



June 9, 2011

## **Arrowhead Receives Additional 180 Day Grace Period to Comply with the NASDAQ \$1.00 Minimum Bid Requirement**

**PASADENA, Calif. – June 9, 2011 – Arrowhead Research Corporation (NASDAQ: ARWR)** today announced that, on June 7, 2011, it received a notification from the NASDAQ Stock Market indicating that the Company will have an additional 180-day grace period, until December 5, 2011 to regain compliance with NASDAQ's \$1.00 minimum bid requirement. The notification indicated that the Company did not regain compliance during the initial 180-day grace period provided under the rule. In accordance with NASDAQ Marketplace Rule 5810<sup>®</sup>(3)(A), the Company is eligible for the additional grace period because it meets the initial listing requirements for the NASDAQ Capital Market except for the bid price and provided written notice of its intention to cure the deficiency during the second compliance period by effecting a reverse stock split, if necessary.

The NASDAQ letter does not impact Arrowhead's listing on The NASDAQ Capital Market at this time and Arrowhead's common stock will continue to trade under its current symbol "ARWR" during the additional 180-day compliance period.

"This extension provides us with another six months to further our business, technical and organizational milestones, which we believe will lead to a higher market value of our stock," said Chris Anzalone, Arrowhead's President and CEO. "While we have no immediate plans to implement a reverse stock split at this time, seeking approval of this measure serves as a prudent and precautionary step as we work to increase our valuation through organic growth."

The Company can regain compliance by maintaining a minimum closing bid price of \$1.00 per share for 10 consecutive business days. If Arrowhead does not meet the minimum bid requirement during the 180-day grace period, NASDAQ will provide written notification to the Company that its common stock will be subject to delisting. At that time, the Company can ask NASDAQ for a hearing to present a plan to regain compliance.

### **About Arrowhead Research Corporation**

Arrowhead Research Corporation (NASDAQ: ARWR) is a nanomedicine company developing innovative therapeutic products at the interface of biology and nanoengineering to cure disease and improve human health. Arrowhead addresses its target markets through focused subsidiaries, which include: Calando Pharmaceuticals, a leader in delivering small RNAs for gene silencing; Ablaris Therapeutics, an antiobesity therapeutics company; and Nanotope, a regenerative medicine company. For more information please visit <http://www.arrowheadresearch.com>.

### **Safe Harbor Statement under the Private Securities Litigation Reform Act:**

*This news release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based upon our current expectations and speak only as of the date hereof. Our actual results may differ materially and adversely from those expressed in any forward-looking statements as a result of various factors and uncertainties. For example, there can be no assurance that we will be able to maintain our listing on any NASDAQ market, that our financial initiatives will succeed or that we will be able to continue to operate as a going concern. Arrowhead Research Corporation's Annual Report on Form 10-K and 10-K/A, recent and forthcoming Quarterly Reports on Form 10-Q and 10-Q/A, recent Current Reports on Forms 8-K and 8-K/A, and other SEC filings discuss these and other important risk factors that may affect our business, results of operations and financial condition. We disclaim any intent to revise or update publicly any forward-looking statements.*

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