Pluristem to Collaborate with Israeli Ministry of Defense in the Treatment of Burn Injuries

- *Project was awarded Joint Grant by the Israeli Ministry of Defense and the Israel Innovation Authority*

HAIFA, Israel, January 22, 2019 - Pluristem Therapeutics Inc. (Nasdaq:PSTI) (TASE:PSTI), a leading regenerative medicine company developing novel placenta-based cell therapy products, today reported the receipt of a joint grant awarded by the Israeli Ministry of Defense and the Israel Innovation Authority for the development of the company's PLX cells for the treatment of burn injuries. This project entails collaboration between the Company, the Israeli Defense Forces (IDF) medical corps and professionals who specialize in burn injuries from Israeli hospitals.

The provision of the grant is based on Pluristem's previously published clinical trial data, which demonstrated successful regeneration of muscle tissue and blood vessels as a result of PLX administration, as well as the anti-inflammatory ability of the cells. Proceeds from the grant will support studies of the effects of PLX cells in expediting burn wound healing.

"Today, there is a significant need for improved methods of treating burn injuries, with approximately 25 percent of battlefield casualties suffering from burns. Given the multiple potential comorbidities associated with burns, including risk of infection, time to wound closure, associated healthcare costs and overall recovery, we believe that it is imperative that we identify new ways of caring for these patients," said Zami Aberman, Chairman & Co-CEO of Pluristem. "We have already demonstrated our technology's positive impact with promising data in a variety of indications where regenerative medicine has been applied. Our team has allotted significant resources to refine our technology and we are delighted to collaborate on this project with professionals who specialize in burn injuries from both Israeli hospitals and the IDF medical corps."

About Pluristem Therapeutics

Pluristem Therapeutics Inc. is a leading regenerative medicine company developing novel placenta-based cell therapy products. The Company has reported robust clinical trial data in multiple indications for its patented PLX cells and is entering late stage trials in several indications. PLX cell products release a range of therapeutic proteins in response to inflammation, ischemia, muscle trauma, hematological disorders, and radiation damage. The

cells are grown using the Company's proprietary three-dimensional expansion technology and can be administered to patients off-the-shelf, without tissue matching. Pluristem has a strong intellectual property position; Company-owned and operated, GMP-certified manufacturing and research facilities; strategic relationships with major research institutions; and a seasoned management team.

Safe Harbor Statement

This press release contains express or implied forward-looking statements within the Private Securities Litigation Reform Act of 1995 and other U.S. Federal securities laws. For example, Pluristem is using forward-looking statements when it discusses its proposed joint project with respect to the study of the effects of PLX cells in expediting burn wound healing and the expected use of proceeds from the grant. These forward-looking statements and their implications are based on the current expectations of the management of Pluristem only, and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: changes in technology and market requirements; Pluristem may encounter delays or obstacles in launching and/or successfully completing its clinical trials; Pluristem's products may not be approved by regulatory agencies, Pluristem's technology may not be validated as it progresses further and its methods may not be accepted by the scientific community; Pluristem may be unable to retain or attract key employees whose knowledge is essential to the development of its products; unforeseen scientific difficulties may develop with Pluristem's process; Pluristem's products may wind up being more expensive than it anticipates; results in the laboratory may not translate to equally good results in real clinical settings; results of preclinical studies may not correlate with the results of human clinical trials; Pluristem's patents may not be sufficient; Pluristem's products may harm recipients; changes in legislation may adversely impact Pluristem; inability to timely develop and introduce new technologies, products and applications; loss of market share and pressure on pricing resulting from competition, which could cause the actual results or performance of Pluristem to differ materially from those contemplated in such forward-looking statements. Except as otherwise required by law, Pluristem undertakes no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. For a more detailed description of the risks and uncertainties affecting Pluristem, reference is made to Pluristem's reports filed from time to time with the Securities and Exchange Commission.

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