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The Texas A&M University System and XOMA License Innovative Manufacturing Technology

COLLEGE STATION, Texas and BERKELEY, Calif., Oct. 6, 2014 (GLOBE NEWSWIRE) -- The Texas A&M University System and XOMA Corporation (Nasdaq:XOMA), a leader in the discovery and development of therapeutic antibodies, today announced that the Texas A&M University System agreed to a non-exclusive license for XOMA's innovative design of a manufacturing facility. The patented technology relates to a flexible arrangement of mobile clean rooms (MCRs) within the manufacturing facility with each MCR providing a portable, self-contained environment that allows for drug development. The A&M System will use MCRs for certain government programs at The National Center for Therapeutics Manufacturing (NCTM) facility, a multidisciplinary workforce education institution and biopharmaceutical manufacturing center, located at Texas A&M University in College Station, Texas. Details of the license were not disclosed.

"Today's announcement is the culmination of years of collaborative work begun when Texas A&M assembled a small group of world leading experts to solve the manufacturing challenges essential for biosecurity," said Dr. Brett Giroir, Executive Vice President and CEO of the Texas A&M Health Science Center. "This team included Dr. Patrick Scannon and other XOMA experts, who developed concepts that have now been uniquely implemented by Texas A&M through our pioneering biomanufacturing facilities, including the Texas A&M Center for Innovation sponsored by the U.S. Department of Health and Human Services. The MCR technology is an important component of our vaccine and medical countermeasure technologies that may be important for responses to Ebola and other emerging diseases."

"This license validates our flexible manufacturing design as it will be in practice initially at a well-known educational facility," stated Patrick J. Scannon, MD, PhD, Founder and Chief Scientific Officer of XOMA. "Mobile clean rooms have the potential to transform the industry because of their 'plug and play' design, which offers benefits of easy scalability and reduced clean-out and set-up times. In addition, they offer the potential to respond to possible threats in locales where pharmaceutical or biologic manufacturing facilities are otherwise not available."

The flexible manufacturing facility design allows MCRs to connect easily and quickly to a central supply of utilities such as air, water, and electricity. This unique arrangement facilitates flexible design and eliminates change-over downtime. This translates into significantly reduced capital expenditures, production costs, and maintenance costs while offering meaningful time advantages over conventional manufacturing facilities. When MCRs are not in use, they can be easily moved to cleaning/refurbishing areas and prepared MCRs

can be "plugged in" for manufacturing.

About The A&M System

The A&M System is one of the largest systems of higher education in the nation, with a budget of \$3.8 billion. Through a statewide network of 11 universities, seven state agencies, two service units and a comprehensive health science center, the A&M System educates more than 131,000 students and makes more than 22 million additional educational contacts through service and outreach programs each year. Externally funded research expenditures exceed \$820 million and help drive the state's economy.

About XOMA

XOMA's portfolio of innovative product candidates is the result of the Company's focus on allosteric modulation, which offers opportunities to develop new classes of therapeutic antibodies with the potential to treat a wide range of human diseases. XOMA is developing its lead product gevokizumab (IL-1 beta modulating antibody) with SERVIER through a global Phase 3 program in non-infectious uveitis and Behçet's disease uveitis and has ongoing proof-of-concept studies in other IL-1-mediated diseases. XOMA's scientific research also produced the XMet program, which consists of three classes of preclinical antibodies, including Selective Insulin Receptor Modulators (SIRMs) that could have a major effect on the treatment of diabetes.

More detailed information can be found at www.xoma.com.

Forward-Looking Statements

Certain statements contained in this press release including, but not limited to, statements related to anticipated timing of initiation and completion of clinical trials and proof-of-concept trials, anticipated size of clinical trials, continued sales of approved products, sufficiency of our cash resources and anticipated levels of cash utilization, 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, 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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