



**HBL - Hadasit Bio Holdings Ltd.
(hereinafter: "the Company")**

**Written proxy pursuant to Companies Regulations (Voting in Writing and Position Statements),
5766-2005 (the "Regulations")**

Part One

1. Company name: HBL - Hadasit Bio Holdings Ltd.
2. Type of general meeting, place and time of convening: Special general meeting which will take place on Thursday, November 17 2014, at 10:00 AM at the Company's attorney's offices, Zisman, Aharoni and Co., on 41-45 Rothschild Street, Beit Zion building, 8th floor, Tel Aviv (hereinafter: "**the Meeting**"). If a legal quorum is not present, the general meeting will be postponed by one week to Monday, November 24 2014, and will take place at the same time and place (hereinafter: "**Postponed Meeting**").
3. Specification of the issues on the agenda which may be voted on through the written proxy and a summary of the proposal:
 - 3.1. **Confirmation of the Company's agreement with Mr. Yigal Erlich, to provide services as the Company's active Chairman of the Board.**

On July 6 2014, after approval from the Company's Compensation Committee and Board, the shareholders' General Meeting approved compensation for Mr. Yigal Erlich for his position as the Company's Chairman of the Board.

The compensation awarded to Mr. Erlich included the allocation of 700,000 unlisted Company warrants which are exercisable into 700,000 ordinary Company shares at 0.01 NIS par value each. The exercise price was set at 0.2734 NIS per option with a vesting period of 4 years (in 4 equal parts) starting from the allocation date (hereinafter: "Equity Compensation"). For further details, see the Company's immediate report dated July 11 2014 (ref no. 2014-01-088335).

On October 2 and October 5 2014, the Company's Board and Compensation committee approved, respectively, subject to the approval of the scheduled meeting per the immediate report to which this written proxy is attached to as **Appendix A** (hereinafter: "**the Meeting Summons**"), that in light of the Company's needs, Mr. Erlich will serve as an active Chairman of the Board at a volume of at least 30 monthly hours. In addition, it was decided to adjust Mr. Erlich's compensation accordingly. Since at the time the Equity Compensation was granted to Mr. Erlich, the Company classified Mr. Erlich, in order to examine compliance with the Company's compensation policies, as approved by the shareholders on September 17 2013 (hereinafter: "**Compensation Policies**"), as a "director on behalf of a controlling shareholder", granting Mr. Erlich with monetary compensation deviates from the Company's Compensation Policies. However, it is clarified that as Mr. Erlich was classified as Chairman of the Board, the monetary compensation stated below (taking into consideration the Equity Compensation granted to Mr. Erlich, is in line with the Company's Compensation Policies.

Accordingly, it is proposed to approve the Company's agreement with Mr. Erlich for his position as active Chairman of the Board (hereinafter: "**the Agreement**"), in accordance with the terms set forth below, in addition to the Equity Compensation granted to Mr. Erlich for his service as the Company's Chairman of the Board as stated:

3.1.1. Services

In his capacity as the Company's Chairman of the Board, Mr. Erlich will act, among other things, to assist the Company in anything to do with raising capital, recruiting strategic partners, negotiating with potential investors of the Company and the Company's portfolio companies, formulating strategic policies and business and commercial objectives for the Company and the portfolio companies (hereinafter: "**the Services**").

3.1.2. Term of the agreement

The agreement is for a period starting August 31 2014 until the termination of Mr. Erlich's service as the Company's Chairman of the Board.

3.1.3. Termination of the agreement

This agreement will terminate after sixty (60) days from either party giving notice of termination, or in the event that Mr. Erlich's position as the Company's Chairman of the Board ends, the earlier of the two.

During the notice period, Mr. Erlich will continue to provide services to the Company and shall be entitled to payment as set forth in the agreement. However, the Company may, at its sole discretion, waive the receipt of services during the notice period, in part or in whole, provided that it pays Mr. Erlich everything he deserves had he continued to provide services until the end of the notice period.

Notwithstanding the foregoing, the Company shall be entitled to terminate the agreement immediately, without prior notice and without paying in respect of the notice period, if one of the circumstances enumerated in the agreement occurs.

3.1.4. Compensation and extent of work

As the Company's acting Chairman of the board, Mr. Erlich will devote no less than 30 hours a month for the Company in return for a monthly fee of 12,000 NIS plus VAT per law.

3.1.5. Confidentiality and intellectual property assignment

Mr. Erlich has committed to maintain secrecy as customary in companies in the Company's area of operations.

Wording of the proposed resolution: "To approve the Company's agreement with Mr. Yigal Erlich for services provided as the Company's active Chairman of the Board, in accordance with the terms of the agreement.

