



# CEOCFO

## Interviews & News!

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### **BrainStorm Cell Therapeutics Has Completed Its Restructuring Adding New World-Class Leaders To Their Board Of Directors, Positioning The Company For Phase I And II Studies On Their Adult Bone Marrow Stem Cell Therapy For Neurodegenerative Diseases**



**Healthcare**  
**(OTC BB: BCLI)**

**BrainStorm Cell Therapeutics Inc.**

**110 East 59<sup>th</sup> Street**  
**New York, NY 10022**  
**Phone: 212-557-9000**



**Chaim Lebovits**  
**President**

#### **BIO:**

Chaim Lebovits, has been at the forefront of mining and natural resource management in Africa for over a decade. He has spent years leading the exploration and development of resources in the Democratic Republic of Congo on behalf of world-leading firms. In this capacity, he has negotiated numerous highly successful deals on behalf of both African governments and global mining concerns.

As an internationally known and respected businessman and corporate manager, he has developed excellent personal relations with a number of African leaders, and has promoted the interests of

their countries in the economic and political capitals of the world.

Chaim Lebovits leads C&L with his extensive experience and passion for the mining and energy industry, with intent on taking C&L to a level of excellence and leadership in the resource-mining sector. His commitment to the people that work with him, and to health, environmental and social issues, is evident in his projects in Africa.

Originally from New York, Lebovits now splits his time between North America, Europe, Africa, and the Middle East.

#### **Company Profile:**

BrainStorm Cell Therapeutics Inc. is an emerging company developing adult stem cell therapeutic products, derived from autologous (self) bone marrow cells, for the treatment of neurodegenerative diseases. The NurOwn(TM) patent pending technology is based on discoveries made by the scientific team led by prominent neurologist Professor Eldad Melamed, Head of Neurology at Rabin Medical Center, and expert cell biologist Dr. Daniel Offen, Head of the Neuroscience Laboratory at the Felsenstein Medical Research Center of Tel-Aviv University. This technology allows for the differentiation of bone marrow-derived stem cells into functional neurons and astrocytes, as demonstrated in animal models. The company holds rights to develop and commercialize the technology through an exclusive, worldwide licensing agreement with Ramot at Tel Aviv University Ltd., the technology transfer company of Tel-Aviv University. The Company's initial focus is on Parkinson's disease, although its technology has promise for treating several others diseases including MS,

ALS, Huntington's disease and stroke.

**Interview conducted by:**  
**Lynn Fosse, Senior Editor**

**CEOCFO:** Mr. Lebovits, what is the vision for BrainStorm Cell Therapeutics and how do you get there?

**Mr. Lebovits:** "BrainStorm Cell Therapeutics is a company with the purpose of developing new stem cell technology; more specifically we concentrate on adult stem cell technology for the treatment of currently incurable neurodegenerative diseases. BrainStorm is focused on developing adult stem cells taken from the patients own marrow for Parkinson's, ALS, MS and other diseases. Adult stem cells are used to create healthy, new neuron-like cells that replace or support the disease cells. We believe that these cells will be able to give treatment to many diseases. We say Parkinson's or ALS, but this is the most developed and sophisticated technology we have for the moment in our R&D."

**CEOCFO:** There are a number of companies working in this area, what makes your research different?

**Mr. Lebovits:** "Many things make our research different. First, in adult stem cells we are probably one of the leading companies in our industry worldwide who is currently in the R&D stage. We are not well known in the US, but our management has improved greatly since July (2007). We have attracted world-class leaders to our advisory board and to our board of directors as well. We just recently announced Doctor Jonathon Javitt from Washington D.C., as the new director of our board. We believe that, through adult stem cells, we will be the first to have a treatment to many diseases."

**CEOCFO:** How does that roll out for you?

**Mr. Lebovits:** "Adult stem cells are not yet used in the world for anything, only researched. We are now in the stage of animal testing and have seen very positive results. We just recently had a successful pre-pre IND phone call with the FDA in order to prepare toxicology and the efficacy experiments according to FDA procedures, moving towards clinical trials."

