

Modigene Inc.

Compensation Committee Charter

I. PURPOSE

The primary purpose of the Compensation Committee (the “Committee”) of the board of directors of Modigene Inc. (the “Company”) is to assist the board of directors of the Company in discharging its responsibilities relating to the compensation of directors and executive officers of the Company.

II. COMPOSITION AND PROCEDURE

The Committee shall consist of at least three members. Each member of the Committee shall meet each of the following: (i) the independence requirements as adopted by the Company’s board of directors and as amended from time to time by the board; (ii) the definition of “independent director” as set forth in Section 121A of the Company Guide of the American Stock Exchange; (iii) the definition of “Non-employee Director under Rule 16b-3(b) under the Securities Exchange Act of 1934, as amended; (iv) the requirement of Section 162(m) of the Internal Revenue Code for “outside directors”; and (v) any other applicable regulatory standards. The board of directors shall appoint the members of the Committee and its Chairman, based on the recommendation of the Governance Committee. Committee members may be removed, with or without cause, at any time by a majority vote of the board of directors. Any vacancy of the Committee may be filled by a majority vote of the board of directors.

The Committee shall meet with such frequency and at such intervals as it shall determine necessary to carry out its duties and responsibilities, but in no event shall the Committee meet less than once during each fiscal year. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. The Chief Executive Office may not attend any meeting where his or her performance or compensation are discussed. The Committee shall maintain minutes of its meetings and records relating to those meetings and the Committee’s activities and shall provide copies of such minutes to the board of directors. A majority of the members of the Committee will constitute quorum for the transaction of business and the act of a majority of those present at any meeting at which there is a quorum will be the act of the Committee. The Committee shall determine any other rules of procedure it determines necessary or desirable, provided such rules of procedure do not conflict with the Company’s bylaws.

III. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

The Committee shall conduct its business in accordance with this Charter, the Company’s bylaws, as the same may be amended, and any director of the whole board of directors. The Committee’s duties and responsibilities generally are to: (1) discharge the responsibilities of the board of directors relating to the compensation of the Company’s executive officers; and (2) evaluate and make recommendations to the board of directors relating to the compensation of

individuals serving as directors of the Company. In accomplishing these responsibilities, the Committee shall possess the following powers and duties:

(a) The Committee shall review and approve performance goals and objectives relevant to the compensation of the Company's Chief Executive Officer and other executive officers of the Company, shall evaluate the performance of the Chief Executive Officer and other executive officers of the Company in light of those goals and objectives and shall set the compensation level of the Chief Executive Officer and other executive officers of the Company based upon such evaluation, including the long-term incentive component of such compensation. In determining the compensation level of the Chief Executive Officer and other executive officers of the Company, the Committee should consider the performance of the Company, stockholder returns, the compensation levels of Chief Executive Officers and other executive officers of the Company in previous years, the compensation levels of the Chief Executive Officer and other executive officers at businesses comparable to the Company and any additional factors that the Committee deems reasonable and appropriate. The Committee shall be guided by and seek to promote the best interest of the Company and its stockholders.

(b) The Committee shall meet annually with the Chief Executive Officer of the Company to receive the Chief Executive Officer's evaluation of and recommendations regarding compensation performance goals and the Company's progress towards meeting those goals.

(c) The Committee shall review and approve all employment agreements, severance arrangements and change of control agreements or provisions for the Chief Executive Officer and other executive officers of the Company.

(d) The Committee shall make recommendations to the board of directors regarding the annual compensation of directors of the Company, including incentive plans and equity-based plans. Additionally, the Committee shall make recommendations to the board of directors regarding the compensation of directors and the reimbursement of expenses with respect to directors' attendance at meetings of the board of directors and shall make recommendations to the board of directors regarding additional compensation of directors serving on committees to the board of directors, including with respect to their attendance at committee meetings.

(e) The Committee shall review and monitor the Company's equity incentive compensation plans and equity-based plans for the Company, and review and approve any material amendments or modifications to any existing or new plan, subject always to applicable stockholder approval requirements. The Committee shall adopt, approve or ratify awards under incentive compensation plans and equity-based plans created by the board of directors, and shall review and monitor awards under such plans. The Committee shall ensure that such awards are administered in a manner consistent with the Company's compensation strategy and the terms of the plans with respect to participation in the plans, annual incentive targets, vesting requirements and corporate financial goals. Additionally, the Committee shall approve the submission to stockholders of all new equity-based incentive plans of the Company and shall administer such plans.

(f) The Committee shall review with the Chief Executive Officer and President the management succession plans of the Company.

(g) The Committee shall act in an advisory capacity to the board of directors regarding compensation matters generally.

(h) The Committee shall review and assess the adequacy of any directors' and officers' indemnification and insurance policies or matters, and make recommendations to the board with respect thereto.

(i) The Committee shall have the sole authority and adequate funding to retain and terminate any third-party for the purpose of evaluating the performance of the directors, senior executive officers and the Chief Executive Officer of the Company and determining the appropriate compensation for such individuals. Such third parties may include professional consultants specializing in compensation matters, as well as legal, accounting and other advisors, both internal and external.

(j) The Committee may form and delegate authority to subcommittees and individual members of the Committee, where appropriate, with respect to compensation matters.

(k) The Committee shall produce an annual report of the Compensation Committee on Executive Compensation for inclusion in the Company's annual proxy statement or annual report on Form 10K-SB in accordance with the applicable rules and regulations of the Securities and Exchange Commission.

(l) The Committee shall perform an annual evaluation of its own performance, which shall compare the performance of the Committee with the requirements of this Charter. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the board of directors may take the form of an oral report by the Chairman of the Committee or any other member of the Committee designated by the Committee to make such report.

(m) The Committee shall review and assess the adequacy of this Charter annually, and shall recommend any proposed amendments relating to the Committee's duties with respect to compensation matters to the board of directors for approval.

(n) The Committee shall report to the board of directors, as frequently as the Committee determines is necessary or as the board requests, regarding compensation matters and the Committee's duties and responsibilities under this Charter.

Adopted by the Board of Directors of Modigene Inc. on September 5, 2007