December 18, 2018

XOMA Announces Closing of Rights Offering

Raises $20 million from existing stockholders

EMERYVILLE, Calif., Dec. 18, 2018 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq: XOMA) ("XOMA" or the "Company") today announced the closing of its previously announced Rights Offering. At the closing, XOMA sold and issued an aggregate of 285,689 shares of its common stock at the subscription price of $13.00 per share and an aggregate of 570.126 shares of its Series Y Preferred Stock at the subscription price of $13,000.00 per share pursuant to the exercise of subscriptions in the Rights Offering from its existing stockholders. In addition, BVF Partners L.P., a stockholder of the Company, purchased an additional 682.646 shares of the Series Y Preferred Stock at the subscription price of $13,000.00 per share pursuant to the exercise of its oversubscription rights. Combined, the Company sold and issued an aggregate 285,689 shares of its common stock and 1,252.772 shares of its Series Y Preferred Stock for aggregate gross proceeds of $20 million.

The Rights Offering was made pursuant to the Company's effective shelf registration statement on file with the Securities and Exchange Commission ("SEC") and a prospectus supplement and accompanying prospectus filed with the SEC on November 19, 2018. XOMA has engaged D.F. King & Co., Inc., to act as information agent with respect to the Rights Offering. For questions regarding the Rights Offering, or to obtain copies of the Rights Offering prospectus and any related materials, please contact D.F. King & Co. at xoma@dfking.com or by telephone at +1 866-721-1324.

About XOMA Corporation
XOMA has built a significant portfolio of products that are licensed to and being developed by other biotech and pharmaceutical companies. The Company's portfolio of partner-funded programs spans multiple stages of the drug development process and across various therapeutic areas. Many of these licenses are the result of XOMA's pioneering efforts in the discovery and development of antibody therapeutics. The Company's royalty-aggregator business model includes acquiring additional licenses to partner-funded programs. XOMA's license portfolio has the potential to generate significant milestone payments and royalty revenue in the future. For more information, visit www.xoma.com.

Safe Harbor Statement
This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally

preceded by words such as “anticipates,” “expect,” “may,” “plan,” or “will.” You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements. These and other risks are identified in our filings with the Securities and Exchange Commission (“SEC”), including without limitation our Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 and in other filings subsequently made by the Company with the SEC. All forward-looking statements contained in this press release speak only as of the date on which they were made and are based on management’s assumptions and estimates as of such date. We do not undertake any obligation to publicly update any forward-looking statements, whether as a result of the receipt of new information, the occurrence of future events, or otherwise.

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