

**MODIGENE INC.
CODE OF ETHICS
REVISED AND ADOPTED ON SEPTEMBER 5, 2007**

TOPICS

1. Statement of Policy
2. Implementation and Enforcement
3. Relations with Competitors and Other Third
4. Insider Trading, Securities Compliance and
Public Statements
5. Accurate Reporting
6. Human Resources
7. Environmental, Health and Safety
8. Conflicts of Interest
9. International Trade
10. Government Relations
11. Contractors, Consultants, and Temporary
12. Conclusion

1. STATEMENT OF POLICY

It is the policy of Modigene, Inc. (the “Company”) to conduct its affairs in accordance with all applicable laws, rules and regulations of the jurisdictions in which it does business. This Code of Ethics (“Code”) applies to the Company’s employees, officers and directors. This Code is designed to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interests between personal and professional relationships;
- full, fair, accurate, timely and understandable disclosure in the reports and documents the Company files with, or submits to, the Securities and Exchange Commission (“SEC”) and in other public communications made by the Company;
- compliance with applicable governmental laws, rules and regulations;
- the prompt internal reporting to the appropriate person of violations of this Code; and
- accountability for adherence to this Code

The Company has adopted eight Corporate Values (Focus, Respect, Excellence, Accountability, Teamwork, Integrity, Very Open Communications and Enjoying Our Work) to provide a framework for all directors, officers, and employees in connection with their relationship with the Company. These policies are not intended to substitute for those Values, but will serve as guidelines in helping you to conduct the Company's business in accordance with our Values. Compliance requires meeting the spirit, as well as the literal meaning, of the law, the policies and the Values. It is expected that you will use common sense, good judgment, high ethical standards and integrity in all your business dealings.

If you encounter a situation you are not able to resolve by reference to these policies, ask for help. Contact Shai Novik, President, who has been identified as responsible for overseeing compliance with these policies.

Violations of the law or the Company's policies will subject employees to disciplinary action, up to and including termination of employment. In addition, individuals involved may subject themselves and the Company to severe penalties including fines and possible imprisonment. Compliance with the law and high ethical standards in the conduct of Company business should be a top priority for each employee, officer and director.

2. IMPLEMENTATION AND ENFORCEMENT.

Shai Novik, our President, has been appointed as Compliance Officer of the Company, responsible for overseeing compliance with, and enforcement of, all Company policies. Any waivers of the company's policies set forth in this Code of Ethics for directors or executive officers must be approved by the Company's Board of Directors and publicly disclosed on a Form 8-K within five days.

Directors, officers, employees are expected to be familiar with these policies as they apply to their duties. Employees should consult with their managers if they need assistance in understanding or interpreting these policies. Each director, officer and employee is required to follow these policies and to comply with their terms. A refusal by any director, officer, or employee to agree to be bound by these policies shall be grounds for discipline up to and including dismissal.

Any director, officer or employee who, in good faith, has reason to believe a Company operation or activity is in violation of the law or of these policies must promptly call the matter to the attention of Shai Novik, our President. When submitting concerns, officers, directors and employees are asked to provide as much detailed information as possible. Providing detailed, rather than general, information will assist the Company in effectively investigating complaints. This is particularly important when submitting a complaint on an anonymous basis, since the Company will be unable to contact such officer, director or employee with requests for additional information or clarification.

The Company is providing these anonymous reporting procedures so that officers, directors or employees may disclose genuine concerns without feeling threatened. Officers directors and employees who choose to identify themselves when submitting a report may be contacted in order to gain additional information. All reports will be reviewed and investigated and as necessary under the circumstances, and the reporting person should provide sufficient information to enable a complete investigation to be undertaken.

Any employee who makes an allegation in good faith reasonably believing that a person has violated these policies or the law, will be protected against retaliation.

3. RELATIONS WITH COMPETITORS AND OTHER THIRD PARTIES.

The Company's policy is to comply fully with competition and antitrust laws throughout the world. These laws generally prohibit companies from using illegal means to maintain, obtain or

attempt to obtain a monopoly in a market. They also prohibit companies from engaging in unfair trade practices. "Unfair trade practices" include fixing prices, dividing markets, agreeing with competitors not to compete, or agreeing to boycott certain customers. It is advised that you consult with Shai Novik before attending a meeting with a party who may be viewed as a competitor.

