



FOR IMMEDIATE RELEASE

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IRONWOOD AND PROTAGONIST ESTABLISH COLLABORATION FOR PEPTIDE DRUG DISCOVERY AND DEVELOPMENT

CAMBRIDGE, Mass. and REDWOOD CITY, Calif., January 18, 2011 — Ironwood Pharmaceuticals, Inc. (NASDAQ: IRWD) and Protagonist Therapeutics, Inc. today announced that they have entered into a collaboration to discover novel peptides for potential development by Ironwood. The collaboration capitalizes on Protagonist's proprietary disulfide rich peptide (DRP) technology platform, and provides Ironwood with the opportunity to develop novel peptides and treatments against clinically-validated targets in therapeutic areas with significant unmet medical needs.

During the collaboration period, Protagonist will use its DRP technology platform to design peptides against targets identified by Ironwood. Ironwood has the right to advance such peptides through preclinical and clinical development, and if such development is successful, commercialization. In connection with entering into the agreement, Ironwood made an upfront payment to Protagonist, and it will fund full-time equivalents for Protagonist's drug discovery activities during the collaboration period. Pending the achievement of certain development and commercialization milestones, Ironwood will make certain milestone payments and will pay royalties on sales of each product incorporating peptides identified by Protagonist.

"This collaboration is a validation of Protagonist's innovative drug discovery technology platform, designed to exploit DRPs as therapeutic agents," said Dinesh V. Patel, Ph.D., president and chief executive officer of Protagonist. "We have found an ideal partner in Ironwood given their experience with linaclotide, an oral peptide that recently completed the efficacy portion of its Phase 3 program. We look forward to working with their outstanding team in the discovery of novel peptides against targets of therapeutic significance."

"We are excited to establish this relationship with Protagonist," said Mark G. Currie, Ph.D., senior vice president, R&D and chief scientific officer of Ironwood. "We believe that their expertise in the field of peptide drug discovery and their proprietary DRP platform complement our internal discovery and development capabilities very well. Entering into this collaboration is an important step in advancing our goal of discovering, developing, and commercializing innovative medicines targeting important therapeutic needs."

About Protagonist Therapeutics

Protagonist Therapeutics is a privately held biotechnology company pursuing the discovery and development of disulfide rich peptides (DRPs) as well differentiated alternatives to antibodies and also as new chemical entities (NCEs) against those targets and diseases for which suitable small molecule and/or biologic options are either not ideal or not available. Protagonist has developed a proprietary drug discovery technology platform, available for non-exclusive partnerships, that enables it to identify DRP based hits and leads against any type of target in a de novo manner. These DRP molecules combine the beneficial features of monoclonal antibodies (mAbs) with the desired properties of small molecule drugs. Protagonist, a spin-out of University of Queensland's Institute for Molecular Biosciences (IMB), is headquartered in Redwood City, Calif., USA and has discovery operations in Brisbane, Australia at the IMB. For more information on Protagonist, please visit www.protagonist-inc.com.

About Ironwood Pharmaceuticals

Ironwood Pharmaceuticals (NASDAQ: IRWD) is an entrepreneurial pharmaceutical company dedicated to the art and science of great drugmaking. Linaclotide, Ironwood's GC-C agonist, is being evaluated in a confirmatory Phase 3 program for the treatment of irritable bowel syndrome with constipation (IBS-C) and chronic constipation. Ironwood also has a growing pipeline of additional drug candidates in earlier stages of development. Ironwood is located in Cambridge, Mass. To learn more, visit www.ironwoodpharma.com.

This press release contains forward looking statements, and investors are cautioned not to place undue reliance on such statements. Such statements include, but are not limited to, statements regarding Protagonist's development obligations, Ironwood's rights to develop any peptide developed by Protagonist, and Ironwood's obligations to fund Protagonist's research and to make milestone and royalty payments if products are successfully developed and commercialized. Each forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statement. Applicable risks and uncertainties include the risks that Ironwood chooses not to develop or commercialize a peptide designed in connection with the collaboration, that a peptide does not successfully complete preclinical or clinical development, that either party commits a material breach of the collaboration agreement, or that the collaboration is terminated before Protagonist develops any peptides. Applicable risks also include those that are listed in Ironwood Pharmaceuticals' Quarterly Report on Form 10-Q for the three months ended September 30, 2010, in addition to the risk factors that are listed from time to time in Ironwood's subsequent SEC filings. Ironwood undertakes no obligation to update these forward-looking statements to reflect events or circumstances occurring after this press release. These forward-looking statements speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.

SOURCE: Ironwood Pharmaceuticals, Inc. & Protagonist Therapeutics, Inc.

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