



**2 Snunit Street
Science Park
POB 455
Carmiel, Israel 20100**

September 17, 2009

Dear Shareholders:

Proteins are commonly referred to as life's building blocks. They perform the chemical and physical processes in living cells that represent the purpose or function of the cells. Our ProCellEx™ protein expression system is a proprietary method for the production of recombinant proteins through plant cells. As we have stated many times, our goal is to become a fully integrated biopharmaceutical company by focusing on the development and commercialization of proprietary recombinant therapeutic proteins expressed or produced through ProCellEx.

Our first product candidate, prGCD, is a recombinant form of glucocerebrosidase (GCD), which can be used in enzyme replacement therapy for patients of Gaucher disease. In July 2007, we reached an agreement with the U.S. Food and Drug Administration, the FDA, on the final design of our pivotal phase III clinical trial of prGCD. We are glad to have completed the clinical pivotal phase III trial this month and we expect to announce top-line results of the phase III clinical trial in October.

We believe that there have been a number of important, encouraging developments during the course of our phase III clinical trial. In the second half of 2008, we initiated a follow-on extension study that allows patients that successfully completed treatment in our phase III clinical trial to continue treatments with prGCD at the same dose that they received in the trial. We also initiated a switch-over study that evaluates the safety and efficacy of switching Gaucher patients from the current standard of care, Cerezyme,® to prGCD. Cerezyme is a mammalian-based protein marketed by the Genzyme Corporation and is currently the only approved enzyme replacement therapy for Gaucher disease. We believe these two studies provide us with important data regarding the potential use of prGCD as a treatment for Gaucher disease.

The year 2009 has been an exciting one for our company. Early in the year, we received a research grant of \$6 million from the Israeli government's Office of Chief Scientist. In June 2009, we received Frost & Sullivan's 2009 European Orphan Diseases Market Product Innovation of the Year Award in recognition of our innovative efforts in the development of prGCD using our ProCellEx system. In July 2009, the FDA approached us and asked that we consider submitting a treatment protocol in order to address an expected shortage of Cerezyme. In response, we submitted a treatment protocol which was approved by the FDA in August 2009. Also in July, we held a pre-NDA meeting with the FDA which gives us confidence regarding our planned submission of an NDA for prGCD. Last, in August 2009, we received Fast Track

Designation for prGCD and in September 2009, the FDA's Office of Orphan Product Development granted prGCD Orphan Drug Status.

Although we have experienced numerous positive developments regarding prGCD during 2009, additional challenges remain. As mentioned, we expect to announce top-line results of our phase III clinical trial in October. We also expect to file our NDA before the end of the year. Obviously, despite the positive developments to date, we cannot assure you that the FDA will approve the NDA if filed. In addition, we are continuing our efforts to prepare for the commercialization of prGCD once the anticipated marketing approval is granted by the FDA. We are diligently evaluating the choices available to us in connection with the commercialization of prGCD.

We are also continuing our efforts in the development of the other product candidates in our pipeline and expect to submit an additional IND application to the FDA by year end.

We are excited about what the future holds for our company and for the patients of Gaucher disease. We believe that continued success in the development of prGCD helps establish the potential use of our ProCellEx system as a protein expression system for other product candidates. Over the course of 2010, we look forward to continuing our work and dedication to the development of prGCD and to the development of the other product candidates in our pipeline.

We thank our shareholders, employees and partners for their continued support.



Dr. David Aviezer
President and Chief Executive Officer