development.

In its 2009 Annual Report Tekmira provided guidance that it expected general and administrative expenses to decrease in 2010 as compared to 2009. The Company now expects to incur fees related to its planned NASDAQ listing that were not budgeted and could result in an increase in total general and administrative expenses in 2010 as compared to 2009.

Liquidity and Capital Resources

At March 31, 2010, the Company had cash and cash equivalents of approximately $18.5 million as compared to $24.4 million at December 31, 2009.

In its 2009 Annual Report, Tekmira provided guidance that funds on hand plus committed revenue from its partners would be sufficient to continue product development until mid-2011. As a result of signing a new agreement with Bristol-Myers Squibb the Company now believes that current funds on hand plus committed partner revenue will be sufficient to continue product development into the second half of 2011 without the need for additional financing (see Forward–looking Statements).

Conference Call Information
Management of Tekmira will hold a conference call and webcast to discuss first quarter 2010 operating results and to provide a corporate update on Thursday, May 13, 2010 at 9:00 am Pacific Time (12:00 noon Eastern Time). To participate in the conference call, please dial 416-340-2218 or 1-866-226-1793. The call will be available for replay until May 27, 2010 by calling 416-695-5800 or 1-800-408-3053 and entering the code 5624011.

The live or archived webcast can also be accessed through the Company's website at www.tekmirapharm.com.

About RNAi and SNALP
RNAi therapeutics have the potential to treat a broad number of human diseases by "silencing" disease causing genes. The discoverers of RNAi, a gene silencing mechanism used by all cells, were awarded the 2006 Nobel Prize for Physiology or Medicine. RNAi therapeutics, such as "siRNAs," require delivery technology to be effective systemically. Lipid nanoparticles (LNPs) are one of the most widely used siRNA delivery approaches for systemic administration. Tekmira's SNALP (stable nucleic acid-lipid particles) technology is the leading class of LNPs being used in clinical development. SNALP technology encapsulates siRNAs with high efficiency in uniform lipid nanoparticles which are effective in delivering RNAi therapeutics to disease sites in numerous preclinical models. SNALP formulations are manufactured by a proprietary method which is robust, scalable and highly reproducible. SNALP-based products have been reviewed by multiple FDA divisions for use in clinical trials. SNALP formulations comprise several lipid components that can be adjusted to suit the specific application.

About Tekmira
Tekmira Pharmaceuticals Corporation is a biopharmaceutical company focused on advancing novel RNAi therapeutics and providing its leading lipid nanoparticle delivery technology to pharmaceutical partners. Tekmira has been working in the field of nucleic acid delivery for over a decade and has broad intellectual property covering SNALP and LNPs. Further information about Tekmira can be found at www.tekmirapharm.com. Tekmira is based in Vancouver, B.C.

Forward-looking Statements and Information
This press release contains "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws (collectively, "forward-looking statements"). Forward-looking statements are generally identifiable by use of the words "believes," "may," "plans," "will," "anticipates," "intends," "budgets", "could", "estimates", "expects", "forecasts", "projects" and similar expressions, and the negative of such expressions. Forward-looking statements in this news release include statements about Tekmira's strategy, future operations, clinical trials, prospects and plans of management; RNAi product development programs; estimates of the number of clinical development programs to be undertaken by Tekmira and its product development partners; selection of additional product candidates; timing of release of clinical data; use of SNALP technology by Tekmira's licensees; the effects of Tekmira's products on the treatment of high LDL cholesterol and cancer; Tekmira's expectations with respect to existing and future agreements with third parties; and estimates of the length of time Tekmira's business will be funded by its anticipated financial resources.

With respect to the forward-looking statements contained in this news release, Tekmira has made numerous assumptions regarding, among other things: SNALP's status as a leading RNAi delivery technology; the effectiveness of Tekmira's products as a treatment for high LDL cholesterol and cancer; Tekmira's research and development capabilities and resources; FDA consent with respect to commencing clinical trials; FDA approval of Tekmira's products; the timing and obtaining of regulatory approvals for Tekmira's products; the timing and results of clinical data releases and use of SNALP technology by Tekmira's development partners and licensees; the timing required to complete research and product development activities; the timing and quantum of payments to be received under contracts with Tekmira's collaborative partners; the sufficiency of budgeted capital expenditures in carrying out planned activities; Tekmira's ability to protect its intellectual property rights and not to infringe on the intellectual property rights of others; the ability to succeed at establishing a successful commercialization program for any of Tekmira's products; and the availability and cost of labour and services. While Tekmira considers these assumptions to be reasonable, these assumptions are inherently subject to significant business, economic, competitive, market and social uncertainties and contingencies.

Additionally, there are known and unknown risk factors which could cause Tekmira's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements contained herein. Known risk factors include, among others: the possibility that other organizations have made advancements in RNAi delivery technology that Tekmira is not aware of; the FDA will not consent to the commencement of Tekmira's planned clinical trials or approve the use of Tekmira's products and generally, difficulties or delays in the progress, timing and results of clinical trials and studies; the FDA may determine that the design and planned

analysis of Tekmira's clinical trials do not adequately address the trial objectives in support of Tekmira's regulatory submissions; future operating results are uncertain and likely to fluctuate; Tekmira may not be able to develop and obtain regulatory approval for its products; competition from other pharmaceutical or biotechnology companies; Tekmira's ability to raise additional financing required to fund further research and development, clinical studies, and obtain regulatory approvals, on commercially acceptable terms or at all; economic and capital market conditions; Tekmira's ability to obtain and protect intellectual property rights, and operate without infringing on the intellectual property rights of others; Tekmira's research and development capabilities and resources will not meet current or expected demand; Tekmira's development partners and licensees conducting clinical trial and development programs will not result in expected results on a timely basis, or at all; anticipated payments under contracts with Tekmira's collaborative partners will not be received by Tekmira on a timely basis, or at all, or in the quantum expected by Tekmira; pre-clinical trials may not be completed, or clinical trials started, when anticipated or at all; pre-clinical and clinical trials may be more costly or take longer to complete than anticipated; pre-clinical or clinical trials may not generate results that warrant future development of the tested drug candidate; funding from research and product development partners may not be provided when required under agreements with those partners; Tekmira may become subject to product liability or other legal claims for which the company has made no accrual on its financial statements; Tekmira has not sufficiently budgeted for capital expenditures necessary to carry planned activities.

A more complete discussion of the risks and uncertainties facing Tekmira appears in Tekmira's Annual Information Form dated March 31, 2010 available at www.sedar.com. All forward-looking statements herein are qualified in their entirety by this cautionary statement, and Tekmira disclaims any obligation to revise or update any such forward-looking statements or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments, except as required by law.

Contact Information

Investors
Adam Peeler
The Equicom Group
Phone: 416-815-0700 x 225
Email: apeeler@equicomgroup.com

Ian Mortimer
Executive Vice President and Chief Financial Officer
Phone: 604-419-3200

Media
David Ryan
Longview Communications Inc.
Phone: 604-694-6031
Email: dryan@longviewcomms.ca