MODIGENE PLATFORM VALIDATED IN INDEPENDENT PHASE III TRIAL OF CTP TECHNOLOGY
--Validates the Clinical Utility of Modigene's CTP Technology for Extending the Duration of Action of Therapeutic Proteins--

Nes-Ziona, Israel -- **July 10, 2008** -- Modigene Inc., (OTCBB: MODG) today noted the successful completion of a Phase III clinical trial by Schering-Plough of long-acting fertility hormone corifollitropin alfa (FSH-CTP). FSH-CTP uses the naturally occurring CTP peptide to extend the duration of action of the hormone. Modigene is using the same naturally occurring CTP peptide to extend the duration of action of other therapeutic proteins and peptides. Schering-Plough licensed the CTP technology from Washington University for use only with four endocrine hormones. Modigene has an exclusive license from Washington University to the CTP technology for use with all other proteins and peptides. Modigene is currently applying the CTP technology to extend the duration of action of human growth hormone and interferon beta, with the goal of reducing the number and frequency of injections required to treat patients requiring continual injections of these proteins.

"The success of Schering-Plough's Phase III trial of its long-acting FSH fertility hormone marks a major milestone for the CTP platform technology that is the basis for our new drug pipeline," said Avri Havron, Ph.D., CEO of Modigene. "We believe these positive results provide independent support of our own plans for clinical trials of Modigene's CTP-enhanced versions of human growth hormone and interferon beta that we intend to initiate next year."

On July 8, 2008 Schering-Plough announced successful top-line data from its Phase III ENGAGE trial demonstrating that women receiving a single injection of FSH-CTP achieved the same pregnancy rates as women receiving seven consecutive daily injections of FSH, a primary endpoint of the study. This 1,509 patient trial was the largest double-blind fertility trial ever conducted.

Human growth hormone (hGH), which is used to treat growth failure in children and frailty in adults, must currently be injected between three and seven times per week, while interferon beta (IFN-Beta), which is prescribed for the treatment of multiple sclerosis, must be injected between one and three times per week. Neither of these therapies has a commercial long-acting version available, and their current market sizes are estimated at $2.2 billion and $4.3 billion, respectively.

Modigene's hGH-CTP and IFN-Beta-CTP are in late preclinical development. Based on studies in relevant animal models, researchers project once-weekly administration of hGH-CTP compared to the multiple daily injections required for commercial hGH, and once-every two-to-four weeks administration of IFN-Beta-CTP, compared to the one-to-three times per week injections currently required for commercial interferon beta.

ABOUT MODIGENE
Modigene Inc. is a biopharmaceutical company applying its patented CTP technology to develop longer-acting, proprietary versions of already approved therapeutic proteins that currently generate billions of dollars in annual global sales. The CTP technology is applicable to virtually all proteins, and Modigene is currently developing long-acting versions of human growth hormone, interferon beta and erythropoietin, which are in late preclinical development, as well as GLP-1. For more information on Modigene, visit www.modigeneinc.com.

Safe Harbor Statement: This press release contains forward-looking statements, including statements regarding the results of current studies and preclinical experiments and the effectiveness of Modigene's long-acting protein programs and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that forward-looking statements involve risks and uncertainties that may affect Modigene's business and prospects, including the risks that Modigene may not succeed in developing any commercial products based upon its long-acting protein technology, including any long-acting versions of human growth hormone, erythropoietin, interferon beta or GLP-1; that the long-acting products in development may fail, may not achieve the expected results or effectiveness and/or may not generate data that would support the approval or marketing of these products for the indications being studied or for other indications; that ongoing studies may not continue to show substantial or any activity; that the actual dollar amount of any grants from the OCS is uncertain and is subject to policy changes of the Israeli government, and that such grants may be insufficient to assist with product development; and other risks and uncertainties that may cause results to differ materially from those set forth in the forward-looking statements. The development of any products using the CTP platform technology could also be affected by a number of other factors, including unexpected safety, efficacy or manufacturing issues, additional time requirements for data analyses and decision making, the impact of pharmaceutical industry regulation, the impact of competitive products and pricing and the impact of patents and other proprietary rights held by competitors and other third parties. In addition to the risk factors set forth above, investors should consider the economic, competitive, governmental, technological and other factors discussed in Modigene's filings with the Securities and Exchange Commission.

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