



XTL Biopharmaceuticals implements restructuring plan

Valley Cottage, NY, December 8, 2008 - XTL Biopharmaceuticals Ltd. (NASDAQ: XTLB, TASE: XTL) announced today that it is restructuring its operations following the failure of the Bicifadine Phase 2b clinical trial. The company is terminating the employment of 9 employees, representing 75% of its workforce. The remaining employees will be responsible for seeking potential assets or a company to merge into XTL, or for assisting in the liquidation and/or disposition of XTL's assets.

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Cautionary Statement

Some of the statements included in this press release, particularly those anticipating future business prospects, 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 Private Securities Litigation Reform Act of 1995. It is possible that we will not be able to find a buyer for the assets or a merger partner. 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 <http://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.