



## **STUDY PUBLISHED IN ENDOCRINOLOGY REPORTS POTENTIAL OF MODIGENE TECHNOLOGY TO EXTEND DURATION OF PROTEIN DRUGS**

***-- Publication in Leading Peer-Reviewed Journal Represents Further Scientific Validation of the Potential Utility of Modigene's CTP Technology--***

**VIENNA, VA September 24, 2007** -- Modigene Inc. (OTCBB: MODG) today reported that researchers will publish a study in the October edition of the journal *Endocrinology* showing that erythropoietin (EPO) linked to Modigene's carboxyl terminal peptide (CTP) technology significantly increased the half-life of standard EPO in animal models.<sup>1</sup> The study, which assessed an early version of EPO-CTP, showed that a single weekly injection was as effective in raising hematocrit levels as the same total dose of standard EPO administered in three injections over the course of a week.

The current version of EPO-CTP in preclinical development at Modigene has further extended the duration of the drug, demonstrating in animal models an approximately 33% longer half-life and greater biological activity than Aranesp®, Amgen's long-acting EPO.

"The publication of this study in the respected journal *Endocrinology* further validates the growing body of clinical and preclinical data supporting the ability of CTP technology to significantly extend the half-life and duration of action of therapeutic proteins," said Dr. Fuad Fares, lead author of the study and Chief Scientific Officer of Modigene. "Long-acting therapeutic protein drugs are increasingly important treatments for a variety of diseases, and we believe the demonstrated ability of our CTP technology to reduce the frequency of required injections could provide important benefits to the many patients who depend on these drugs. We look forward to advancing our first CTP-enhanced drug candidates into clinical trials next year."

Modigene is conducting late-stage preclinical studies of CTP-enhanced protein drugs including human growth hormone, interferon beta and EPO. All three have demonstrated significantly longer duration of effect and comparative biological efficacy in studies in the most common and relevant animal models. The CTP technology has been validated in human studies by Akzo Nobel's healthcare division, Organon International, which has rights to the technology for four endocrine proteins. Organon recently advanced its CTP follicle-stimulating hormone (FSH) product into Phase III trials after Phase II studies showed that a single injection provided the same clinical effect as seven daily injections of standard FSH.

### **ABOUT CTP**

Modigene's technology was discovered by researchers at Washington University in St. Louis and is based on a short amino acid sequence, the Carboxyl Terminal Peptide (CTP). CTP occurs naturally in humans, and when attached to a therapeutic protein, extends the time that the protein is active in the body. The potential clinical utility of the technology has been demonstrated by Organon International, a unit of Akzo Nobel, which has a license to the CTP technology for certain endocrine proteins. Organon recently initiated Phase III trials of its CTP follicle stimulating hormone product (FSH-CTP), after Phase II results demonstrated that a single injection of FSH-CTP provides the same clinical effect as seven consecutive daily injections of standard FSH. The Phase II trials also demonstrated that attaching the CTP peptide did not affect the therapeutic activity of FSH or cause a negative immune system response.

1. *Development of a Long-Acting Erythropoietin by Fusing the Carboxyl-Terminal Peptide of Human Chorionic Gonadotropin  $\beta$ -Subunit to the Coding Sequence of Human Erythropoietin,* Fuad Fares, Sherif Ganem, Taleb Hajouj, and Ester Agai, *Endocrinology* 148(10):5081–5087. The study is currently available in the on-line edition of the journal.

## **ABOUT MODIGENE**

Modigene Inc. (OTCBB: MODG) 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](http://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; 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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