July 8, 2016

Ligand Enters into OmniAb® Platform License Agreement with Gilead Sciences

SAN DIEGO-- **Ligand Pharmaceuticals Incorporated (NASDAQ: LGND)** announces it has entered into a worldwide license agreement with Gilead Sciences, Inc. Under the license, Gilead will be able to use the OmniRat®, OmniMouse® and OmniFlic® platforms to discover fully human mono- and bispecific antibodies to be developed for the treatment of various diseases. Ligand is eligible to receive annual platform access payments, milestone payments and royalties for each product incorporating an OmniAb antibody. Gilead will be responsible for all costs related to the programs.

“Having access to the OmniAb platform provides Gilead with an industry-leading technology to discover novel antibody therapeutics,” said John Higgins, Chief Executive Officer of Ligand. “This license agreement adds to the multiple post-OMT-acquisition licensing agreements that have already been signed including one recently signed with F-star. It also continues to demonstrate the licensing power of the OmniAb platform, which stands next to Captisol and other proprietary Ligand technologies in driving our future growth opportunities.”

About OmniAb®

OmniAb includes three transgenic animal platforms for producing mono- and bispecific human therapeutic antibodies. OmniRat® is the industry’s first human monoclonal antibody technology based on rats. It has a complete immune system with a diverse antibody repertoire and generates antibodies with human idiotypes as effectively as wild-type animals make rat antibodies. OmniMouse® is a transgenic mouse that complements OmniRat and expands epitope coverage. OmniFlic® is an engineered rat with a fixed light chain for development of bispecific, fully human antibodies. The three platforms use patented technology, have broad freedom to operate and deliver fully human antibodies with high affinity, specificity, expression, solubility and stability.

About Ligand Pharmaceuticals

Ligand is a biopharmaceutical company focused on developing or acquiring technologies that help pharmaceutical companies discover and develop medicines. Our business model creates value for stockholders by providing a diversified portfolio of biotech and pharmaceutical product revenue streams that are supported by an efficient and low corporate cost structure. Our goal is to offer investors an opportunity to participate in the promise of the biotech industry in a profitable, diversified and lower-risk business than a typical biotech company. Our business model is based on doing what we do best: drug discovery, early-stage drug development, product reformulation and partnering. We partner with other pharmaceutical companies to leverage what they do best (late-stage development, regulatory management and commercialization) to ultimately generate our revenue. Ligand’s Captisol® platform technology is a patent-protected, chemically modified

cyclodextrin with a structure designed to optimize the solubility and stability of drugs. OmniAb® is a patent-protected transgenic animal platform used in the discovery of fully human mono-and bispecific therapeutic antibodies. Ligand has established multiple alliances, licenses and other business relationships with the world's leading pharmaceutical companies including Novartis, Amgen, Merck, Pfizer, Celgene, F-star Biotechnology Ltd, Gilead, Janssen, Baxter International and Eli Lilly.

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Forward-Looking Statements
This news release contains forward-looking statements by Ligand that involve risks and uncertainties and reflect Ligand's judgment as of the date of this release. These include statements regarding Ligand's license agreement with Gilead under which Ligand may receive annual platform access payments, milestone payments and royalties (which, as used herein includes royalty-like payments based upon the development and commercialization of any products based on antibodies discovered under the license). Actual events or results may differ from our expectations. For example, there can be no assurances that Gilead will successfully develop or market any antibodies discovered under the license. 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 important risk factors affecting Ligand can be found in Ligand's prior press releases available at www.ligand.com as well as in Ligand's public periodic filings with the Securities and Exchange Commission, available at www.sec.gov. Ligand disclaims any intent or obligation to update these forward-looking statements beyond the date of this press release, except as required by law. This caution is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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