



FOR IMMEDIATE RELEASE
PRESS RELEASE
March 19, 2007

**ANGIOTECH INITIATES U.S. PIVOTAL TRIAL FOR THE
VASCULAR WRAP™ PACLITAXEL-ELUTING MESH**

**New Technology Has Potential to Save Dialysis Patients with End-Stage Renal Disease
from Repeated Surgeries**

VANCOUVER, BC, March 19, 2007 – Angiotech Pharmaceuticals, Inc. (NASDAQ: ANPI, TSX: ANP), a global specialty pharmaceutical and medical device company, today announced the initiation of its United States pivotal study examining the Vascular Wrap™ Paclitaxel-Eluting Mesh (“Vascular Wrap™”).

This U.S. multi-center study is designed to evaluate the safety and efficacy of the Vascular Wrap™ after surgical implantation with an ePTFE vascular graft in the upper extremity for hemodialysis vascular (AV) access. The combination of Angiotech’s Vascular Wrap™ with its VaxSys™ ePTFE vascular graft will be branded as the VaxSys Synergy™ product.

“We believe that the Vascular Wrap™ within our VaxSys Synergy™ product holds promise to help those patients with end-stage renal disease (ESRD), who today face the high probability that their AV graft will fail in the first year of use. We believe that our technology has the potential to save dialysis patients with ESRD from repeated surgeries and help reduce the significant human and financial costs of additional hospitalizations,” said Dr. William Hunter, MD, President and CEO of Angiotech.

The study enrolled its first patient on March 15, 2007 in Winston-Salem, North Carolina and will involve approximately 530 patients at 50 centers in the United States. It is expected that the duration of the study from first subject/first visit through to last subject/last visit will be approximately 24 months.

“The initiation of this study is an important milestone for Angiotech. We believe the Vascular Wrap™ could not only significantly improve the treatment of hemodialysis patients, but that the commercial opportunity for the VaxSys Synergy™ product is significant. We hope this study, combined with the results from the two-year European study, will create the foundation for building a highly differentiated vascular franchise,” said Dr. Hunter.

In November 2006, Angiotech reported results from its European first-in-man study examining the safety and clinical performance of the Vascular Wrap™ when used to treat patients suffering from advanced peripheral arterial disease (PAD) in their lower limbs. Based on the strength of this two-year data, Angiotech submitted an application for a CE Mark for its Vascular Wrap™ paclitaxel-eluting mesh / ePTFE vascular graft combination product. Upon receipt of a CE Mark, Angiotech would commence commercialization of its Vascular Wrap™ product in the EU and certain other countries outside of the United States.

About the Study

The VaxSys Synergy™ pivotal trial is a randomized, placebo-controlled, multi-center, two-arm study. The primary objective of the study is to demonstrate that the patency of the Vascular Wrap™ Paclitaxel-Eluting Mesh and the ePTFE graft is superior to the patency of the ePTFE graft alone within one year following vascular access surgery. Subjects will also be followed over a four-year period to confirm the long-term safety of the study device although the Company anticipates filing for U.S. regulatory approval after completion of the primary one year follow up period.

About the VaxSys Synergy™ Product:

Angiotech's Vascular Wrap™ Paclitaxel-Eluting Mesh Combined with the VaxSys™ ePTFE Graft

Angiotech's VaxSys Synergy™ product is designed for use in hemodialysis access and peripheral arterial bypass surgery. The Vascular Wrap™ component is a biodegradable mesh implant incorporating Angiotech's paclitaxel technology in a novel degradable biomaterial. The technology is designed with the goal of mitigating intimal hyperplasia formation caused by abnormal blood flow, thereby enhancing graft patency rates in AV-access patients as well as in peripheral bypass procedures.

About End-Stage Renal Disease and Hemodialysis

The lives of patients with end-stage renal disease (ESRD) are highly dependent on vascular access to facilitate hemodialysis, a method of filtering out toxins in the blood using a dialysis machine. The incidence of ESRD is approximately 100,000 per year and approximately 330,000 subjects currently require routine hemodialysis. These subjects require vascular access via the placement of arteriovenous grafts or via the creation of arteriovenous fistulae. In the United States, synthetic grafts, such as ePTFE, are used in approximately 42 percent of hemodialysis access procedures¹. Almost half of the arteriovenous grafts fail in the first year of use. This high failure rate is a substantive cause of morbidity and may necessitate medical and surgical intervention in order to maintain graft patency.

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. Forward-looking statements in this release include but are not limited to the statements regarding; financial benefits to Angiotech that could potentially be realized in Angiotech's vascular business, the ability of Angiotech to successfully develop and commercialize the Vascular Wrap™ paclitaxel-eluting mesh, the ability of Angiotech to find other potential uses for the product, that a substantial market exists for the product, and the successful initiation, completion and outcome of the clinical trials referred to in the press release. 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. The assumptions include; that Angiotech will have the ability to market and sell the product itself, that the market potential for the product is significant, that Angiotech will be able to obtain regulatory approval to develop and commercialize the products referred to in the press release and that the outcomes of the clinical trials referred to in the press release will be positive. The 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 ability to persuade physicians to use the products, the availability of resources and funding, the potential size of the market for the product, 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. 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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About Angiotech

Angiotech Pharmaceuticals, Inc. is a global specialty pharmaceutical and medical device company with 17 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 (NASDAQ: ANPI, TSX: ANP), please visit our website at www.angiotech.com.

¹ Finelli, et al. National Surveillance of Dialysis-Associated Diseases in the United States, 2002. *Seminars in Dialysis* 2005; 18(1):52-61

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