



November 8, 2017

RedHill Biopharma Prices Public Offering of its American Depositary Shares

TEL-AVIV, Israel and RALEIGH, N.C., Nov. 08, 2017 (GLOBE NEWSWIRE) -- RedHill Biopharma Ltd. (NASDAQ:RDHL) (Tel-Aviv Stock Exchange:RDHL) ("RedHill" or the "Company"), a specialty biopharmaceutical company primarily focused on late clinical-stage development and commercialization of proprietary drugs for gastrointestinal and inflammatory diseases and cancer, today announced the pricing of its previously announced underwritten public offering for a total number of 4,090,909 American Depositary Shares ("ADSs"), each representing ten of its ordinary shares, at a public offering price of \$5.50 per ADS.

Gross proceeds from the sale of the ADSs by RedHill before underwriting discounts and commissions and other offering expenses are expected to be approximately \$22.5 million. The offering is expected to close on November 13, 2017, subject to customary closing conditions. RedHill has also granted the underwriters a 30-day option to purchase up to 613,636 additional ADSs at the public offering price.

Cantor Fitzgerald & Co. and Nomura Securities International, Inc. are acting as joint book-running managers for the offering. SMBC Nikko Securities America, Inc. is acting as lead manager and H.C. Wainwright & Co., LLC and Roth Capital Partners, LLC are acting as co-managers for the offering.

The Company intends to use the proceeds from the offering to fund clinical development programs, for potential acquisitions, to support commercial operations and for general corporate purposes.

The ADSs described above are being offered by RedHill pursuant to a shelf registration statement that was previously filed with the Securities and Exchange Commission (the "SEC") and declared effective by the SEC on March 11, 2016. A preliminary prospectus supplement related to the public offering has been filed with the SEC and is available on the SEC's website located at www.sec.gov. Copies of the preliminary prospectus supplement and the accompanying prospectus relating to the offering may be obtained, when available, by contacting Cantor Fitzgerald & Co, Attention: Capital Markets, 499 Park Ave., 6th Floor, New York, New York 10022, or by e-mail at prospectus@cantor.com, or Nomura Securities International, Inc., Attention: Equity Syndicate Department, Worldwide Plaza, 309 West 49th Street, New York, NY 10019-7316 or by telephone at 212-667-9000 or by email at equitysyndicateamericas@nomura.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

About RedHill Biopharma Ltd.:

RedHill Biopharma Ltd. (NASDAQ:RDHL) (Tel-Aviv Stock Exchange:RDHL) is a specialty biopharmaceutical company, primarily focused on the development and commercialization of late clinical-stage, proprietary, orally-administered, small molecule drugs for the treatment of gastrointestinal and inflammatory diseases and cancer. RedHill promotes three gastrointestinal products in the U.S. and its clinical stage pipeline includes treatments for gastrointestinal indications, pancreatic cancer and acute migraines: **Donnatal[®]** - a prescription oral adjunctive drug used in the treatment of IBS and acute enterocolitis; **esomeprazole Strontium Delayed-Release Capsules 49.3 mg** - a prescription proton pump inhibitor indicated for adults for the treatment of gastroesophageal reflux disease (GERD) and other gastrointestinal conditions; and **EnteraGam[®]** - a medical food intended for the dietary management, under medical supervision, of chronic diarrhea and loose stools. RedHill's clinical-stage pipeline includes: (i) **TALICIA[™] (RHB-105)** - an oral combination therapy for the treatment of *Helicobacter pylori* infection with successful results from a first Phase III study and an ongoing confirmatory Phase III study; (ii) **RHB-104** - an oral combination therapy for the treatment of Crohn's disease with an ongoing first Phase III study, a completed proof-of-concept Phase IIa study for multiple sclerosis, and a planned pivotal Phase III study for nontuberculous mycobacteria (NTM) infections; (iii) **BEKINDA[®] (RHB-102)** - a once-daily oral pill formulation of ondansetron with successful top-line results from a Phase III study in acute gastroenteritis and gastritis and successful top-line results from a Phase II study in IBS-D; (iv) **RHB-106** - an encapsulated bowel preparation licensed to Salix Pharmaceuticals, Ltd.; (v) **YELIVA[®] (ABC294640)** - a Phase II-stage, orally-administered, first-in-class SK2 selective inhibitor targeting multiple oncology, inflammatory and gastrointestinal indications; (vi) **MESUPRON** - a Phase II-stage first-in-class, orally-administered protease inhibitor, targeting pancreatic cancer and inflammatory gastrointestinal diseases and (vii) **RIZAPORT[®] (RHB-103)** - an oral thin-film formulation of rizatriptan for acute migraines, with a U.S. NDA resubmitted to

the FDA and marketing authorization received in two EU member states under the European Decentralized Procedure (DCP).

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may be preceded by the words "intends," "may," "will," "plans," "expects," "anticipates," "projects," "predicts," "estimates," "aims," "believes," "hopes," "potential" or similar words. Forward-looking statements are based on certain assumptions and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company's control, and cannot be predicted or quantified and consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) the initiation, timing, progress and results of the Company's research, manufacturing, preclinical studies, clinical trials and other therapeutic candidate development efforts; (ii) the Company's ability to advance its therapeutic candidates into clinical trials or to successfully complete its preclinical studies or clinical trials; (iii) the extent and number of additional studies that the Company may be required to conduct and the Company's receipt of regulatory approvals for its therapeutic candidates, and the timing of other regulatory filings, approvals and feedback; (iv) the manufacturing, clinical development, commercialization and market acceptance of the Company's therapeutic candidates; (v) the Company's ability to successfully market Donnata[®] and EnteraGam[®]; (vi) the Company's ability to establish and maintain corporate collaborations; (vii) the Company's ability to acquire products approved for marketing in the U.S. that achieve commercial success and build its own marketing and commercialization capabilities; (viii) the interpretation of the properties and characteristics of the Company's therapeutic candidates and the results obtained with its therapeutic candidates in research, preclinical studies or clinical trials; (ix) the implementation of the Company's business model, strategic plans for its business and therapeutic candidates; (x) the scope of protection the Company is able to establish and maintain for intellectual property rights covering its therapeutic candidates and its ability to operate its business without infringing the intellectual property rights of others; (xi) parties from whom the Company licenses its intellectual property defaulting in their obligations to the Company; (xii) estimates of the Company's expenses, future revenues, capital requirements and needs for additional financing; (xiii) the effect of patients suffering adverse experiences using investigative drugs under the Company's Expanded Access Program; and (xiv) competition from other companies and technologies within the Company's industry. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the SEC, including the Company's Annual Report on Form 20-F filed with the SEC on February 23, 2017. All forward-looking statements included in this press release are made only as of the date of this press release. The Company assumes no obligation to update any written or oral forward-looking statement, whether as a result of new information, future events or otherwise, unless required by law.

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