



BioLineRx and Israeli Office of Chief Scientist (OCS) renew franchise for BioLine Innovations Jerusalem, the sole Israeli Biotech incubator approved by OCS

January 4, 2011

Jerusalem, January 4, 2011. BioLineRx (TASE:BLRX) announces that the Office of the Chief Scientist at the Israeli Ministry of Industry, Trade and Labor (OCS) has renewed BioLineRx's franchise for the biotechnology incubator, BioLine Innovations Jerusalem (BIJ), for an additional two years.

In 2005, the OCS initially granted BioLineRx a franchise for the first and only biotech incubator in Israel, BioLine Innovations Jerusalem. This franchise was granted for six years with an option for renewal. Within the framework of the incubator, BioLineRx carefully selects projects with therapeutic potential from Israeli research institutes and start-up companies and continues development of these projects under the auspices of the incubator. These select projects are supported with a total budget of approximately NIS 8.1 million for three years, with up to 75-85% of project costs financed by the OCS and the remainder financed by BioLineRx. Following successful development of a project, the Company is required to return the financial support received in respect of the project with interest, pursuant to the terms of the incubator agreement.

To date, 20 projects have commenced development in the BIJ incubator, of which three are currently active in BioLineRx's main pipeline. One of BioLineRx's lead projects that commenced its development in BIJ is BL-1040, a medical device intended for prevention of pathological cardiac remodeling and subsequent congestive heart failure, which was out-licensed in July 2009 to Ikaria Holdings Inc. for continuation of development, commercialization and marketing.

During the six-year existence of the franchise, BioLineRx has received approximately \$11.5 million in OCS support for projects adopted by the BIJ incubator. In addition, BioLineRx has also received approximately \$5.5 million in OCS support on the regular OCS funding track.

Dr. Kinneret Savitsky, BioLineRx CEO, said, "We are pleased that the OCS has renewed our franchise for the biotech incubator, BIJ, which we see as a significant expression of confidence in BioLineRx. The incubator's activity is very important to BioLineRx, and the financial support received in the framework of the incubator enables us to develop high-risk, early-stage projects with significant potential. One of the projects developed in the incubator, BL-1040, has already been successfully out-licensed for continuation of development and commercialization. We are continuing to develop our product pipeline and are constantly seeking additional innovative projects for the incubator."

Dr. Leah Klapper, General Manager of BioLine Innovations Jerusalem, stated, "OCS support encourages Israeli start-ups by enabling development of very early-stage projects, like those adopted by the BIJ incubator. Many successful projects in both the biotech and hi-tech industries would probably have been terminated without such support. I would like to emphasize that, in many cases, to ensure faster and more efficient development, we give our projects financial support above and beyond the OCS requirements."

About BioLineRx

BioLineRx Ltd. is a publicly-traded (TASE:BLRX) biopharmaceutical development company based in Jerusalem, Israel, with US offices in Rockville, Maryland. BioLineRx is dedicated to identifying, in-licensing and developing therapeutic candidates for unmet medical needs or that have advantages over currently available therapies. BioLineRx's current development pipeline consists of three clinical stage candidates as well as eight candidates in various pre-clinical development stages spanning a variety of indications, including central nervous system diseases, oncology, cardiovascular and autoimmune diseases. Two of BioLineRx's lead compounds, BL-1040 and BL-1020, have been out-licensed for continuation of development and commercialization. BL-1040 (IK-5001), an injected medical device developed for the prevention of cardiac remodeling in Acute Myocardial Infarction (AMI) patients, was out-licensed to Ikaria Holdings Inc. in July 2009 for a total deal value of \$282.5 million, in addition to sales royalties. BL-1020 (CYP-1020), for schizophrenia treatment, was out-licensed in June 2010 to Cypress Bioscience Inc. for continuation of development and commercialization in North America only, for a total deal value of \$365 million, in addition to sales royalties.

For more information about BioLineRx, please visit www.bioglinerx.com.

The estimates and judgments with respect to the projects included in this release are considered forward-looking statements, which involve certain risks and uncertainties. Factors that could cause actual results to differ materially from those forward-looking statements include the high uncertainty that characterizes research and development activities in general, particularly those of drug development, including inefficiencies, inability to manufacture, toxicity, a high level of risk/reward in comparison to current treatments available, as well as new information regarding intellectual property rights which may affect the economic viability of continued product development. The Company assumes no responsibility for updating forward-looking statements made herein or otherwise.