BioLineRx Announces Cypress Bioscience's and Royalty Pharma's Commitment to the Development of the BL-1020 (CYP-1020) Program

January 23, 2011

Jerusalem, January 23, 2011. BioLineRx (TASE:BLRX) today announced that it has been advised by Royalty Pharma, the new parent company of Cypress Bioscience Inc., that it is committed to enhance the value of Cypress' pipeline assets, which include BioLineRx's BL-1020 (CYP-1020) compound, a novel therapeutic for schizophrenia. The clinical program for BL-1020 will be spearheaded by the Cypress development team, and together they intend to pursue the program's continuation.

"We are extremely pleased with the development efforts made by Cypress to date, as well as the commitment to BL-1020 by Royalty Pharma," said Dr. Kinneret Savitsky, CEO of BioLineRx. "The Cypress team has significant experience in the CNS field and is now supported by Royalty Pharma, which has deep knowledge of the pharmaceutical industry and substantial financial resources. We look forward to the initiation of the upcoming CLARITY study by this outstanding team."

"During the acquisition process, we performed substantial due diligence on the Cypress development assets, including the BL-1020 program," stated Pablo Legorreta, CEO of Royalty Pharma. "Our strategy is to invest in products with blockbuster potential, and BL-1020, with its potential cognitive enhancement capabilities for schizophrenic patients, has the potential to fit this profile. We were very impressed with the Cypress development team and intend to be supportive of them in order to carry out the development of BL-1020 and other current projects. We are looking forward to a fruitful collaboration with BioLineRx."

In June 2010, BioLineRx and Cypress entered into an exclusive out-licensing agreement for BL-1020 covering the territories of North America (US, Canada and Mexico). Under the terms of the agreement, BioLineRx received a $30 million upfront payment and is entitled to receive considerable future payments. The transaction closed in August 2010, upon receipt of consent to the transaction from the Israeli Office of the Chief Scientist.

On January 13, 2011, Cypress was acquired by affiliates of Royalty Pharma.

About BioLineRx
BioLineRx Ltd. is a publicly traded (TASE:BLRX) biopharmaceutical development company based in Jerusalem, Israel. 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 seven 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.

More information on BioLineRx is available at www.biolinerx.com.

About Royalty Pharma
Royalty Pharma is the industry leader in acquiring revenue-producing intellectual property -- principally royalty interests in marketed and late stage biopharmaceutical products -- with approximately $4.8 billion in royalty assets and over $1 billion in cash. Royalty Pharma currently owns a well diversified portfolio of royalty interests in several high quality blockbuster biopharmaceutical products, including Amgen's Neupogen/Neulasta, Genentech/Roche's and BiogenIdec's Rituxan, Pfizer's Lyrica, J&J/Centocor's Remicade, Abbott's Humira, Gilead's Emtriva/Truvada/Atripla, and Celgene's Thalomid, among others. Royalty Pharma has a history of providing value to sellers of such assets, as demonstrated by its $700 million acquisition of the Lyrica royalty from Northwestern University in December 2007, its $650 million acquisition of the Remicade royalty from New York University in May 2007, its $700 million acquisition of the Humira royalty from AstraZeneca in 2006 and its joint $525 million acquisition with Gilead Sciences of Emory University's Emtriva/Truvada/Atripla royalty interest in 2005. In two separate transactions, Royalty Pharma also provided Memorial Sloan-Kettering Cancer Center with over $400 million for its royalty interests in Neupogen/Neulasta. These transactions demonstrate Royalty Pharma's deep financial resources and ability to work successfully with a broad range of partners.

More information on Royalty Pharma is available at www.royaltypharma.com.

The estimates and judgments with respect to the information 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; and risks relating to our ability to manage our relationship with Cypress or with any other licensor. We assume no responsibility for updating forward-looking statements made herein or otherwise.