**CEOCFO:** Are you starting with the US first or are there other countries that would be easier?

**Mr. Lebovits:** "We are not looking for the easy road. It is a breakthrough technology. I believe it may be similar to antibiotics. Therefore, we are not looking for the easy road because we are not looking to go to Bangkok, Hong Kong or to who knows where other companies go to do these things and make it work. We want to go through all the procedures of FDA; we want to work together with them in order to get their approval."

**CEOCFO:** Have you recently engaged an FDA consultant?

**Mr. Lebovits:** "Yes, we do have a FDA consultant, Doctor Andrea Miller, she was chief of the FDA Cell Gene department in 2000. We are very pleased to have her as our advisory. We have Doctor Jonathan Javitt as well, who has done nine projects through the FDA and is on the board of many very successful biotechnological companies. We have others that we are not announcing at the moment, but I think we have a good team for the FDA."

**CEOCFO:** You have changed your financial picture; will you tell us more about that?

**Mr. Lebovits:** "We were similar to a start-up company without any cash. Today, the cash on hand is over \$1 million; however, it will soon be over \$5 million. From 2004-2007, the cash flow of the company was \$4 million and now for 2007 and the 1<sup>st</sup> Quarter of 2008, we will be spending \$5 million and we have all cash on hand."

**CEOCFO:** Do you need to add additional people to your management team?

**Mr. Lebovits:** "On the scientific side, we are second to none. Lead by prominent neurologist Professor Eldad Melamed, who is the chief neurologist of the Rabin Medical Center, as well he is the chief neurologist of the Tel-Aviv University neurology department. Professor Melamed is also the only international doctor on the Michael J. Fox Foundation scientific advisory board. In addition, we have Professor Avinoam Kadouri who was recently the Process Development Manager of Serono International. Our strategy is to strengthen the management, which includes securing leaders in the following roles; the board of directors, advisory board, the new CEO and some other strategic management positions. On the advisory board, we have brought in

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Professor Jacob Frankel who is currently the Vice Chairman of AIG. Formerly, Professor Frankel was governor of the Israeli Bank and Vice Chairman of Merrill Lynch International.

Mr. Harvey Kruger, who was Vice Chairman of Lehman Brothers, has also committed to BrainStorm. Both Professor Frankel and Professor Kruger are involved because of the humanitarian side of our mission and they have faith in our success.

Another upcoming announcement that will strengthen our management is the appointment of a new CEO, a leader in Israel's technology industry

**CEOCFO:** Are you concerned about the controversy over stem cell research?

**Mr. Lebovits:** "Oh yes, no question about it. That is why I stressed in the beginning that we are talking about adult stem cells, in which there is no controversy and no ethical questions. Therefore, treatments involving adult stem cells will be available for the public earlier than embryonic stem cells."

**CEOCFO:** What is the financial picture?

**Mr. Lebovits:** "The financial picture is that I have invested \$5 million in the company, which is letting us get through until mid 2008. We will need to have an additional 10 to \$15 million, so we will be doing a second offering most likely in the second half of 2008."

**CEOCFO:** It is a very exciting time for the company!

**Mr. Lebovits:** "Yes, it is very exciting. We believe that we will be the first adult stem cell treatment in the world, so it is also historic."

**CEOCFO:** Why should potential investors put their money into BrainStorm today?

**Mr. Lebovits:** "First, it is a high-risk investment just like every biotech company. As every investor that invests in biotech knows, most of the biotech companies do not make it. Having said that, the upside of the company is huge; the shares are around \$1.00.

However, the true price if we get a cure would be about \$100.00 a share if not more. Will we get a cure? Who knows? Are we seeing promising results? Definitely!

As more investors notice BrainStorm over the next few months, the value will go up dramatically. Until we get to a final stage, there is still a lot of time and movement in the company that will bring a lot of return for investors."

**CEOCFO:** What should people remember most about this interview?

**Mr. Lebovits:** "People should remember most that stem cells will be helping millions of patients with diseases like ALS and Parkinson's."