

Cerulean Pharma Inc. Announces License Agreement with Calando Pharmaceuticals, Inc., a Subsidiary of Arrowhead Research Corporation

CAMBRIDGE, MA. – June 23, 2009 - Cerulean Pharma Inc., a biopharmaceutical company focused on developing intelligently designed, nanoparticle-based drugs, announced today that it has entered into an exclusive, worldwide license agreement with Calando Pharmaceuticals, Inc., a majority-owned subsidiary of Arrowhead Research Corporation (NASDAQ: ARWR). Calando will receive an upfront payment as well as development and sales milestones and sales royalties.

Under the terms of the agreement, Cerulean has acquired worldwide exclusive rights to Calando's proprietary cyclodextrin co-polymer based drug delivery technology to develop and commercialize therapeutic products arising from application of this technology. Additionally, Cerulean has acquired worldwide exclusive rights to develop and commercialize Calando's clinical stage anti-cancer product candidate, IT-101, a camptothecin nanoparticle with a highly differentiated and promising pre-clinical foundation that has just successfully progressed through a Phase 1 clinical trial.

Calando's cyclodextrin co-polymer based drug delivery technology was originally developed by world-renowned chemical engineering scientist Professor Mark Davis and exclusively licensed from California Institute of Technology. This technology incorporates biologically compatible components and enables formulation of self-assembled nanoparticles for pharmaceutical product development. Highly complementary to Cerulean's platform technologies, the cyclodextrin co-polymer based technology adds to the breadth and scope of Cerulean's efforts. With IT-101 as the first-in-human product candidate of the technology, promising results from the completed Phase 1 study have provided strong proof-of-principle that this technology can provide a dramatic improvement in drug pharmacokinetics and safety.

"Calando's cyclodextrin co-polymer based technology is founded on elegant chemistry, and the integration of this platform into our program fully leverages the expertise and capabilities that we have built," said Dr. Oliver Fetzer, President and Chief Executive Officer of Cerulean. "We look forward to applying the technology against a range of product opportunities, as well as further advancing IT-101 in the clinic."

"We believe strongly in IT-101 and the cyclodextrin co-polymer based delivery platform," stated Arrowhead's President and Chief Executive Officer, Dr. Christopher Anzalone. "Cerulean is well-positioned to further develop these assets given its focus on nanoparticle-based drugs, strong financial position, and high quality management team. We look forward to our mutual future success."

About Cerulean Pharma Inc.

Cerulean Pharma Inc. is a privately-held biopharmaceutical company focused on the development of novel, nanotechnology-based therapeutics in the areas of oncology, cardiovascular, autoimmune and inflammatory diseases. The Company has assembled a world-class management team, board of directors and scientific advisory board that collectively have a significant track record of business building, product development and scientific breakthroughs from companies and institutions such as Millennium Pharmaceuticals, Pfizer, GlaxoSmithKline, the Massachusetts Institute of Technology, Harvard Medical School, MD Anderson, Fox Chase Cancer Center and the Arizona Health Center. The company has been funded by leading investors Polaris Venture Partners, Venrock, Lux Capital, Bessemer Venture Partners,

Alexandria Real Estate Equities, and William H. Rastetter. Cerulean is located in Cambridge, Massachusetts. For more information, please visit the company's website at www.ceruleanrx.com.

About Arrowhead Research Corporation

Arrowhead Research Corporation (www.arrowheadresearch.com) (NASDAQ: ARWR) is a nanotechnology company commercializing new technologies in the areas of life sciences, electronics, and energy. Arrowhead is seeking to build value for shareholders through the progress of majority owned subsidiaries. Currently, Arrowhead has four subsidiaries commercializing nanotech products and applications and minority investments in two privately held nanobiotech companies.

About Calando Pharmaceuticals Inc.

Calando Pharmaceuticals Inc. (www.calandopharma.com), a majority-owned subsidiary of Arrowhead Research Corporation (NASDAQ: ARWR), has developed proprietary technologies to create targeted siRNA-based therapeutics and small molecule nanoparticle drug conjugates. Calando's innovative Cyclosert™ and RONDEL™ nanoparticle systems have been designed to solve the long-standing obstacle of effective delivery and targeting for oligonucleotide and small molecule therapeutics. Calando has developed two clinical stage drug candidates for the treatment of cancer.

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