



FOR IMMEDIATE RELEASE

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Avalon Pharmaceuticals

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***AVALON PHARMACEUTICALS ANNOUNCES PRICING
OF INITIAL PUBLIC OFFERING***

Germantown, MD, September 29, 2005--Avalon Pharmaceuticals, Inc. (Nasdaq and ArcaEx®: AVRX) today announced the pricing of its initial public offering of 2,750,000 shares of its common stock at a price to the public of \$10.50 per share. All of the shares are being offered by Avalon. In addition, Avalon has granted to the underwriters a 30-day option to purchase up to an additional 412,500 shares to cover over-allotments, if any. Avalon's common stock will be listed on the Nasdaq National Market and the Pacific Exchange, Inc. (for trading on the Archipelago Exchange or ArcaEx®) under the symbol "AVRX". W.R. Hambrecht + Co. led the offering, which was made through W.R. Hambrecht + Co.'s OpenIPO® auction-based process. Legg Mason Walker Wood Incorporated and Susquehanna Financial Group, LLLP served as co-managers for the offering.

A copy of the prospectus relating to these securities may be obtained by going to W.R. Hambrecht + Co.'s Web site, <http://www.wrhambrecht.com>, by calling 800-673-6476, or by writing to W.R. Hambrecht + Co., P.O. Box 677, Berwyn, PA 19312.

A registration statement relating to these securities was declared effective by the Securities and Exchange Commission on September 28, 2005. This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Avalon Pharmaceuticals

Avalon Pharmaceuticals is a biopharmaceutical company focused on the discovery and development of small molecule therapeutics for the treatment of cancer. Avalon seeks to discover and develop novel therapeutics through the use of a comprehensive, innovative and proprietary suite of technologies based upon large-scale gene expression analysis which it calls AvalonRx®. Avalon Pharmaceuticals was established in 1999 and is headquartered in Germantown, Maryland.

This announcement contains, in addition to historical information, certain forward-looking statements that involve risks and uncertainties, in particular, related to Avalon's ability to close its initial public offering and, if its is able to close the offering, the level of its share price, which may decline, and other statements about its research and development activities, including development of AVN944, its collaboration agreements, and its ability to successfully complete preclinical and clinical testing. Such statements reflect the current views of Avalon management and are based on certain assumptions. Actual results could differ materially from those currently anticipated as a result of a number of factors, risks and uncertainties. All forward looking statements are qualified in their entirety by this cautionary statement and the company undertakes no obligation to revise or update this news release to reflect events or circumstances after the date hereof.

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