4. INSIDER TRADING, SECURITIES COMPLIANCE AND PUBLIC STATEMENTS.

Securities laws prohibit anyone who is in possession of material, non-public information ("Inside Information") about a company from purchasing or selling stock of that company, or communicating the information to others. Information is considered "material" if a reasonable investor would consider it to be important in making a decision to buy or sell that stock. Some examples include financial results and projections, new products, tests or trial results, acquisitions, major new contracts or alliances prior to the time that they are publicly announced. Employees who become aware of such Inside Information about the Company must refrain from trading in the shares of the Company until the Inside Information is publicly announced. You should also be familiar with the Company's Insider Trading Policy and Guidelines.

Persons must also refrain from disclosing that information to persons who do not have a Company need to know, whether they are inside the Company or outside, such as spouses, relatives or friends.

The Company makes regular formal disclosures of its financial performance and results of operations to the investment community. We also regularly issue press releases. Other than those public statements, which go through official Company channels, employees are prohibited from communicating outside the Company about the Company's business, financial performance or future prospects. Such communications include questions from securities analysts, reporters or other news media, but also include seemingly innocent discussions with family, friends, neighbors or acquaintances.

5. ACCURATE REPORTING.

The Company is required to maintain a variety of records for purposes of reporting to the government. Officers and employees are responsible for the accuracy of their records and reports. Accurate information is essential to the Company's ability to meet statutory, regulatory and contractual obligations and to compete effectively. The records and books of account of the Company must meet the highest standards and accurately reflect the true nature of the transactions they records. Destructions of any records, books of account or other documents except in accordance with the Company's document retention policy is strictly prohibited.

Officers and employees must not create false or misleading documents or accounting, financial or electronic records for any purpose relating to the Company, and no one may direct an employee to do so. For example, expense reports must accurately document expenses actually incurred in accordance with the Company polices. Officer and employees must not obtain or create "false" invoices or other misleading documentation or invent or use fictitious entities, sales, purchases, services, loans or other financial arrangements for any purpose relating

to the Company. Officers and employees are also responsible for accurately reporting time worked.

No undisclosed or unrecorded account or fund may be established for any purpose. No false or misleading entries may be made in the Company's books or records for any reason. No disbursement of corporate funds or other corporate property may be made without adequate supporting documentation or for any purpose other than as described in the documents. All officers and employees must comply with generally accepted accounting principles and the Company's internal controls over financial reporting at all times. The Company requires all directors, officers and employees to maintain full compliance with applicable laws and regulations requiring that its books of account and records be accurately maintained. Specifics of these requirements are available from Shai Novik.

6. HUMAN RESOURCES.

The Company is committed to providing a work environment that is free from unlawful harassment and discrimination, and respects the dignity of its employees. The Company has policies covering various aspects of its relationship with its employees, as well as employees' relationships with each other. For more detailed information, you should consult Shai Novik. Each employee is expected to be familiar with these policies and to abide by them.

7. ENVIRONMENTAL, HEALTH AND SAFETY.

The Company is committed to protecting the health and safety of our employees, as well as the environment in general. The Company expects employees to obey all laws and regulations designed to protect the environment, and the health and safety of our employees, and to obtain and fully observe all permits necessary to do business.

The Company is subject to regulation by foreign, federal, state and local agencies. The Company and its employees must comply with the regulatory requirements of these agencies. Employees are expected to take an active role by being knowledgeable about all applicable laws and regulations, attending trainings and requesting information. Officers and employees are required to immediately report regulatory violations, suspected regulatory violations or potentially harmful or dangerous conditions to a supervisor.

At the very least, all employees should be familiar with and comply with safety regulations applicable to their work areas. The Company will make, to the extent possible, reasonable accommodations for the known physical or mental limitations of our employees. Employees who require an accommodation should contact Shai Novik. The Company will then engage in an interactive process to determine what reasonable accommodations may exist.

8. CONFLICTS OF INTEREST.

Each director, officer and employee is expected to avoid any activity, investment or association that interferes with, or appears to interfere in any way with the Company's interests or may result in an actual or apparent conflict of interest between personal and professional relationships ("Conflicts of Interest"). Conflicts of Interest can arise in many situations. They occur most often in cases where the employee or the employee's family obtains some personal

benefit at the expense of the Company's best interests. Employees and officers must discharge their responsibilities on the basis of what is in the best interest of the Company, independent of personal consideration or relationships. Directors must discharge their fiduciary duties as directors of the Company.

