



Arrowhead Research
CORPORATION

**HARNESSING THE POWER OF
NANOTECHNOLOGY TO CURE DISEASE
AND IMPROVE HUMAN HEALTH**

OVERVIEW

Arrowhead Research Corporation is a nanomedicine company developing innovative therapeutic products at the interface of biology and nanoengineering. Arrowhead is currently focused on the preclinical and clinical development of therapeutics for the treatment of cancer and obesity, as well as healing wounded or diseased tissue. Arrowhead's partners include some of the most well-recognized and inventive leaders in nanoscience.

To address large unmet medical needs, Arrowhead identifies and selectively acquires proprietary drug platforms based on new technology. Each acquisition candidate is carefully selected based on its market potential, development costs, and fit with Arrowhead's existing pipeline. By focusing on specific related applications of nanomedicine, Arrowhead leverages its expertise and resources to keep development costs relatively low.

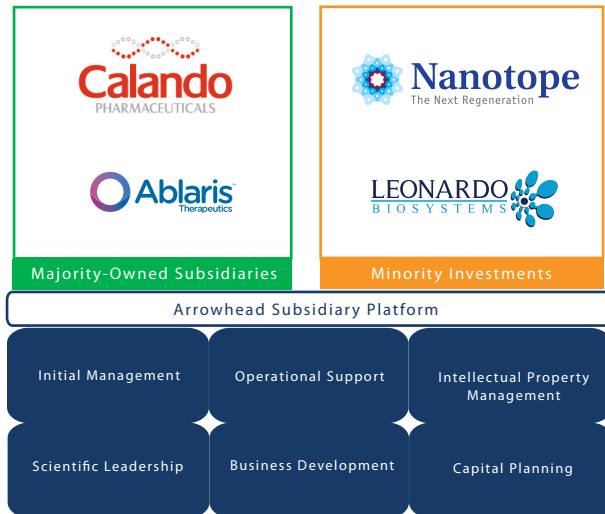
Once acquired, each technology platform is housed in its own subsidiary. This structure offers a number of benefits, including flexibility in financing and portability of assets in an exit transaction, while allowing Arrowhead to guide operations and business development, as well as retain substantial upside exposure. Arrowhead's ultimate goal is to increase and realize the value of its investments through a sale of a subsidiary to another company, license of subsidiary technology, a public offering of subsidiary stock, or generation of positive cash flows through operations.

NASDAQ: ARWR

Recent price (May 2, 2011)	\$0.58
52-week trading range	\$0.50-1.85
Shares outstanding	72 M
Market capitalization	\$42 M

INVESTMENT HIGHLIGHTS

- ◆ Innovative therapeutic platforms with multiple applications
- ◆ Addressing large underserved market opportunities
- ◆ Leading technology in RNAi delivery and anti-obesity therapeutics
- ◆ Focus on partnerships with market leaders for product development
- ◆ Efficient cost structure with low burn, mitigated risk and upside potential



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ARROWHEAD RESEARCH CORPORATION

SUBSIDIARIES AND INVESTMENTS



Leading Delivery of small RNAs for Gene Silencing

Calando is a clinical stage nano-enabled RNA interference (RNAi) drug delivery company. Calando's siRNA therapeutic, currently undergoing Phase I clinical testing, is the first to demonstrate in humans siRNA activity using targeted delivery and systemic administration. Gene silencing (through siRNA) is a potentially revolutionary new way of treating diverse disease classes; however, the lack of a proven method of delivering siRNA in humans has held the new field back. Arrowhead owns 79% of Calando.



Self Assembling Nanoparticles Promote Healing

Nanotope (22% owned) is a regenerative medicine company developing a highly flexible and customizable platform out of Northwestern University. Nanotope's products, are each customized to regenerate specific tissues; including neuronal, vascular, bone, myocardial, and cartilage. The products are injectable compounds that work with surviving cells in and around the point of damage to initiate and support tissue regeneration and growth. Nanotope entered into a commercialization corporate partnership in 2010.



A Revolutionary New Way Treat Obesity

Ablaris Therapeutics, Inc. is commercializing a new pharmaceutical approach to fight obesity, a widespread and growing problem worldwide. Based on technology developed at MD Anderson Cancer Center, the Ablaris platform consists of a suite of proprietary peptides that specifically target and kill the blood vessels that feed white fat tissue. Deprived of nutrition, the fat cells die and are broken down by the body. Independent studies across multiple species, including non-human primates, have demonstrated substantial and rapid weight loss in overweight animals. This is accomplished directly by reducing fat stores and indirectly by reducing appetite. Ablaris' first drug candidate is expected to enter the clinic in 2011. Arrowhead owns 64% of Ablaris.



Multistage Drug Delivery Platform Targets Cancer

Leonardo Biosystems (6% owned) is the exclusive provider of a multistage drug delivery platform initially targeting the treatment of cancer. The first stage consists of silicon nanoparticles that are rationally designed to circumvent the biological barriers between injection and tumors. The non-toxic silicon nanoparticles can carry a variety of second stage delivery vehicles, such as liposomes or polymeric delivery vehicles, which are formulated with the third stage, the active drug compound.

LEADERSHIP

Chris Anzalone, Ph.D., President and Chief Executive Officer. Dr. Anzalone has a wealth of experience in nanotechnology, biotechnology, company-building, and venture capital. He is the founding CEO of Nanotope and Leonardo Biosystems. Prior to his leadership of Arrowhead, Dr. Anzalone was a partner at the Washington, DC-based private equity firm, Galway Partners LLC, where he was in charge of sourcing, structuring, and building new business ventures. He was also the founding CEO of Nanolnk, Inc., a leading nanolithography company.

R. Bruce Stewart, Founder, Director and Executive Chairman of the Board. Mr. Stewart is a life-long entrepreneur. His capital market experience spans 30 years and he has raised substantial capital for both public and private companies. He is known for his success in building value for shareholders and innovating novel strategies in corporate finance.

Ken Myszkowski, Chief Financial Officer. Mr. Myszkowski brings to Arrowhead a broad range of finance and accounting experience spanning two decades in both the public and private sectors.

This profile 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, without limitation, our developmental stage and limited operating history, our ability to successfully develop products, rapid technological change in our markets, demand for our future products, legislative, regulatory and competitive developments, capital resources available to us and general economic conditions. Arrowhead Research Corporation's Annual Report on Form 10-K, recent and forthcoming Quarterly Reports on Form 10-Q, recent Current Reports on Forms 8-K and 8-K/A, and other SEC filings discuss some of the important risk factors that may affect our business, results of operations and financial condition.