



November 16, 2011

Arrowhead Research Announces 1-for-10 Reverse Stock Split

PASADENA, Calif. — November 16, 2011 — Arrowhead Research Corporation (NASDAQ: ARWR), a nanomedicine company with development programs in oncology, obesity, and regenerative medicine, today announced the implementation of a 1-for-10 reverse stock split of its common stock. Trading on a post-split basis will begin November 17, 2011 at market open. The reverse stock split was proposed by the Company's Board of Directors and approved by Arrowhead stockholders at the 2011 Annual Meeting of Shareholders held on August 8, 2011.

Upon the effectiveness of the reverse split, each ten shares of the Company's issued and outstanding common stock will be automatically combined into one share of the Company's common stock. The reverse split will affect all issued and outstanding shares of the Company's common stock, as well as common stock underlying stock options, warrants, Series A Preferred Stock and any common stock based equity grants outstanding immediately prior to the effectiveness of the reverse split. No fractional shares of common stock will be issued in connection with the reverse split. Stockholders will instead receive cash payment in lieu of any fractional shares.

The reverse split will decrease the number of Arrowhead common shares outstanding from approximately 105.26 million shares to approximately 10.53 million shares. The number of shares available under the Company's equity-based plans also will be proportionately reduced. The reverse split will not affect the number of the Company's authorized shares of common stock.

Arrowhead has received a new CUSIP number in connection with the split. The new CUSIP number is 042797 209. In connection with the split, a "D" will be appended to the Company's symbol for 20 trading days to reflect the reverse split; therefore, Arrowhead shares will temporarily trade under the symbol "ARWRD" during this 20-day period. The Company's symbol will revert to ARWR on approximately December 16, 2011.

The Company has retained its transfer agent, Computershare Trust Company ("Computershare"), to act as its exchange agent for the reverse split. Computershare will send Arrowhead shareholders of record as of November 16, 2011 a letter of transmittal providing instructions for the exchange of their certificates. Shareholders owning shares via a broker or other nominee will have their positions automatically adjusted to reflect the reverse stock split, subject to brokers' particular processes, and will not be required to take any action in connection with the reverse stock split. Shareholders should not destroy any stock certificates, nor should they submit any certificates for exchange until requested to do so in accordance with the materials to be distributed by Computershare.

About Arrowhead Research Corporation

Arrowhead Research Corporation is a clinical stage targeted therapeutics company with development programs in oncology, obesity, and infectious disease. The company leverages its platform technologies to design and develop peptide-drug conjugates (PDCs) which specifically home to cell types of interest while sparing off-target tissues, creates targeted drugs based on the gene silencing RNA interference (RNAi) mechanism, and works with partners to create improved versions of traditional small molecule drugs.

For more information please visit <http://www.arrowheadresearch.com>, or follow us on Twitter [@ArrowRes](https://twitter.com/ArrowRes). To be added to the Company's email list to receive news directly, please send an email to ir@arrowres.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, including our ability to finance our operations, the future success of our scientific studies, our ability to successfully develop drug candidates, the timing for starting and completing clinical trials, rapid technological change in our markets, and the enforcement of our intellectual property rights. Arrowhead Research Corporation's most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q discuss some of the important risk factors that may affect our business, results of operations and financial condition. We assume no obligation to update or revise forward-looking statements to reflect new events or circumstances.

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