3.2. Approval of the amendment of the Company's Compensation Policy regarding liability insurance for directors and officers.

An amendment of the Insurance Article in the Compensation Policy is proposed for approval, in the wording attached as **Appendix B** of the Meeting Summons, in accordance with the provisions of Article 267a of the Companies Law¹, so that the following will be added in the indemnification and insurance article (Article 3.10 of the Compensation Policy):

"Concerning the liability insurance for officers, the Company may enter an agreement for liability insurance policy for officers and directors of the Company, including those who are controlling shareholders in the Company and their relatives, provided that the agreement is at market terms and is not likely to significantly influence the Company's profitability, assets, or liabilities, in exchange for a yearly premium up to a total of 30,000 USD, within the limits of liability coverage up to 10 million USD per event and at an aggregate during the insurance period."

¹

Let it be noted that the Company is not a public subsidiary, as defined in Article 267a of the Companies Law.

The amendment is in accordance with Article 1b1 of the Companies Regulations (Relief in Transactions with Interested Parties, 5760-2000 (hereinafter: "**Relief Regulations**")), in order to allow the Company to enter into an agreement, from time to time, during the period in which the Compensation Policy is valid, for liability insurance policies for directors and officers and/or extend existing policies, with the approval of the Compensation Committee only, and subject to the policy terms being within the limits stated in the Compensation Policy, as written in the proposed amendment in this immediate report.

Appendix B includes the proposed amendment for the marked insurance article concerning the Compensation Policy approved by the Company's General Meeting on September 17 2013.

Wording of the proposed resolution: "To approve the amendment of the insurance article in the Company's Compensation Policy to the wording attached as **Appendix B** to the General Meeting."

3.3. Approval to grant letter of indemnification to for Ms. Tamar Kfir, Company CEO

Ms. Kfir serves as the Company's CEO since January 1 2014. As of the date of this written proxy, Ms. Kfir was not granted a letter of indemnification. Accordingly, it is proposed to approve a letter of indemnification for Ms. Kfir, attached as **Appendix C** of the Meeting Summons (hereinafter: "**Letter of Indemnification**"). The Letter of Indemnification includes the Company's undertaking to indemnify in accordance with different types of events and amounts detailed in the Letter of Indemnification.

Wording of the proposed resolution: "To approve the Letter of Indemnification for Ms. Tamar Kfir, Company CEO, attached as **Appendix C** to the Meeting Summons."

3.4. Approval to enter into a management agreement between the Company and Hadasit Medical Research and Development Ltd., the controlling shareholder in the Company.

Hadasit Medical Research and Development Ltd. (hereinafter: "**Hadasit**"), is the controlling shareholder of the Company. On February 27 2011, the general meeting of Company shareholders approved the management agreement between the Company and Hadasit (hereinafter: "**Management Agreement**"). Under the terms of the Management Agreement, the period of the Management Agreement is 4 years, starting on January 1 2011 and ending December 31 2014. In light of the transitional provisions set forth in the Companies Law (Amendment no. 16), 5771-2011 (hereinafter: "**Amendment no. 16**"), and in light of Amendment no. 16 of the Companies Law which states, inter alia, that agreements between the Company and its controlling shareholder must be approved once every three years, it is proposed to approve the Management Agreement for a period of about 10 month, starting February 26 2014 and ending December 31 2014, in accordance with the terms set forth in the Management Agreement and as approved in the shareholders' general meeting on February 27 2011, except with respect to management fees which were reduced to a yearly fee of 430 thousand NIS (plus VAT), starting January 1 2014, the principals of which are listed below:

3.4.1. Management services

During the term of the Management Agreement, Hadasit will provide the Company with ongoing management services connected to the Company's operations and business in the field through its employees and consultants. In terms of providing these management services, Hadasit's activities will be done in coordination and under the supervision of the Company's management and Board of Directors. The management services will include, among others, the following services.

3.4.1.1. General management services concerning the ongoing and regular operations of the Company.

3.4.1.2. Consulting services concerning the Company's investment in portfolio companies and additional companies in the industry (both originating and not originating from Hadassah), in which the Company will explore an investment opportunity.

3.4.1.3. Consulting in the field of intellectual property through employees with an expertise in the field that work at Hadasit.

3.4.1.4. In accordance with the Company's demands and the available manpower at Hadasit, Hadasit shall appoint, in accordance with the law, directors for the Company and/or portfolio companies from among its managers and employees.

3.4.1.5. In addition to consulting provided by its managers and employees, and subject to the foregoing, Hadasit will be entitled, when necessary and at its discretion, to coordinate external consulting for the Company and/or portfolio companies for the purpose of fulfilling its responsibilities. The Company will bear these costs, to the extent that Hadasit will find it is required for the Company's operations.

