



June 12, 2014

XTL Biopharmaceuticals Receives Correspondence Regarding Nasdaq Listing Requirements

Company Must Remedy Noncompliance with Audit Committee Requirements as Set Forth in Listing Rule 5605

Herzliya, Israel – June 12, 2014 – XTL Biopharmaceuticals Ltd. (NASDAQ: XTLB, TASE: XTL) (“XTL” or the “Company”), a clinical-stage biopharmaceutical company focused on the acquisition, development and commercialization of pharmaceutical products for the treatment of unmet clinical needs, announced today that it received a letter from the Nasdaq Stock Market LLC (“Nasdaq”) dated June 9, 2014 relating to the May 19, 2014 resignation of director Marc Allouche.

As a result of Mr. Allouche’s resignation, the Company is no longer in compliance with Nasdaq Listing Rule 5605, which states:

Each Company must have, and certify that it has and will continue to have, an audit committee of at least three members, each of whom must: (i) be an Independent Director as defined under Rule 5605(a)(2); (ii) meet the criteria for independence set forth in Rule 10A-3(b)(1) under the Act (subject to the exemptions provided in Rule 10A-3(c) under the Act); (iii) not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years; and (iv) be able to read and understand fundamental financial statements, including a Company's balance sheet, income statement, and cash flow statement.

Because Mr. Allouche served on XTL’s Audit Committee, his departure leaves the Company with less than the requisite three independent members. Consistent with Listing Rule 5606(c)(4), however, Nasdaq provided the Company with a cure period in order to regain compliance as follows:

- until the earlier of the Company’s next annual shareholders’ meeting or May 18, 2015; or
- if the next annual shareholders’ meeting is held before November 14, 2014, then the Company must provide evidence of compliance no later than November 14, 2014.

The Company intends to remedy the deficiency during the cure period allotted by Nasdaq.

About XTL Biopharmaceuticals, Ltd. (“XTL”)

XTL Biopharmaceuticals Ltd., a biopharmaceutical company, focuses on the acquisition, development, and commercialization of pharmaceutical products for the treatment of unmet clinical needs. XTL is focused on late stage clinical development of drugs for the treatment of lupus, multiple myeloma and schizophrenia.

XTL is a public company traded on the Nasdaq Capital Market (NASDAQ: XTLB) and the Tel Aviv Stock Exchange (TASE: XTL). XTL shares are included in the following indices: Tel-Aviv Biomed, Tel-Aviv MidCap, and Tel-Aviv Bluetech-50.

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 Private Securities Litigation Reform Act of 1995.

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