

KNOTT DAVID M  
Form 3  
January 30, 2006

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*

KNOTT DAVID M  
(Last) (First) (Middle)

485 UNDERHILL  
BLVD, SUITE 205

(Street)

SYOSSET, NY 11791

(City) (State) (Zip)

2. Date of Event Requiring Statement

(Month/Day/Year)  
01/24/2006

3. Issuer Name and Ticker or Trading Symbol  
ARROWHEAD RESEARCH CORP [ARWR]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer  Other  
(give title below) (specify below)

5. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)

2. Amount of Securities Beneficially Owned (Instr. 4)

3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)

4. Nature of Indirect Beneficial Ownership (Instr. 5)

Common stock, \$0.001 par value per share	40,300	I	By Anno, L.P. <sup>(1)</sup>
Common stock, \$0.001 par value per share	160,200	I	By Commonfund Hedged Equity Company <sup>(1)</sup>
Common stock, \$0.001 par value per share	45,600	I	By Good Steward Trading Company SPC <sup>(1)</sup>
Common stock, \$0.001 par value per share	1,330,500	I	By Knott Partners, L.P. <sup>(1)</sup>
Common stock, \$0.001 par value per share	1,739,181	I	By Matterhorn Offshore Fund Limited <sup>(1)</sup>
Common stock, \$0.001 par value per share	733,800	I	By Shoshone Partners, LP <sup>(1)</sup>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Warrant to purchase Common Stock, \$0.001 par value per share	07/25/2006	01/24/2011	Common Stock, \$0.001 par value per share	3,075	\$ 4.5	I	By Anno, L.P. <sup>(1)</sup>
Warrant to purchase Common Stock, \$0.001 par value per share	07/25/2006	01/24/2011	Common Stock, \$0.001 par value per share	12,075	\$ 4.5	I	By Commonfund Hedged Equity Company <sup>(1)</sup>
Warrant to purchase Common Stock, \$0.001 par value per share	07/25/2006	01/24/2011	Common Stock, \$0.001 par value per share	3,450	\$ 4.5	I	By Good Steward Trading Company SPC <sup>(1)</sup>
Warrant to purchase Common Stock, \$0.001 par value per share	07/25/2006	01/24/2011	Common Stock, \$0.001 par value per share	108,475	\$ 4.5	I	By Knott Partners, L.P. <sup>(1)</sup>
Warrant to purchase Common Stock, \$0.001 par value per share	07/25/2006	01/24/2011	Common Stock, \$0.001 par value per share	161,688	\$ 4.5	I	By Matterhorn Offshore Fund Limited <sup>(1)</sup>
Warrant to purchase Common Stock, \$0.001 par value per share	07/25/2006	01/24/2011	Common Stock, \$0.001 par value per share	68,400	\$ 4.5	I	By Shoshone Partners, LP <sup>(1)</sup>

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KNOTT DAVID M 485 UNDERHILL BLVD SUITE 205 SYOSSET, NY 11791	Â	Â X	Â	Â

## Signatures

David M. Knott                      01/30/2006

\_\_Signature of                      Date  
 Reporting Person

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The Reporting Person is the managing member of Knott Partners Management, LLC, which is the sole General Partner of Shoshone Partners, L.P. and managing general partner of Knott Partners, L.P. In addition, the Reporting Person is the sole shareholder, director and president of Dorset Management Corporation, which provides investment management services to those entities listed in Table I(3). As a result of the Reporting Person's interests in Knott Partners Management, LLC and Dorset Management Corporation, the Reporting Person has investment discretion and control in the securities in Table I(2). The Reporting Person may be deemed to beneficially own indirect pecuniary interest in securities in Table I(2) as a result of a performance related fee. The Reporting Person disclaims beneficial ownership therein except to the extent ultimately realized.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.