3.4.1.6. Hadasit will make every effort to allow the Company access to leading doctors and scientists employed at Hadassah and which have a connection to the operations of any of the portfolio companies or any other new company that the Company will consider for a new investment. Hadasit will make every effort to get the Company consulting and guidance from the aforementioned leading doctors and scientists, and if necessary will assist the Company in negotiating with them in order to include them a new portfolio company or to determine terms for services provided by them for the purpose requested by the Company.

3.4.2. Term of the agreement

The Management Agreement has been set for a period of 4 years, starting January 1 2011 and subject to the approval of the Company's general meeting, in accordance with the provisions of the law. As of the date of this written proxy, the Company's general meeting has approved the Management Agreement on February 27 2011. See Article 3.4 above.

3.4.3. Compensation and extent of work

In consideration for management services, the Company will pay Hadasit a yearly fee of 430 thousand NIS (plus VAT by law).

3.4.4. For further details concerning the terms of the Management Agreement, see the Company's immediate report dated January 17 2011 (ref no. 2011-01-019713).

3.4.5. For further details under the sixth addition to the Securities Regulations, see Part II of the Meeting Summons.

Wording of the proposed resolution: "To approve the Management Agreement between the Company and Hadasit Medical Research and Development Ltd., the controlling shareholder in the Company, for a period of 10 months starting February 26 2014 and ending December 31 2014, in accordance with the terms detailed in the Management Agreement."

4. The place and time in which the full wording of the proposed resolution and other documents can be viewed:

The resolution on the meeting's agenda as well as the immediate reports published by the Company concerning the above issues can be viewed at the Company's offices at: Bio-Technology Park in the Hadassah Ein Carem hospital in Jerusalem, and by appointment with the Company's secretariat at 02-5722054, Sunday-Thursday, at the regular working hours, until the day of the meeting.

5. The required majority for a resolution on the agenda:

5.1. The required majority in a meeting and a Postponed Meeting for approval of the proposed resolutions in sections 3.1, 3.2, and 3.3 is the majority set forth in Article 267a(b) of the Companies Law, 5759-1999 (hereinafter: "**Companies Law**"), i.e. a regular majority of votes by present shareholders and voters in the meeting without taking into account abstentions, and provided that one of the following occurs:

(1) The majority vote includes a majority of all votes of shareholders who are not controlling shareholders of the Company or have personal interest in the resolution, that participate in the vote (in all of the votes of said shareholders, abstaining votes will not be taken into account);

(2) The total opposing votes among the stated shareholders in paragraph (1) does not exceed two percent (2%) of the total voting rights.

5.2. The required majority in the meeting and the Postponed Meeting for receiving approval for the proposed resolution in section 3.4 is as stated in Article 275(a)(3) of the Companies Law, i.e. a regular majority of votes of present shareholders and voters in the meeting without taking into account abstentions and provided that one of the following occurs:

(1) A majority of all votes of shareholders who do not have personal interest in the approval of the resolution (in the total votes of stated shareholders abstentions will not be taken into account);

(2) The total of opposing votes among the stated shareholders in paragraph (1) does not exceed two percent (2%) of the total voting rights in the Company.

6. Marking the presence of interest of other characteristic of a shareholder:

In the second part of the written proxy, a place is allocated for marking the presence or absence of interest, as required by the Companies Law and to describe the nature of the interest in question. In addition, a place is allocated for disclosing if you are a controlling shareholder, person of interest, have any personal interest in the approval of the resolution on the agenda, a senior officer or institutional investor. It is clarified that votes of shareholders who do not enter the information stated in this section or shareholders who mark "yes" and do not provide further details will not be counted.

7. Validity of the written proxy

7.1. The written proxy shall be valid only if accompanied by a certificate of ownership of the non-registered shareholder, or a photo ID, passport, or certificate of incorporation, if the shareholder is registered in the Company's books.

7.2. The written proxy and the documents that need to be attached to it must be submitted to the Company within seventy two (72) hours before the meeting or Postponed Meeting.

7.3. The Company does not allow voting via the internet.

8. The Company's address for delivering the written proxies and position statements: the Company's offices at Bio-Technology Park in the Hadassah Ein Carem Hospital in Jerusalem.

9. Position statements and the response of the Board of Directors:

The deadline for submitting a position statement to the Company is up to ten (10) days after the effective date as defined below (hereinafter: "**the last date for submitting position statements by the shareholders**").

The deadline for submitting the Board of Directors' response to the position statement is no later than five (5) days after the deadline for submitting position statements by shareholders.

