Tekmira Pharmaceuticals Corporation Releases First Quarter 2008 Operating Results

FOR IMMEDIATE RELEASE: May 14, 2008

Vancouver, BC — Tekmira Pharmaceuticals Corporation ("Tekmira"; TSX: TKM) reported today in its first quarter 2008 operating results that it is on track to complete its business combination with Protiva Biotherapeutics Inc. ("Protiva") by the end of May 2008. The business combination, announced March 30, 2008, will create a leading company in the development of RNA interference (RNAi) therapeutics.

The combined company will advance a pipeline of novel therapeutic products based on technologies and intellectual property contributed from both Tekmira and Protiva that covers a variety of lipid formulations for the delivery of nucleic acids. As part of the transaction, Alnylam Pharmaceuticals, Inc. ("Alnylam", Nasdaq: ALNY) and Roche Finance ("Roche") will each invest $5.0 million in Tekmira at a price of $2.40 per Tekmira share. At close, the new Tekmira is expected to have greater than $35.0 million in cash and equivalents.

The new Tekmira will have rights to develop seven RNAi therapeutic products based on access to Alnylam's intellectual property. The new Tekmira expects to advance two systemic RNAi therapeutics into clinical development over the next 12-18 months as treatments for hypercholesterolemia and cancer.

"We believe that the business combination with Protiva will create greater value for shareholders than either company could achieve on its own," said Darrell J. Elliott, Tekmira's Chairman of the Board. "Our Board has unanimously approved the transaction and recommends that shareholders vote in favour of the business combination with Protiva."

Tekmira's annual general meeting and special shareholder meeting to approve the transaction will take place at 10:00 am local time on May 28, 2008 at the Marriott Pinacle Hotel in Vancouver, British Columbia. An information circular describing the transaction has been mailed to Tekmira shareholders and can also be accessed from www.sedar.com. All shareholders of record on April 24, 2008 are eligible to vote on the transaction.

FINANCIAL RESULTS

RESULTS OF OPERATIONS

For the three months ended March 31, 2008, net loss was $0.4 million ($0.02 per common share) as compared to net income was $0.7 million ($0.03 per common share) for the first quarter of 2007. As discussed below, this change is principally the result of a decrease in licensing fee revenue and an increase in research and development costs.

Revenue / Revenue from research and development collaborations, licensing fees and milestone payments was $1.91 million for the first quarter of 2008 as compared to $2.87 million for the first quarter of 2007. Revenue in the first quarter of 2007 arises from licensing and collaboration payments from partnerships with Alnylam and Hana that began on March 25, 2006 and May 6, 2006 respectively. Revenue in the first quarter of 2008 arises almost entirely from the Alnylam collaboration.

Revenue is detailed in the following table:

(in millions Cdn$)	**Three months ended March 31, 2008**	March 31, 2007
Research and development collaborations		
Alnylam	**$ 0.60**	$ 0.47
Hana	**0.04**	0.19
Total research and development collaborations	**0.64**	0.66
Licensing fees and milestone payments		
Alnylam licensing fees:		
2006 licensing options amortization	**0.08**	0.08
Up-front payment amortization	**1.19**	1.10
Hana up-front licensing payment amortization	-	1.03
Total licensing fees and milestone payments	**$ 1.27**	$ 2.21
Total revenue by partner		
Alnylam	**$ 1.87**	$ 1.65
Hana	**0.04**	1.22
Total revenue	**$ 1.91**	$ 2.87

Alnylam revenue / On March 25, 2006, the Company signed an exclusive research collaboration agreement with Alnylam to evaluate Alnylam's RNAi therapeutics with Tekmira's systemic lipid-based technology. On January 8, 2007, Tekmira entered into a licensing and expanded collaboration agreement with Alnylam (the "Alnylam LCA") giving them a worldwide exclusive license to Tekmira's lipid-based delivery formulation technology for the discovery, development, and commercialization of RNAi therapeutics, and expanding the existing research and manufacturing alliance. The agreement includes a minimum of US$2.0 million in research and development collaboration funding in both 2007 and 2008.

Tekmira has two sources of research and development collaboration revenue from Alnylam; research and development project funding and contract manufacturing services. The Company did not manufacture any batches for Alnylam in first quarter of the current or prior year. The research and development collaboration revenue in the table, therefore relates entirely to research and development project funding.

Under the Alnylam LCA, Tekmira received an up-front licensing payment of $9.4 million (US$8.0 million). This is being amortized to revenue on a straight-line basis over the period ending December 31, 2008 which is the period that the Company expects to provide research support under its collaboration with Alnylam. As a result, $1.19 million of the Alnylam up-front payment is included in licensing fees and milestone payments revenue in the first quarter of 2008.

Our agreement with Alnylam will be amended upon the closing of the business combination with Protiva.

Hana revenue / On May 6, 2006, Tekmira signed a number of agreements with Hana including the grant of worldwide licenses (the "Hana License Agreement") for Tekmira's targeted chemotherapy

products, Marqibo®, Alocrest™ and Brakiva™. Under the Hana License Agreement, Hana paid a non-refundable up-front cash payment of $1.7 million (US$1.5 million) and issued 1,118,568 Hana shares to us (together the "Hana Up-front Payments"). The value of the Hana shares on May 6, 2006, based on a share price of $12.34 (US$11.15) was $13.8 million (US$12.5 million) giving a total of $15.5 million (US$14.0 million) in Hana Up-front Payments.

