February 19, 2014

Arrowhead Announces Pricing of Underwritten Offering of Common Stock

PASADENA, Calif. — February 19, 2014 — Arrowhead Research Corporation (NASDAQ: ARWR), a biopharmaceutical company developing targeted RNAi therapeutics, today announced the pricing of an underwritten offering of 5.5 million shares of its common stock, offered at a price of $18.95 per share. The offering is expected to close on or about February 24, 2014, subject to customary closing conditions. In addition, Arrowhead has granted the underwriters a 30-day option to purchase up to an additional 825,000 shares of common stock. Jefferies LLC, Barclays Capital Inc. and Deutsche Bank Securities are acting as joint book-runners for the offering. Piper Jaffray & Co. is acting lead manager for the offering and Trout Capital acted as a financial advisor to the Company.

Gross offering proceeds will be approximately $104 million, before deducting customary underwriting discounts and commissions and offering expenses. Arrowhead intends to use the net proceeds from this offering for general corporate purposes, including working capital, capital expenditures, research and development expenditures and clinical trial expenditures. A portion of the net proceeds may also be used for the acquisition of complementary businesses, products and technologies, or for other strategic purposes.

The securities described above are being offered pursuant to a shelf registration statement (File No. 333-193748), which was declared effective by the United States Securities and Exchange Commission (“SEC”) on February 12, 2014.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction. The offering can be made only by means of a prospectus supplement and accompanying prospectus, copies of which may be obtained at the SEC's website at www.sec.gov, or by request at Jefferies LLC, 520 Madison Avenue, 12th Floor, New York, NY 10022, Attention: Prospectus Department, or by telephone at (877) 547-6340 or by email to Prospectus_Department@Jefferies.com; or Barclays Capital Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY, 11717, or by telephone at (888) 603-5847, or by email at barclaysprospectus@broadridge.com; or Deutsche Bank Securities Inc., Attention: Prospectus Group, 60 Wall Street, New York, NY 10005-2836, or by telephone at (800) 503-4611, or by email at prospectus.CPDG@db.com.

About Arrowhead Research Corporation

Arrowhead Research Corporation is a biopharmaceutical company developing targeted RNAi therapeutics. The company is leveraging its proprietary drug delivery technologies to develop targeted drugs based on the RNA interference mechanism that efficiently silence disease-causing genes. Arrowhead technologies also enable partners to create peptide-drug conjugates that specifically home to cell types of interest while sparing off-target tissues. Arrowhead’s pipeline includes clinical programs in chronic hepatitis B virus and obesity and partner-based programs in oncology.