



**PROLOR BIOTECH REPORTS MERCK RECEIVES POSITIVE REGULATORY OPINION
FOR EUROPEAN MARKETING OF LONG-ACTING CTP-MODIFIED FERTILITY
TREATMENT ELONVA[®] (FSH-CTP)**

***--Merck and PROLOR are Both Licensees of the CTP Technology Used to Prolong
the Duration of Merck's Novel Fertility Drug ELONVA[®] --***

--Reinforces the Clinical Efficacy and Safety of PROLOR's CTP Technology--

Nes-Ziona, Israel – November 24, 2009 – PROLOR Biotech, Inc., (OTCBB: PBTH) today noted the positive opinion by the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency for marketing approval in Europe for ELONVA[®], a long-acting CTP-modified version of the fertility hormone FSH from Merck & Co. Merck and PROLOR are both licensees of the CTP technology from Washington University in St. Louis. CTP prolongs the duration of action of proteins and peptides – Merck has the exclusive license for FSH and three other fertility hormones while PROLOR has the exclusive license to apply CTP to all other therapeutic proteins and peptides. PROLOR's CTP-modified version of human growth hormone is currently in clinical trials.

ELONVA is the first in the class of sustained follicle stimulants for use in fertility treatments. As a result of the extended longevity provided by the attachment of CTP to the follicle stimulating hormone (FSH), a single injection of ELONVA is intended to replace the seven daily injections of FSH required by fertility patients currently.

PROLOR is using the exact same CTP peptide to extend the duration of action of other protein therapeutics, including human growth hormone (hGH-CTP) and interferon beta, with the aim of reducing the number of injections required for these chronic indications. Human growth hormone, which is used to treat growth hormone deficiency in children and adults, must currently be injected between three and seven times per week, while interferon beta, which is prescribed for the treatment of multiple sclerosis, must currently be injected between one and three times per week. These are both major drugs, with existing estimated market sizes of \$2.7 billion for human growth hormone and \$4.8 billion for interferon beta, yet neither is commercially available in a long-acting version.

PROLOR is conducting a Phase I clinical trial of hGH-CTP and its CTP version of interferon beta is in late preclinical development. Based on data from studies in relevant animal models, PROLOR researchers project an administration regimen for hGH-CTP ranging from one weekly to two monthly injections, compared with daily injections of commercial hGH required by many patients today, and an administration regimen for its beta interferon

of one injection every two to four weeks, compared with the one to three injections per week required for patients currently using commercial interferon beta.

hGH-CTP is currently in a Phase I clinical trial assessing its efficacy and safety profile. The trial is expected to be completed in early 2010.

“The positive opinion by the CHMP for marketing approval in Europe of Merck’s CTP version of the fertility drug FSH is a major milestone that serves to validate the utility of our CTP technology platform for the development of superior long-acting protein therapeutics,” said Dr. Avri Havron, CEO of PROLOR Biotech. “We are optimistic that ELONVA’s clinical and regulatory successes will be replicated in the ongoing clinical development of our CTP-enhanced human growth hormone and beta interferon.”

ABOUT PROLOR BIOTECH

PROLOR Biotech, Inc. is a biopharmaceutical company applying unique technologies, including its patented CTP technology, primarily 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 PROLOR 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 PROLOR, visit www.prolor-biotech.com.

Safe Harbor Statement: *This press release contains forward-looking statements, including statements regarding the results of current clinical studies and preclinical experiments and the effectiveness of PROLOR’s long-acting protein programs, which 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 PROLOR’s business and prospects, including the risks that PROLOR may not succeed in developing any commercial products, including any long-acting versions of human growth hormone, erythropoietin, interferon beta, GLP-1, and other products; 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 described above, investors should consider the economic, competitive, governmental, technological and other factors discussed in PROLOR’s filings with the Securities and Exchange Commission.*

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