No director, officer or employee, or any member of their respective immediate families, shall accept money, gifts of other than nominal value, unusual entertainment, loans, or any other preferential treatment from any customer or supplier of the Company where any obligation may be incurred or implied on the giver or the receiver or where the intent is to prejudice the recipient in favor of the provider. Likewise, no employee shall give money, gifts of other than nominal value, unusual entertainment or preferential treatment to any customer or supplier of the Company, or any employee or family members thereof, where any obligation might be incurred or implied, or where the intent is to prejudice the recipient in favor of the Company. No such persons shall solicit or accept kickbacks, whether in the form of money, goods, services or otherwise, as a means of influencing or rewarding any decision or action taken by a foreign or domestic vendor, customer, business partner, government employee or other person whose position may affect the Company's business.

No director, officer or employee shall use Company property, services, equipment or business for personal gain or benefit.

No director, officer or employees shall: (1) act on behalf of, or own a substantial interest in, any company or firm that does business, or competes, with the Company; (2) conduct business on behalf of the Company with any company or firm in which the employee or a family member has a substantial interest or affiliation. Exceptions require advance written approval from the Company's Board of Directors, after consultation with legal counsel.

Directors, officers and employees should not create the appearance that they are personally benefiting in any outside endeavor as a result of their association with the Company, or that the Company is benefiting by reason of their outside interests. Any person who is not sure whether a proposed action would present a conflict of interest or appear unethical should consult with Shai Novik.

9. INTERNATIONAL TRADE.

The Company must comply with a variety of laws around the world regarding its activities. In some cases, the law prohibits the disclosure of information, whether the disclosure occurs within the U.S. or elsewhere, and whether or not the disclosure is in writing.

Payments or gifts to non-U.S. government officials are prohibited by law and by Company policy. The Foreign Corrupt Practices Act precludes payments to non-U.S. government officials for the purpose of obtaining or retaining business, even if the payment is customary in that country. This law applies anywhere in the world to U.S. citizens, nationals, residents, businesses or employees of U.S. businesses. Because Modigene is a U.S. company, this law applies to the Company and all of its subsidiaries. Any questions on this policy should be directed to Shai Novik.

10. GOVERNMENT RELATIONS.

The Company is prohibited by law from making any contributions or expenditures in connection with any U.S. national election. This includes virtually any activity that furnishes something of value to an election campaign for a federal office. Use of the Company's name in supporting any political position or ballot measure, or in seeking the assistance of any elected representative, requires the specific approval of the Board of Directors. Political contributions or expenditures are not to be made out of Company funds in any foreign country, even if permitted by local law, without the consent of the Company's Board of Directors.

U.S. law also prohibits giving, offering, or promising anything of value to any public official in the U.S. or any foreign country to influence any official act, or to cause an official to commit or omit any act in violation of his or her lawful duty. Directors, officers and employees of the Company are expected to comply with these laws.

11. VENDORS, CONTRACTORS, CONSULTANTS AND TEMPORARY WORKERS.

Vendors, contractors, consultants or temporary workers who are acting on the Company's behalf, or on Company property, are expected to follow the law, Company policies and honor Company Values. Violations will subject the person or firm to sanctions up to and including loss of the contract, contracting or consulting agreement, or discharge from temporary assignment.

12. CONCLUSION.

This Code of Ethics is not intended to cover every possible situation in which you may find yourself. It is meant to give you the boundaries within which the Company expects you to conduct yourself while representing Modigene. You may find yourself in a situation where there is no clear guidance given by this Code of Ethics. If that occurs, return to the foundations stated earlier: common sense, good judgment, high ethical standards and integrity, and refer to the Corporate Values. Together we can continue to make Modigene a company that sets the standard for managing biopharmaceutical companies.

This document is not an employment contract between the Company and its officers, directors and employees, nor does it modify their employment relationship with the Company.

This Code is intended to clarify the existing obligation of officers, directors and employees for proper conduct. The standards and the supporting policies and procedures may change from time to time in the Company's discretion. Officers, directors and employees are responsible for knowing and complying with the current laws, regulations, standards, policies and procedures that apply to the Company's work.

MODIGENE INC.
CORPORATE VALUES

FOCUS We exist only because we are involved the development of longer – acting therapeutic proteins.

RESPECT We value all people, treating them with dignity at all times.

EXCELLENCE We strive for "Best in Class" in everything we do.

ACCOUNTABILITY We do what we say we will do and expect the same from others.

TEAMWORK We believe that cooperative action produces superior results.

INTEGRITY We are honest with ourselves, each other, our customers, our partners and our shareholders.

VERY OPEN COMMUNICATION We share information, ask for feedback, acknowledge good work, and encourage diverse ideas.

ENJOYING OUR WORK We work hard, are rewarded for it, and maintain a good sense of perspective, humor and enthusiasm.