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XOMA Announces \$20 Million Credit Facility with Silicon Valley Bank to Advance Royalty-Aggregator Business Model

EMERYVILLE, Calif., May 08, 2018 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq:XOMA), a pioneer in the discovery, development and licensing of therapeutic antibodies, today announced it has entered into a flexible \$20 million credit facility with Silicon Valley Bank, with availability through March 2019.

"This credit facility gives us the option to access capital quickly as needed to capitalize on opportunities to expand our portfolio of partner-funded programs. We are seeing an increasing flow of opportunities to acquire potential milestone and royalty revenue streams on additional assets," stated Tom Burns, Chief Financial Officer of XOMA. "Each new license provides us the potential to further diversify our revenue streams, drive future growth and create near- and long-term value for shareholders."

Should XOMA draw advances from the credit facility, it will pay a floating per annum interest rate equal to the greater of (i) 4.75% and (ii) the Wall Street Journal Prime Rate plus 0.25%. For the initial 12-month period, payments under the credit facility are interest only, followed by 24 monthly payments of principal and interest. Borrowings under the credit facility are subject to certain unused credit line fees and prepayment penalties. The term loan commitment may be extended to March 2020 upon certain conditions, and includes the opportunity to increase the borrowing capacity to an aggregate amount of \$40 million.

About XOMA Corporation

XOMA has built a portfolio of over two dozen 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.

Forward-Looking Statements

Certain statements contained in this press release 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, including statements regarding the potential of XOMA's portfolio of partnered programs and licensed technologies generating substantial milestone and royalty proceeds over time. 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, including those related to the fact that our product candidates subject to out-license agreements are still being developed, and our licensees' may require substantial funds to continue development which may not be available; we do not know whether there will be, or will continue to be, a viable market for the products in which we have an ownership or royalty interest; we may not be successful in entering into out-license agreements for our product candidates; if our therapeutic product candidates do not receive regulatory approval, our third-party licensees will not be able to manufacture and market them. Other 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.

Investor contact:

Luke Heagle
W2O pure
+1 910-726-1372
lheagle@w2ogroup.com

Media contact:

Julie Normart
W2O pure
+1 415-946-1087
jnormart@w2ogroup.com



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