In accordance with the Company's revenue recognition policy, the Hana Up-front Payments were deferred and were amortized over the period to December 31, 2007, by which time Tekmira had delivered substantially all of its services.

Under the Hana License Agreement Tekmira could receive up to an additional US$29.5 million in cash or Hana shares for development and regulatory milestones and will also receive royalties on product sales. The Company has agreed to pay certain of the future contingent Hana payments to certain contingent debtors. The balance of this contingent obligation as at March 31, 2008 of US$22.8 million (March 31, 2007 – US$25.6 million) will only change and will only be paid down if milestone or royalty payments are received from Hana.

Hana is reimbursing the Company for expenses and time spent in maintaining and transferring the technology and product expertise related to the three targeted chemotherapy products and this is being recorded as research and development collaboration revenue.

Expenses / Research and development / Research and development expenses increased to $2.0 million for the first quarter of 2008 as compared to $1.2 million for the first quarter of 2007. The increase relates primarily to increased spending on the TKM-0167 project and new staff hires. Internal research and development staff numbers have grown to 39 at March 31, 2008 (total staff 49) as compared to 28 (total staff 39) at March 31, 2007.

General and administrative / General and administrative expenses were $0.7 million for the first quarter of 2008 as compared to $0.9 million for first quarter of 2007. Legal and professional fees were substantial in the first quarter of 2007 as the Company worked to complete the April 30, 2007 corporate reorganization. Legal and professional fees were similarly large in the first quarter of 2008 but $0.3 million of these fees have been deferred to acquisition costs as they relate to costs incurred to date in completing the combination with Protiva.

LIQUIDITY AND CAPITAL RESOURCES

The Company's Management believes that the current funds on hand plus expected interest income and the expected further funds from the Alnylam collaboration will be sufficient to continue product development into the second half of 2009. If the planned business combination with Protiva and associated financing is completed, Tekmira expects funds on hand to be sufficient to continue product development of the combined company for approximately 24 months from the close of the business combination.

Forward-Looking Statements and Information

There are forward-looking statements and information contained herein that are not based on historical fact, including, without limitation, statements containing the words "believes," "may," "plans," "will," "estimate," "continue," "anticipates," "intends," "expects," and similar expressions, and the negative of such expressions. These statements are only predictions. In addition, this press release may contain forward-looking statements attributed to third party industry sources.

Forward-looking statements and information should be considered carefully. Undue reliance should not be placed on forward-looking statements and information as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements and information involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, which contribute to the possibility that the predictions,

forecasts, projections and other forward-looking statements and information will not occur and may cause actual results or events to differ materially from those anticipated in such forward-looking statements and information.

More particularly and without limitation, this press release contains forward-looking statements and information concerning the business combination of Tekmira and Protiva; the potential of the combined company; the investments into the combined company to be made by Alnylam and Roche; arrangements to be entered into with Alnylam by the combined company; the combined company's level of cash and equivalents at closing; the estimate of the length of time that the combined company's development plan will be funded by its anticipated financial resources; the potential of RNAi therapeutics and nucleic acids as a treatment for diseases such as cancer; and the number and timing of advancement of products into clinical development.

The forward-looking statements and information are based on certain key expectations and assumptions made by Tekmira and Protiva, including expectations and assumptions concerning Tekmira, Protiva and the combined company's cash burn rate; the development of products; the actions of collaborative partners; the timing of receipt of regulatory and security holder approvals; the sufficiency of budgeted capital expenditures in carrying out planned activities; and the availability and cost of labour and services.

Such forward-looking statements and information 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 and information. Such factors include, among others, the stage of development of Tekmira, Protiva and the combined company, lack of product revenues, additional capital requirements, the need to obtain regulatory approval to commence clinical trials, risks associated with the completion of clinical trials and obtaining regulatory approval to market the combined company's products, the safety and efficacy of the combined company's products, the ability to protect the combined company's intellectual property and dependence on collaborative partners.

There are also risks inherent in the nature of the proposed transaction. These risks including the possibility of not satisfying all closing conditions to complete the business combination (such as shareholder and regulatory approval, and raising the required capital); risks regarding the integration of the two entities; and incorrect assessments of the values of each entity. This press release also contains forward-looking statements and information concerning the anticipated timing for completion of the transaction. Tekmira and Protiva have provided these anticipated times in reliance on certain assumptions that they believe are reasonable at this time, including the timing of receipt of the necessary regulatory approvals and the time necessary to satisfy the conditions to the closing of the transaction. These dates may change for a number of reasons, including an inability to secure necessary regulatory approvals in the time assumed or the need for additional time to satisfy the conditions to the completion of the transaction. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release concerning these times.

A more complete discussion of the risks and uncertainties facing Tekmira appears in Tekmira's Annual Information Form for the year ended December 31, 2007 and Tekmira's Information Circular dated May 1, 2008 and available at www.sedar.com. Tekmira disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements or information contained herein to reflect future results, events or developments, except as required by law.

About Tekmira

Tekmira Pharmaceuticals Corporation is a Canadian biopharmaceutical company developing and commercializing proprietary drugs and drug delivery systems to improve the treatment of cancer and other diseases. Further information about Tekmira can be found at www.tekmirapharm.com. Tekmira is

based in Vancouver, B.C.

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