10. Distribution address and website URL of the stock exchange in which the written proxies and position statements are:

The wording of the written proxy can be found as an appendix in this immediate report. The address of the distribution site and website of the stock exchange in which the written proxies and position statements are:

The distribution site of the Israeli Security Authority: www.magna.isa.gov.il

The website of the Tel Aviv Stock Exchange: www.maya.tase.co.il

11. Receiving certificate of ownership

11.1. A shareholder who has a share registered with a member of the Tel Aviv Stock Exchange Ltd., and that share is included among the registered shares in the registrar of shareholders in the name of the nominee company, who is interested in voting in a general meeting will provide the Company with a certificate of ownership of the share on the effective date, from the nominee company in accordance with the "certificate of ownership" form in the addition to the Companies Regulations (proof of ownership of a share for the purpose of voting in a general meeting), 5760-2000.

11.2. A shareholder is entitled to receive a certificate of ownership at the TASE branch or by mail if requested. This request will be given in advance for a specific securities account.

12. Receiving a written proxy and position statement:

12.1. A shareholder is entitled to approach the Company directly and receive, without cost, the written proxy and position statement wording.

12.2. An unregistered shareholder is entitled to receive, at no cost, a link via email to the written proxy and position statements in the distribution website from a TASE member whose share are registered with him, unless he has informed the TASE member that he is not interested in receiving the aforementioned link or that he is interested in receiving the position statements via mail for a fee. Such a notice regarding written proxies shall also apply to position statements.

13. Reviewing the written proxies:

13.1. One or more shareholders who hold, on the effective date, shares that constitute five percent (5%) or more of the total voting rights in the Company, and anyone who holds such a percentage of voting rights not held by controlling shareholders in the Company as defined by Article 268 of the Companies Law, is entitled, by himself or by proxy, after a general meeting, to review the written proxies that have been sent to the Company at the Company's registered offices, during regular working hours.

13.2. It should be noted that the number of shares that constitute five percent (5%) of the total voting rights in the Company (undiluted) is 7,193,149 ordinary shares of the Company and the number of shares that constitute five percent (5%) of the total voting rights in the Company that are not held by controlling shareholders (undiluted) is 9,339,512 ordinary shares of the Company.

14. Changes in the agenda:

14.1. It is clarified that after publishing this written proxy, there may be changes in the agenda as detailed in Article 3 above, including adding a topic to the agenda, position statements may be published, and the updated agenda and position statements published in the Companies reports can be viewed in the distribution website.

14.2. When a new topic is added to the agenda, the Company will publish an amended written proxy on the publication date of the amendment for the meeting summons.

15. A shareholder will indicate his vote in the form that is in the second part of the written proxy.

Written Proxy - Part II

Company name: HBL - Hadasit Bio Holdings Ltd.

Company address (for submitting and sending written proxies): Bio-Technology Part in the Hadassah Ein Carem hospital in Jerusalem

Company no. 51-3734590

Meeting date: Monday, November 17 2014, 10:00 AM

Type of general meeting: General and special

Effective date: Monday, October 20 2014

Shareholder details:

Name of shareholder: _____

ID number: _____

If the shareholder does not have an Israeli ID - passport number: _____

Country in which it was issued: _____

Valid until: _____

If the shareholder is a corporation:

Corporation number: _____

Country of incorporation: _____

No. of topic on the agenda for the written proxy	Topics on the agenda	Voting method ²			Regarding the approval of topics listed in articles 3.1 to 3.4 that are on the agenda (Articles 264a(b) and 275 of the Companies Law) - are you a controlling shareholder, person of interest, have personal interest in the approval of the topic, are a senior office or institutional investor? ³	
		For	Against	Abstain	Yes*	No
3.1	Approval of the Company's agreement with Mr. Yigal Erlich for services as acting Chairman of the Board.					
3.2	Approval of the amendment of the Company's Compensation Policy concerning liability insurance for directors and officers					
3.3	Approval to grant a letter of indemnification for Ms. Tamar Kfir, Company CEO					
3.4	Approval of the management agreement between the Company and Hadasit Medical Research and Development Ltd., the controlling shareholder of the Company.					

² Failure to mark will be considered abstention on the topic

³ A vote by a shareholder who does not complete this column or marks "yes" but does not specify, will not count. There is no need to specify personal interest in the approval of an appointment that is not a result of a relationship with the controlling shareholder.

* Specify.

Description of the essence of the relevant interest (including a description of being a: shareholder, person of interest, institutional investor):

Signature

Date

Shareholders who hold shares through a TASE member according to Article 177(1) of the Companies Law - this written proxy will only be valid if it includes a certificate of ownership except when voting is done via the system.

Shareholders registered in the Company's shareholders registrar - the written proxy will only be valid if it includes a photo ID/passport/certificate of incorporation.
