

March 16, 2010



## **XOMA Receives Anticipated Notice of Non-Compliance From NASDAQ**

BERKELEY, Calif., March 16, 2010 (GLOBE NEWSWIRE) -- XOMA Ltd. (Nasdaq:XOMA) announced today that it has received a Staff Determination letter from The NASDAQ Stock Market LLC ("NASDAQ") indicating that the company has not regained compliance with the minimum \$1.00 per share requirement for continued inclusion on The NASDAQ Global Market, pursuant to NASDAQ Listing Rule 5450(a)(1). As a result, the company's common shares would be subject to delisting from The NASDAQ Global Market unless XOMA requests a hearing before a NASDAQ Listing Qualifications Panel (the "Panel"). Accordingly, XOMA intends to timely request a hearing before the Panel, which request will stay the delisting of the company's common shares pending the issuance of the Panel's decision following the hearing.

At the hearing, XOMA intends to request continued listing on The NASDAQ Global Market based upon its plan for regaining compliance with the minimum bid price requirement. Pursuant to Listing Rule 5815(c), the Panel has the authority to grant XOMA up to an additional 180 days from the date of the Staff Determination letter of March 16, 2010 (i.e., until September 13, 2010) to implement its plan of compliance. However, there can be no assurance that the Panel will grant XOMA's request for continued listing on The NASDAQ Global Market.

As announced on September 21, 2009, XOMA received notice from NASDAQ that for the 30 consecutive business days preceding September 15, 2009, the bid price of its common shares closed below the minimum \$1.00 per share required under Listing Rule 5450(a)(1). In accordance with Listing Rule 5810(c)(3)(A), XOMA had 180 calendar days, or until March 15, 2010, to regain compliance with this requirement.

### **About XOMA**

XOMA discovers, develops and manufactures antibody therapeutics designed to treat inflammatory, autoimmune, infectious and oncological diseases. The company's proprietary product pipeline includes XOMA 052, an anti-IL-1 beta antibody, and XOMA 3AB, a biodefense anti-botulism antibody candidate.

The XOMA Ltd. logo is available at <https://www.globenewswire.com/newsroom/prs/?pkgid=5960>

### **Forward-Looking Statements**

Certain statements contained herein concerning our continued listing with NASDAQ or that otherwise relate to future periods 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. These statements are based on assumptions that may not prove accurate. 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.

These risks, including those related to inability to comply with NASDAQ's continued listing requirements; the generally unstable nature of current economic conditions; the results of discovery and pre-clinical testing; the timing or results of pending and future clinical trials (including the design and progress of clinical trials; safety and efficacy of the products being tested; action, inaction or delay by the FDA, European or other regulators or their advisory bodies; and analysis or interpretation by, or submission to, these entities or others of scientific data); changes in the status of existing collaborative relationships; the ability of collaborators and other partners to meet their obligations; XOMA's ability to meet the demands of the United States government agency with which it has entered into its government contracts; competition; market demands for products; scale-up and marketing capabilities; availability of additional licensing or collaboration opportunities; international operations; share price volatility; XOMA's financing needs and opportunities; uncertainties regarding the status of biotechnology patents; uncertainties as to the costs of protecting intellectual property; and risks associated with XOMA's status as a Bermuda company, 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.

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