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SANGAMO BIOSCIENCES AND AVIGEN ANNOUNCE RESEARCH COLLABORATION FOR THE TREATMENT OF CHRONIC PAIN

Richmond, California and Alameda, California – October 1, 2002 – Sangamo BioSciences, Inc. (Nasdaq: SGMO) and Avigen, Inc. (Nasdaq: AVGN) announced today that they have established a collaborative research agreement to evaluate potential therapies for chronic pain based on Sangamo's zinc finger DNA binding protein transcription factors (ZFP TFs) and Avigen's adeno-associated virus (AAV) gene delivery system.

The companies believe they can create novel therapies for chronic pain with significantly fewer side effects than with current treatments by combining their gene targeting, regulation and delivery technologies. Sangamo's ZFP TFs bind to specific DNA sequences to regulate gene expression and the subsequent production of proteins. Avigen's AAV gene delivery system is a very effective method for getting DNA into specifically targeted cells.

Under the terms of the agreement, scientists at both companies will investigate potential therapies for neuropathic pain based on the combined technologies. Each company will be responsible for its own expenses, and the companies will share any intellectual property developed.

"Intractable neuropathic pain is a significant medical problem," said Edward Lanphier, Sangamo's president and chief executive officer. "Approximately 50 million Americans are partially or totally disabled by pain. Genes encoding several proteins expressed in nerve cell membranes have been implicated in chronic pain. Sangamo's ZFP TFs can be engineered to recognize specific sequences within those genes and to control the expression of the proteins encoded by those genes."

"We have shown AAV vectors are extremely effective in delivering genes to nerve tissue in our ongoing Parkinson's research," said John Monahan Ph.D., Avigen's president and chief executive officer. "For the treatment of chronic pain, we simply change the payload inside the AAV vector to the appropriate ZFP TF and target relatively easy-to-access locations in the nervous system. AAV has also been shown to be very safe and well tolerated in our animal studies and our current human clinical trial for the treatment of hemophilia B. Avigen's proprietary manufacturing process eliminates all of the original viral genes in AAV vectors, thus minimizing potential immune responses and eliminating the virus' ability to reproduce."

"Current treatments for chronic pain are limited and can have significant side effects," Lanphier continued. "We believe the specificity of our ZFP TF technology to control individual genes, combined with Avigen's ability to target AAV gene delivery specifically to neuronal tissue, has the potential to allow us to develop a novel approach to pain control with far fewer side effects than traditional methods."

"The scientists at Sangamo and Avigen are at the forefront of the development of effective gene therapy. We are looking forward to working together and believe that the combination of our technologies has the potential to enable us to develop a novel solution to this difficult problem and may yield effective products to fulfill this unmet medical need," Monahan concluded.

About Sangamo

Sangamo BioSciences, Inc., of Richmond, CA, is focused on the research and development of novel transcription factors for the regulation of gene expression. The company's most advanced therapeutic development program involves the use of transcription factors for the treatment of peripheral and cardiovascular disease. Other therapeutics development programs are focused on cancer, ophthalmic and infectious diseases. Sangamo's proprietary technology enables the engineering of transcription factors known as zinc finger DNA-

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binding proteins, or ZFPs. By engineering ZFPs so that they can recognize a specific gene, Sangamo has created ZFP transcription factors (ZFP TFs) that can control gene expression and, consequently, cell function. The company is developing ZFP TFs as a fundamentally enabling technology for commercial applications in human therapeutics, pharmaceutical discovery, clinical diagnostics, agriculture, and industrial biotechnology. Over twenty leading pharmaceutical and biotechnology companies have utilized ZFP TFs. For more information about Sangamo, visit the company's web site at www.sangamo.com.

About Avigen

Avigen, Inc., based in the San Francisco Bay Area, is a leader in the development of gene therapy products, based on its AAV (adeno-associated virus) gene delivery platform technology. Avigen's proposed gene delivery products are designed for direct administration to patients in order to achieve expression of therapeutic proteins within the body. Avigen's Factor IX gene therapy product for hemophilia B, Coagulin-B®, is currently in clinical trials at the Children's Hospital of Philadelphia and Stanford University Medical Center. Additional information on Avigen's proprietary gene delivery products can be found at www.avigen.com

Investors Please Note

This press release contains forward-looking statements based on Sangamo and Avigen's current expectations. These forward-looking statements include, without limitation, references to the benefits that Sangamo and Avigen believe will result from their collaboration. Actual results may differ materially from these forward-looking statements due to a number of factors, including technological challenges and difficulties that may arise in the integration of the two technologies; the companies' ability to develop commercially viable products resulting from the collaboration due to unforeseen difficulties; and technological developments by their competitors that may displace the need for potential products that may result from the collaboration. The matters discussed in this press release also involve risks and uncertainties described in Sangamo and Avigen's filings with the Securities and Exchange Commission (SEC). In particular, see the risk factors described in the companies' Annual Reports on Form 10-K and their most recent Quarterly Reports on Form 10-Q. Sangamo and Avigen assume no obligation to update the forward-looking information contained in this press release.

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