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XOMA Presents Positive Data from PTH1R Monoclonal Antibody Program

Unmet medical needs in parathyroid hormone-related hypercalcemia contribute to potential partnering value of overall portfolio

BERKELEY, Calif., April 18, 2017 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq:XOMA), a pioneer in the discovery and development of therapeutic antibodies, announced today the presentation of positive data from pre-clinical studies investigating the activity of its anti-PTH1R antagonist monoclonal antibody (mAb). The antibody is a potential first-in-class therapeutic agent for the treatment of hyperparathyroidism (HPT) and humoral hypercalcemia of malignancy (HHM). These presentations were made at the American Association for Cancer Research (AACR) and the Endocrine Society (ENDO) annual meetings.

The PTH1R receptor is part of the B GPCR family and is the primary receptor of two ligands, parathyroid hormone (PTH) and parathyroid related protein (PTHrP). Hypercalcemia can occur when elevated levels of PTH, as seen in primary HPT, or elevated levels of PTHrP, as seen in HHM, lead to excessive activation of the PTH1R receptor. A potent and long-acting receptor antagonist could reverse hypercalcemia in all these conditions.

"Consistent with our new strategy, we are seeking partners with a deep commitment to and an expertise in drug development who are interested in licensing this first-in-class antibody and taking it through the clinical development process," said Jim Neal, Chief Executive Officer of XOMA. "There is a real need for better therapies that address hypercalcemia induced by hyperparathyroidism, and we are encouraged by these data, which demonstrate the efficacy of our anti-PTH1R approach as a potential treatment for patients suffering from HPT and HHM."

Data presented at the AACR and ENDO conferences between April 1-4, 2017 showed:

- | PTH1R antagonism *in vitro* by the anti-PTH1R mAb translated to potent *in vivo* activity
- | XOMA's anti-PTH1R antagonist mAb has the potential to become a first-in-class therapy for HHM, as the data demonstrated it ameliorated hypercalcemia and associated morbidities in pre-clinical models
- | XOMA's antibody libraries enabled the discovery of functional antibodies against a very complex target — i.e. the G-Protein Coupled PTH1Receptor
- | A high affinity fully human mAb to PTH1R has been selected and characterized
- | Proprietary antibody engineering resulted in antibodies with improved potency and manufacturing characteristics

"While hyperparathyroidism is a classic endocrine disorder, HHM spans both endocrine and oncology specialties. HHM is a life-threatening complication of many advanced cancers and is caused by tumor secretion of the PTH1R ligand, PTH-related peptide, which causes high calcium. Since current treatments often fall short of correcting hypercalcemia and many cancer patients die from such high calcium and associated metabolic complications, PTH1R antibodies could prove beneficial for the treatment of this devastating condition," said John Wysolmerski, MD, Professor of Medicine and Associate Section Chief for Research in the Section of Endocrinology and Metabolism, Yale School of Medicine.

The complete presentations can be found online at www.xoma.com/content/pipeline/publications.htm.

About XOMA's PTH1R Monoclonal Antibodies Program

XOMA has developed unique functional antibody antagonists targeting PTH1R, a G-protein-coupled receptor involved in the regulation of calcium metabolism. These antibodies have shown promising efficacy in *in vivo* studies and potentially could address high unmet medical needs, including primary hyperparathyroidism (PHPT) and humoral hypercalcemia of malignancy (HHM). Some secondary and tertiary HPT cases are additionally challenging to manage via current pharmacological approaches and may be well-addressed by XOMA's anti-PTH1R antibody.

About XOMA Corporation

XOMA has an extensive portfolio of products, programs, and technologies that are the subject of licenses the Company has in place with other biotech and pharmaceutical companies. Many of these licenses are the result of the Company's pioneering efforts in the discovery and development of antibody therapeutics. There are more than 20 such programs that are fully funded by partners and could produce milestone payments and royalty payments in the future. To maximize its

value in a licensing transaction, XOMA continues to invest in X358, an allosteric monoclonal antibody that reduces insulin receptor activity, as the antibody could be a potential treatment for hyperinsulinism. For more information, visit www.xoma.com.

Forward-Looking Statements

Certain statements contained in this press release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements regarding: the potential for XOMA's anti-PTH1R antagonist monoclonal antibody; the potential of XOMA's portfolio of partnered programs and licensed technologies generating milestone and royalty proceeds over time; and statements that otherwise relate to future periods. These statements are based on assumptions that may not prove accurate, and actual results could differ materially from those anticipated due to certain risks inherent in the biotechnology industry and for companies engaged in the development of new products in a regulated market. Potential risks to XOMA meeting these expectations are described in more detail in XOMA's most recent filing on Form 10-K and in other SEC filings. Consider such risks carefully when considering XOMA's prospects. Any forward-looking statement in this press release represents XOMA's views only as of the date of this press release and should not be relied upon as representing its views as of any subsequent date. XOMA disclaims any obligation to update any forward-looking statement, except as required by applicable law.

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