Conquering hepatitis C in our time

XTLbio announces data demonstrating the antiviral activity of one of the two antibodies comprising XTLbio's lead Hepatitis C drug candidate - XTL6865

Data presented yesterday at the 56th annual meeting of the American Association for the Study of Liver Diseases in San Francisco

Rehovot, Israel; Wednesday 16 November 2005: XTL Biopharmaceuticals Ltd. ("XTLbio") (LSE: XTL; NASDAQ: XTLB; TASE: XTL) presented yesterday data from a pilot Phase I/II clinical trial with Ab68, one of the two antibodies comprising XTLbio's lead Hepatitis C drug candidate – XTL-6865.

This pilot study was conducted in patients with hepatitis C following liver transplantation. Patients in this study were treated with 20, 40, 80, 120 or 240 mg doses of Ab68. Ab68 was administered once during the transplantation, then up to 3 times during the first 24 hours following the transplantation, then daily during the following 6 days, and then in a decreasing frequency during the following 11 weeks.

During the period of daily dosing (the first 7 days following the transplantation) reduction in viral load from baseline was greater in the two highest dose groups (120 and 240 mg) compared to the placebo group. On day 1 following the transplantation (when Ab68 was administered 3 times) the median reduction in viral load from baseline of the highest dose group (240 mg) was 1-log (90%) greater than the placebo group.

Thomas Schiano, MD, Medical Director of Adult Liver Transplantation and Director of Clinical Hepatology at the Recanati/Miller Transplantation Institute at Mount Sinai Medical Center commented: "The results presented are very encouraging, as they provide clinical demonstration that Ab68 – which is one of the two antibodies comprising XTLbio's lead hepatitis C drug candidate – XTL-6865 – has shown activity in reducing viral levels."

The dual antibody product – XTL-6865 - is presently in Phase Ia clinical trial in patients with chronic hepatitis C. Results from this trial are expected in the second half of 2006

Link to the data presentation: www.xtlbio.com

About XTL-6865

XTL-6865 is XTLbio's lead Hepatitis C drug candidate, currently in a Phase Ia clinical trial in patients with chronic hepatitis C.

XTL-6865 is a dual-antibody therapeutic developed for two potential indications: preventing hepatitis C recurrence following liver transplantation and preventing relapse following treatment of patients with chronic Hepatitis C.

The two antibodies comprising XTL-6865 – Ab68 and Ab65 - were developed sequentially, and Ab68 was available for clinical evaluation approximately 2 years before Ab65. This enabled XTLbio to conduct pilot studies with Ab68 alone to evaluate its safety and pharmacokinetic properties in patients with chronic hepatitis C, and in patients with hepatitis C following liver transplantation.

The pilot studies with Ab68 in patients with chronic hepatitis C provided preliminary evidence of antiviral activity of Ab68. In the multi-dose pilot study in patients with chronic hepatitis C, a third of the patients demonstrated at least once an equal to or greater than 1-log (90%) reduction in viral load following the administration of Ab68.

The pilot study in patients following liver transplantation – the results of which are described above – provided further data demonstrating the antiviral activity of Ab68.

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Phase 1a trial with the dual antibody drug candidate – XTL-6865 – was initiated in September 2005 in patients with chronic hepatitis C. Results from this trial are expected in the second half of 2006.

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About XTL Biopharmaceuticals Ltd.
Established in 1993, XTL Biopharmaceuticals Ltd. (LSE: XTL; NASDAQ: XTLB; TASE: XTL) is a biopharmaceutical company engaged in the acquisition, development and commercialization of pharmaceutical products for the treatment of infectious diseases, particularly the prevention and treatment of hepatitis B and C.

Cautionary Statement

Some of the statements included in this press release may be forward-looking statements that involve a number of risks and uncertainties. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the US Private Securities Litigation Reform Act of 1995. Among the factors that could cause our actual results to differ materially, and therefore affect interest by investors in our securities, are the following: the results of the trials of Ab68 are not necessarily indicative of the results we may have in future trials of the Ab68 antibody or of the Phase 1a and 1b trials of XTL6865, as there are many factors affecting those future studies that could yield more inconclusive or negative results; and other risk factors identified from time to time in our reports filed with the various regulatory bodies. Any forward-looking statements set forth in this press release speak only as of the date of this press release. We do not intend to update any of these forward-looking statements to reflect events or circumstances that occur after the date hereof. This press release and prior releases are available at www.xtlbio.com. The information in our website is not incorporated by reference into this press release and is included as an inactive textual reference only.