



**A copy of the attached letter was posted to shareholders holding ordinary shares in the UK and Channel Islands registrar.**

**November 13, 2007**

**To Ordinary Shareholders and Holders of Depository Interests**

**Re: Shareholders' Choices Following De-Listing of XTL Biopharmaceuticals Ltd. ("XTL" or the "Company") Ordinary Shares from the London Stock Exchange ("LSE")**

**Dear Investor:**

**Background**

On October 31, 2007 an announcement was issued by XTL that the Company's ordinary shares have been delisted from the Official List of the United Kingdom Listing Authority, pursuant to the October 2, 2007 vote at the Company's Extraordinary General Meeting.

**Post cancellation of the listing on the LSE**

Following the cancellation of the LSE listing of the Company's ordinary shares, shareholders may continue to hold their certificated ordinary shares. Holders of depository interests may also continue to hold their depository interests.

Alternatively shareholders may deposit their ordinary shares with the Company's depository bank, The Bank of New York, in exchange for American Depositary Receipts, or ADRs, which are traded on NASDAQ, or deposit their ordinary shares with the Company's Israeli depository agent, the Registration Company of Bank Hapoalim Ltd., and trade their ordinary shares on the Tel Aviv Stock Exchange ("TASE").

**ADR**

The Bank of New York will issue ADRs representing American Depositary Shares, or ADSs, if shareholders or their broker deposit ordinary shares with The Bank of New York's Custodian, either the Tel Aviv office of Bank Hapoalim B.M., or the London office of The Bank of New York. One ADR will represent an ownership interest in ten of the Company's Ordinary Shares.

***XTL has further announced that issuances of ADRs by The Bank of New York will be processed free of the customary charges of The Bank of New York for an additional month, through November 30, 2007.***



Interested investors should contact their brokers to discuss the waived fee and, should they have any questions, can contact The Bank of New York in either London or New York as follows:

**London**

Mark Lewis  
Vice President  
Tel + 44 207.964.6089  
Fax + 44 207.964.6024  
marlewis@bankofny.com

or

**New York**

Jason Paltrowitz  
Vice President  
Tel +1.212.815.2077  
Fax +1.212.815.3004  
jpaltrowitz@bankofny.com

***Ordinary Shares on TASE***

The Company's ordinary shares are traded on the TASE. With the appropriate bank or brokerage account in Israel, investors looking to trade their ordinary shares on TASE should contact their Israeli bank or broker. In order to do so, shareholders, or their brokers, are required to deposit the certificate representing their ordinary shares together with a duly signed and executed transfer form with the Company's Israeli depository agent, the Registration Company of Bank Hapoalim Ltd. Should investors have any questions, they may also contact Computershare as follows:

**UK**

John Gorski  
Manager - Global Transaction Unit  
Tel: + 44.117.305.1075  
Fax: + 44.870.889.3120  
John.gorski@computershare.co.uk

or

**Channel Islands**

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Team Leader  
Tel: + 44.1534.825294  
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Sincerely,

/s/ Bill Kessler  
Bill Kessler  
Director of Finance