NEWS RELEASE

RedHill Biopharma Announces $15 Million Registered Direct Offering with a Leading Healthcare Investor

5/9/2022

TEL AVIV, Israel and RALEIGH, N.C, May 9, 2022 /PRNewswire/ -- RedHill Biopharma Ltd. (NASDAQ: RDHL) ("RedHill" or the "Company"), a specialty biopharmaceutical company, today announced that it has entered into a definitive agreement with a single leading healthcare investor for the purchase and sale of 10,563,380 of the Company's American Depositary Shares ("ADSs") (or ADS equivalents), each ADS representing ten (10) ordinary shares, at a purchase price of $1.42 per ADS (or ADS equivalent), in a registered direct offering. RedHill has also agreed to issue to the investor unregistered private warrants to purchase up to an aggregate of 13,204,225 ADSs in a concurrent private placement. The warrants have an exercise price of $1.48 per ADS, are exercisable six months after the issuance date and have a term of five and one-half years. The closing of the offering is expected to occur on or about May 11, 2022, subject to the satisfaction of customary closing conditions.

Cantor Fitzgerald & Co. is acting as the exclusive placement agent for the offering.

The gross proceeds to the Company from this offering are expected to be approximately $15 million, before deducting the placement agent's fees and other offering expenses payable by the Company. The Company intends to use the net proceeds from this offering for working capital, acquisitions, and general corporate purposes.

The securities described above (but not the warrants or the ADSs underlying the warrants) are being offered by the

Company pursuant to a "shelf" registration statement on Form F-3 (File No 333-258259) previously filed with the Securities and Exchange Commission (the "SEC") on July 29, 2021, and declared effective by the SEC on August 9, 2021. The offering of the securities is made only by means of a prospectus, including a prospectus supplement, forming a part of the effective registration statement. A final prospectus supplement and accompanying prospectus relating to the securities being offered will be filed with the SEC. Electronic copies of the final prospectus supplement and accompanying prospectus may be obtained, when available, on the SEC's website at **http://www.sec.gov** or by contacting Cantor Fitzgerald & Co., 499 Park Avenue, 4th Floor, New York, New York 10022, Attn: Capital Markets Department, or by email at **prospectus@cantor.com**.

The warrants described above were offered in a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Act"), and Regulation D promulgated thereunder and, along with the ADSs underlying the warrants, have not been registered under the Act, or applicable state securities laws. Accordingly, the warrants and underlying ADSs may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Act and such applicable state securities laws.

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

About RedHill Biopharma

RedHill Biopharma Ltd. (NASDAQ: RDHL) is a specialty biopharmaceutical company primarily focused on gastrointestinal and infectious diseases. RedHill promotes the gastrointestinal drugs, **Movantik®** for opioid-induced constipation in adults[1], **Talicia®**for the treatment of Helicobacter pylori (H. pylori) infection in adults[2], and **Aemcolo®** for the treatment of travelers' diarrhea in adults[3]. RedHill's key clinical late-stage development programs include: (i) **RHB-204**, with an ongoing Phase 3 study for pulmonary nontuberculous mycobacteria (NTM) disease; (ii) **opaganib (ABC294640)**, a first-in-class oral SK2 selective inhibitor targeting multiple indications with a Phase 2/3 program for hospitalized COVID-19 and Phase 2 studies for prostate cancer and cholangiocarcinoma ongoing; (iii) **RHB-107** (**upamostat**), an oral serine protease inhibitor in a Phase 2/3 study as treatment for non-hospitalized symptomatic COVID-19, and targeting multiple other cancer and inflammatory gastrointestinal diseases; (iv) **RHB-104**, with positive results from a first Phase 3 study for Crohn's disease; (v) **RHB-102** , with positive results from a Phase 3 study for acute gastroenteritis and gastritis and positive results from a Phase 2 study for IBS-D; and (vi) **RHB-106**, an encapsulated bowel preparation. More information about the Company is available at **www.redhillbio.com**/ **twitter.com/RedHillBio**.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements in this press release other than statements of historical fact could be deemed forward looking including, but not limited to, statements regarding the completion of the registered direct offering, the satisfaction of customary closing conditions related to the registered direct offering and the intended use of net proceeds from the registered direct offering. Words such as "plans," "expects," "will," "anticipates," "continue," "expand," "advance," "develop" "believes," "guidance," "target," "may," "remain," "project," "outlook," "intend," "estimate," "could," "should," and other words and terms of similar meaning and expression are intended to identify forward-looking statements, although not all forward-looking statements contain such terms. Forward-looking statements are based on management's current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: market and other conditions, the risks that the ongoing COVID-19 pandemic may disrupt the Company's business and/or the global healthcare system (including its supply chain) more severely than it has to date or more severely than anticipated; unexpected costs, charges or expenses that reduce the Company's capital resources; the Company's preclinical programs do not advance into clinical or result in approved products on a timely or cost effective basis or at all; the results of early clinical trials are not always being predictive of future results; the cost, timing and results of clinical trials; that many drug candidates do not become approved drugs on a timely or cost effective basis or at all; the ability to enroll patients in clinical trials; possible safety and efficacy concerns; regulatory developments; the ability of the Company to obtain or maintain collaborations and/or collaborate successfully with strategic partners; regulatory developments; exposure to litigation, including patent litigation, and/or regulatory actions; the ability of the Company to protect its intellectual property rights; and the impact of the completion of the Company's previously reported internal investigation on the Company's business and diversion of management time and attention on related issues, including any related investigations or proceedings, shareholder lawsuits, reputational harm, or the possibility that executives or other employees may resign. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. For a discussion of other risks and uncertainties, and other important factors, any of which could cause the Company's actual results to differ from those contained in the forward-looking statements, see the section titled "Risk Factors" in the Company's Annual Report on Form 20-F filed with the SEC on March 17, 2022, as updated by the Company's subsequent filings with the Securities and Exchange Commission. All information in this press release is as of the date of the release, and the Company undertakes no duty to update this information or to publicly announce the results of any revisions to any of such statements to reflect future events or developments, except as required by law.

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[1] Movantik® (naloxegol) is indicated for opioid-induced constipation (OIC). Full prescribing information see: **www.movantik.com**.

[2] Talicia® (omeprazole magnesium, amoxicillin and rifabutin) is indicated for the treatment of H. pylori infection in adults. For full prescribing information see: **www.Talicia.com**.

[3] Aemcolo® (rifamycin) is indicated for the treatment of travelers' diarrhea caused by noninvasive strains of Escherichia coli in adults. For full prescribing information see: **www.aemcolo.com**.

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