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Ligand Announces Positive Preclinical Data on HepDirect™ Liver-Targeted Antiviral for the Treatment of Hepatitis C

Data Presented at AASLD Annual Meeting

SAN DIEGO-- **Ligand Pharmaceuticals Incorporated (NASDAQ:LGND)** announced that data from preclinical studies evaluating LG-7501 were featured in a poster presentation today at the 63rd Annual Meeting of the American Association for the Study of Liver Diseases in Boston. Ligand is developing novel small molecule inhibitors of NS5B polymerase for the treatment of hepatitis C virus infection (HCV) using its HepDirect™ liver-targeting technology platform. LG-7501 is a HepDirect prodrug designed for increased liver targeting, potentially improving clinical efficacy and safety.

In preclinical studies, Ligand evaluated the pharmacokinetics and liver targeting of LG-7501. LG-7501 is a HepDirect prodrug of 2'-C methylguanosine, a clinically validated NS5B polymerase inhibitor. HepDirect liver targeting of 2'-C methylguanosine and other active nucleosides may be an effective method to improve efficacy while reducing systemic side effects in HCV treatment. LG-7501 efficiently targeted the liver with reduced systemic distribution in preclinical models, providing proof-of-concept with a clinically validated HCV treatment.

The key findings include:

- LG-7501 has good oral bioavailability in two species.
- LG-7501 is rapidly metabolized to the active drug.
- LG-7501 converts to the active drug in the liver, resulting in greatly increased liver concentrations of the active drug while greatly reducing systemic distribution.

"Our HepDirect liver-targeting technology platform is an exciting example of Ligand's diverse portfolio of un-partnered assets and technologies, and has applicability in preferentially targeting drugs to the liver across a range of new classes of compounds for diseases such as HCV," commented Matthew W. Foehr, Chief Operating Officer of Ligand Pharmaceuticals. "Additionally, we are extremely pleased with the positive data generated in preclinical evaluation of LG-7501. HCV represents a significant and growing health concern, with few therapeutic options currently available for the approximately 180 million patients infected with the disease worldwide[1]."

About Ligand's HepDirect HCV Inhibitor Program

HepDirect is a pro-drug technology that targets delivery of certain drugs to the liver by using a proprietary chemical modification that renders a drug biologically inactive until cleaved by a

liver-specific enzyme. Antiviral therapies for the treatment of HCV often have significant undesired side effects related to systemic exposure of the compounds. The HepDirect technology may improve the efficacy and/or safety of certain drugs and can be applied to marketed or new drug products.

About Ligand Pharmaceuticals

Ligand is a biopharmaceutical company that develops and acquires assets it believes will generate royalty revenues and, under its lean corporate cost structure, produce sustainable profitability. Ligand has a diverse asset portfolio addressing the unmet medical needs of patients for a broad spectrum of diseases including thrombocytopenia, multiple myeloma, diabetes, hepatitis, muscle wasting, dyslipidemia, anemia, and osteoporosis. Ligand's Captisol® platform technology is a patent protected, chemically modified cyclodextrin with a structure designed to optimize the solubility and stability of drugs. Ligand has established multiple alliances with the world's leading pharmaceutical companies including GlaxoSmithKline, Merck, Pfizer, Eli Lilly & Company, Baxter International, Bristol-Myers Squibb, Celgene, Onyx Pharmaceuticals, Lundbeck Inc., and The Medicines Company among others. Please visit www.captisol.com for more information on Captisol. For more information on Ligand, please visit www.ligand.com.

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Forward-Looking Statements

This news release contains certain forward-looking statements by Ligand that involve risks and uncertainties and reflect Ligand's judgment as of the date of this release. These statements include those regarding LG-7501 and/or other product candidates using its HepDirect technology , utility and potential benefits to patients and plans for continued development of LG-7501 and/or other product candidates using its HepDirect technology. Actual events or results may differ from Ligand's expectations. For example, there can be no assurance that other trials or evaluations of LG-7501 and/or other product candidates using its HepDirect technology will be favorable or that they will confirm results of previous studies, that data evaluation will be completed or demonstrate any hypothesis or endpoint, that LG-LG-7501 and/or other product candidates using its HepDirect technology will provide utility or benefits to certain patients, that any presentations will be favorably received, that LG-7501 and/or other product candidates using its HepDirect technology will be useful, that marketing applications will be filed or, if filed, approved, or that clinical or commercial development of these product candidates will be initiated, completed or successful or that our rights to LG-7501 and/or other product candidates using its HepDirect technology will not be successfully challenged. The failure to meet expectations with respect to any of the foregoing matters may reduce Ligand's stock price. Additional information concerning these and other risk factors affecting Ligand's business can be found in prior press releases available via www.ligand.com as well as in Ligand's public periodic filings with the Securities and Exchange Commission at www.sec.gov. Ligand disclaims any intent or obligation to update these forward-looking statements beyond the date of this release. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

[1] Ghany MG, Strader DB, Thomas DL, Seeff, LB. Diagnosis, management and treatment of hepatitis C; An update. Hepatology. 2009;49 (4):1-40.

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