

Medgenics, Inc.  
('Medgenics' or the 'Company')

3 February 2009

The Board of Medgenics announces that it was informed on 30 January 2009 that, on that same day, pursuant to the warrant repricing programme announced on 17 December 2008, Lord Leonard Steinberg (a Director of the Company) exercised 4,000,000 warrants at the reduced exercise price of \$0.0375 each (the "Reduced Warrant Price") which entitled him to 4,000,000 ordinary shares of US \$0.0001 each ("Ordinary Shares") and warrants to purchase 450,000 Ordinary Shares. The warrants ("Bonus Warrants") are exercisable from 30/1/09 and expire on 30/12/12 at an exercise price US \$0.25 per Ordinary Share. The total cost of this exercise was \$150,000.

The Company is also pleased to announce that it was also informed on 30 January 2009 that, on that same day, Joel Kanter (also a director of the Company) and his affiliated interests have exercised 4,000,000 warrants at the Reduced Warrant Price, in order to acquire 4,000,000 Common Shares and 450,000 Bonus Warrants for total consideration of US \$150,000. These warrants exercised were held by CIBC Trust Company (Bahamas) Limited, as Trustee of T-555\*.

Pursuant to Rule 21 of the AIM Rules for Companies, Lord Leonard Steinberg and Joel Kanter declared binding commitments to these warrant exercises which were notified on 17 December 2008.

The Board is also very pleased to announce that a further 2,637,578 warrants have been exercised at the Reduced Warrant Price resulting in the issues of 2,637,578 Ordinary Shares and 296,728 Bonus Warrants. This has resulted in total consideration (including the investments by Lord Leonard Steinberg and Joel Kanter) received by the Company as a result of the warrant repricing programme of US\$ \$398,909.

These new Ordinary Shares will be admitted to AIM pursuant to the block listing which was applied for on 4 December 2007 and will trade under the TIDM (ticker) MEDG. The Company announces that, as at the date of this announcement, it has 117,365,773 Ordinary Shares in issue.

Following the above warrant conversions, Lord Leonard Steinberg and Joel Kanter are interested in the following number of Ordinary Shares:

Name	Number of Common Shares	% of Issued Share Capital
Lord Leonard Steinberg	18,484,725	15.7%
Joel Kanter *	12,998,556	11.1%

Notes:

\* Included in the interests of Joel Kanter are his interests in:

- (i) 949,226 Common Shares held by the Kanter Family Foundation, an Illinois not-for-profit corporation of which Mr. Kanter is the President and is a Director;
- (ii) 7,605,985 Common Shares held by CIBC Trust Company (Bahamas) Limited ("CIBC"). CIBC is the trustee of Settlement T-555 (the "CIBC Trust"). The CIBC Trust was established

for the benefit of various descendants of (i) Helen and Henry Krakow, and (ii) Beatrice and Morris Kanter. Mr. Kanter is a discretionary beneficiary of the CIBC Trust. Sole voting and investment control of the Common Shares owned by the CIBC Trust is vested in CIBC as trustee of the CIBC Trust;

- (iii) 4,400,807 Common Shares held by Chicago Investments, Inc. (“CII”). CII is a majority-owned subsidiary of Chicago Holdings, Inc. (“CHI”). CHI is majority owned by various trusts (together the “Kanter Trusts”) established for the benefit of various descendants of (i) Helen and Henry Krakow, and (ii) Beatrice and Morris Kanter. Joel Kanter is a discretionary beneficiary of some, but not all, of the Kanter Trusts. Sole voting and investment control of the Common Shares owned by CII is vested in Mr. Kanter’s brother, Joshua Kanter, as President of CII; and
- (iv) 42,548 Common Shares held by Chicago Private Investments, Inc (“CPI”). CPI is a wholly owned subsidiary of The Holding Company (“THC”). THC is owned by Kanter Trusts. Sole voting and investment control of the shares of the Company owned by CPI is vested in Mr. Kanter’s brother, Joshua Kanter, as President of CPI.

For the purposes of applicable US Securities Laws and regulations, Mr. Kanter disclaims all beneficial and pecuniary interest to the Common Shares held by CII and CPI and the CIBC Trust. Such disclaimer does not affect Mr. Kanter's status as a discretionary beneficiary under the Kanter Trusts or the CIBC Trust.

Following the Transaction, Lord Leonard Steinberg and Joel Kanter are interested in the following number of warrants:

Name	Warrant Name	Number	Issue date	Expiry date	Exercise price US\$
Lord Leonard Steinberg	W	832,423	4/12/07	4/12/12	0.194
	W	1,145,964	31/5/07	31/5/12	0.164
	W	763,997	4/12/07	4/12/12	0.164
	Bonus	450,000	30/1/09	30/1/12	0.025
		3,192,384			
Joel Kanter	W	3,059,192	31/3/06	31/3/11	0.071
	W	1,069,575	23/10/06	23/10/11	0.117
	W	857,007	23/10/06	23/10/11	0.117
	RW	197,914	31/3/06	31/3/11	0.000005
	RS	14,080,734	31/3/06	31/3/11	0.023634
	Bonus	450,000	30/1/09	30/1/12	0.025
		19,714,422			

The current warrants outstanding in the Company are as follows:

Warrant Type	Date of Issue	No. of Common Shares	Exercise Price per Common Share	Expiry Date
RS	31.03.06	15,680,818	US \$0.0005	31.03.11
RS	31.03.06	36,481,902	US \$0.071	31.03.11
RW	31.03.06	1,586,735	US \$0.000005	31.03.11
RW	22.10.08	22,588	US \$0.000005	31.03.11
X	31.03.06	4,278,298	US \$0.071	24.03.10

X	31.03.06	533,183	US \$0.071	31.03.11
W	31.03.06	21,397,303	US \$0.071	31.03.11
W	10.04.06	1,026,792	US \$0.071	10.04.11
W	14.06.06	1,069,575	US \$0.071	14.06.11
W	23.10.06	19,893,486	US \$0.117	23.10.11
W	9.02.07	705,919	US \$0.071	31.03.11
W	13.03.07	705,919	US \$0.071	31.03.11
W	13.03.06	2,117,758	US \$0.071	21.06.11
W	13.03.07	1,336,968	US \$0.117	23.10.11
W	31.05.07	1,329,310	US \$0.164	31.05.12
W	13.08.07	402,246	US \$0.164	13.08.12
W	17.08.07	64,174	US \$0.164	17.08.12
W	4.12.07	252,334	US \$0.164	13.08.12
W	4.12.07	1,259,810	US \$0.164	4.12.12
W	4.12.07	2,997,420	US \$0.194	4.12.12
W	4.12.07	570,992	10p	4.12.12
W	19.10.08	305,598	US \$0.164	17.08.12
Platinum	13.08.07	1,909,619	US \$0.164	31.08.12
Platinum	4.12.07	1,604,362	US \$0.164	4.12.12
Platinum	4.12.07	23,183	10p	4.12.12
Platinum	1.12.08	2,353,064	US \$0.194	4.12.13
Bonus	30.1.09	1,196,728	US \$0.025	30.1.12
Total		121,106,081		

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