

BrainStorm Announces Exercise of Warrants Resulting in Cash Proceeds of ~\$12.3 Million at \$5 Share

NEW YORK and PETACH TIKVA, Israel, June 7, 2018 /PRNewswire/ -- BrainStorm Cell Therapeutics Inc. (NASDAQ:BCLI), a leading developer of adult stem cell technologies for neurodegenerative diseases, today announced it has entered into a Warrant Exercise Agreement with certain holders of warrants issued in the January 8, 2015 private placement. These holders have exercised warrants (for a total of 2,458,201 shares of common stock to be issued) at an amended exercise price of \$5.00 per share, which generated gross cash proceeds of approximately \$12.3 million. For each warrant exercised, BrainStorm has agreed to issue one new warrant to the holders to purchase unregistered shares of common stock at an exercise price of \$9.00 and an expiration date of December 31, 2020. BrainStorm will file a registration statement covering the resale of the additional shares of common stock underlying the newly issued warrants. Maxim Group LLC was retained as financial advisor on behalf of BrainStorm in connection with this transaction.

"Upon the closing of this warrant exercise, we have strengthened our balance sheet," stated Chaim Lebovits, BrainStorm's president and CEO. "We now have sufficient capital to not only complete our ongoing Phase 3 trial of NurOwn in ALS but also to advance the development of other promising R&D programs in our pipeline."

The shares of common stock and warrants issued in this transaction have not been registered under the Securities Act of 1933, as amended (the Securities Act), or state securities laws. These shares of common stock have been registered for resale on registration statement Form S-3 No. 333-201704. The issuance of the shares of common stock and warrants is exempt from the registration requirements of the Securities Act pursuant to the exemption for transactions by an issuer not involving any public offering under Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated under the Securities Act. The Company made this determination based on the representations that each party is an "accredited investor" within the meaning of Rule 501 of Regulation D. The Company made this determination based on the representations that each party is an "accredited investor" within the meaning of Rule 501 of Regulation D. This press release is being issued pursuant to and in accordance with Rule 135c under the Securities Act of 1933.

About BrainStorm Cell Therapeutics Inc.

BrainStorm Cell Therapeutics Inc. is a biotechnology company engaged in the development of first-of-its-kind adult stem cell therapies derived from autologous bone marrow cells for the treatment of neurodegenerative diseases. The Company holds the rights to develop and commercialize its NurOwn® technology through an exclusive, worldwide licensing agreement with Ramot, the technology transfer company of Tel Aviv University. NurOwn has been administered to approximately 75 patients with ALS in clinical trials conducted in the United States and Israel. In a randomized, double-blind, placebo-controlled clinical trial conducted in the U. S., a clinically meaningful benefit was demonstrated by higher response to NurOwn compared with placebo. For more information, visit the Company's website at www.brainstorm-cell.com.

Safe-Harbor Statement

Statements in this announcement other than historical data and information constitute "forward-looking statements" and involve risks and uncertainties that could cause BrainStorm Cell Therapeutics Inc.'s actual results to differ materially from those stated or implied by such forward-looking statements. Terms and phrases such as "may", "should", "would", "could", "will", "expect", "likely", "believe", "plan", "estimate", "predict", "potential", and similar terms and phrases are intended to identify these forward-looking statements. The potential risks and uncertainties include, without limitation, risks associated with BrainStorm's limited operating history, history of losses; minimal working capital, dependence on its license to Ramot's technology; ability to adequately protect the technology; dependence on key executives and on its scientific consultants; ability to obtain required regulatory approvals; and other factors detailed in BrainStorm's annual report on Form 10-K and quarterly reports on Form 10-Q available at <http://www.sec.gov>. These factors should be considered carefully, and readers should not place undue reliance on BrainStorm's forward-looking statements. The forward-looking statements contained in this press release are based on the beliefs, expectations and opinions of management as of the date of this press release. We do not assume any obligation to update forward-looking statements to reflect actual results or assumptions if circumstances or management's beliefs, expectations or opinions should change, unless otherwise required by law. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

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