



1 June 2020

Motif Bio plc
("Motif Bio" or the "Company")

**Business Update
&
Appointment of Strategic Adviser**

Motif Bio plc (AIM: MTFB), which has been reclassified as an AIM Rule 15 cash shell, announces a business update and the appointment of Peel Hunt LLP ("Peel Hunt") as strategic adviser to the Company. Peel Hunt is a specialist investment bank focused on corporate broking, advisory, research, sales and trading and has been engaged to provide guidance to the Directors on strategic initiatives including selecting an appropriate reverse takeover ('RTO') candidate.

The Company is in negotiations with several RTO candidates in the healthcare sector. The Covid-19 pandemic has created new opportunities for companies in the healthcare sector and the RTO candidates under current consideration are exploring ways in which their therapeutic product candidates may help patients with Covid-19. At this stage, there can be no assurance that the Company will be able to agree terms with any RTO candidates or complete a RTO transaction.

Following its reclassification as an AIM Rule 15 cash shell in January 2020, the Company is required to make an acquisition which constitutes a reverse takeover under the AIM Rules by 28 July 2020, failing which the Company's ordinary shares would be suspended from trading on AIM pursuant to AIM Rule 40. The Company's admission to trading on AIM would then be cancelled six months from the date of suspension, should the reason for the suspension not have been rectified.

As previously disclosed, following the recent placing to raise gross proceeds of £650,000 the Company has sufficient working capital until February 2021 and the Directors remain focused on completing a RTO prior to that time.

Jonathan Gold, President and Chief Business Officer of Motif Bio, said: *"Following the recent fundraise we are pleased to be in a position where we have several options to evaluate. We are currently working with our advisers to identify the most appropriate RTO candidate for the Company and look forward to providing our shareholders with further updates as appropriate."*

The person responsible for the release of this announcement on behalf of Motif Bio is Jonathan Gold, President and Chief Business Officer.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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Forward-Looking Statements

When used in this Press Release, the words or phrases "intends," "anticipates," "expected to be" or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties including, but not limited to, changes in economic conditions in the Company's market area, changes in policies by regulatory agencies, fluctuations in interest rates, competition that could cause actual results to differ materially from historical earnings and those presently anticipated or projected, and other risks described in the Company's filings with the Securities and Exchange Commission. The Company cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. The Company advises readers that the factors listed above could affect the Company's financial performance and could cause the Company's actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements. The Company does not undertake, and specifically disclaims any obligation, to publicly release the result of any revision which may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.