UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 13, 2008**

Protalix BioTherapeutics, Inc.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of incorporation)

000-27836	**65-0643773**
(Commission File Number)	(IRS Employer Identification No.)
Snunit Street **Science Park** **POB 455 Carmiel, Israel**	**20100**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **+972-4-988-9488**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement

On January 13, 2008, Protalix BioTherapeutics, Inc. (the "Company") entered into a lease agreement (the "Lease Agreement") with Engel Science Parks (99) Ltd. The Lease Agreement provides the Company with approximately three times its current manufacturing space in its existing manufacturing and research facility located in Carmiel, Israel. The base rent for the additional space is approximately $300,000 per year, subject to monthly adjustments for increases in the Israeli Consumer Price Index. The term of the Lease Agreement is 7.5 years with three options exercisable by the Company to extend the term, each for a five-year period, for an aggregate of 15 additional years. Upon the exercise of each option to extend the term of the Lease Agreement, if any, the then current base rent shall be increased by 10%.

This summary of the Lease Agreement is not complete and is qualified by reference to the entire agreement, a copy of which will be filed with the Securities and Exchange Commission.

Item 8.01. Other Events

On January 14, 2008, the Company issued a press release announcing the Lease Agreement. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Press release dated January 14, 2008

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PROTALIX BIOTHERAPEUTICS, INC.

Date: January 17, 2008

By: /s/ David Aviezer
Name: David Aviezer, Ph.D.
Title: President and
Chief Executive Officer

Exhibit 99.1

Protalix BioTherapeutics Signs Lease Agreement for

Expansion of its Manufacturing and Research Facility in Carmiel, Israel

CARMIEL, Israel – January 14, 2008 – Protalix BioTherapeutics, Inc. (Amex: PLX), announced today that it has signed a lease agreement for the expansion of its manufacturing and research facility. The expanded space, located in the Company's facility in Carmiel, Israel, will provide the Company with approximately three times its current manufacturing space in anticipation of the potential commercialization of the Company's lead product candidate, prGCD, a therapeutic protein for the treatment of Gaucher disease.

The term of the lease agreement is 7.5 years with options to extend the life of the lease for up to 15 additional years. The Company intends to use the expanded facility for the manufacture of prGCD. The Company expects the facility to continue enjoying the Approved Enterprise status originally granted to the facility by the Investment Center of the Israeli Ministry of Industry, Trade and Labor. Under Israel's Law for the Encouragement of Capital Investments, 1959, the income from an Approved Enterprise will be exempt from taxation in Israel for a period of 10 years, commencing with the year in which taxable income is first generated from the Approved Enterprise.

Commenting on the expansion of the manufacturing facility, Yossi Maimon, the Company's Chief Financial Officer, said, "In light of the progress we have made to date in our prGCD program, we determined that we should commence the expansion of our current facility. Our expanded facility will provide us with the space and capacity required to bring prGCD to market and meet the anticipated demand for the drug following its anticipated approval by the United States Food and Drug Administration, while continuing to advance the research of the additional product candidates in our development pipeline."

About Protalix BioTherapeutics, Inc.

Protalix is a biopharmaceutical company. Its goal is to become a fully integrated biopharmaceutical company focused on the development and commercialization of proprietary recombinant therapeutic proteins to be expressed through its proprietary plant cell based expression system. Protalix's ProCellEx™ presents a proprietary method for the expression of recombinant proteins that Protalix believes is safe and scalable and will allow for the cost-effective, industrial-scale production of recombinant therapeutic proteins. Protalix is enrolling and treating patients in its pivotal phase III clinical trial in Israel, the United States and other locations for its lead product candidate, prGCD, for its enzyme replacement therapy for Gaucher disease, a lysosomal storage disorder in humans, and has reached an agreement with the United States Food and Drug Administration on the final design of the pivotal phase III clinical trial through the FDA's Special Protocol Assessment (SPA) process. Protalix is also advancing additional recombinant biopharmaceutical drug development programs.

Safe Harbor Statement:

To the extent that statements in this press release are not strictly historical, all such statements are forward-looking, and are made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to known and unknown risks and uncertainties that may cause actual future experience and results to differ materially from the statements made. These statements are based on our current beliefs and expectations as to such future outcomes. Drug discovery and development involve a high degree of risk. Factors that might cause such a material difference include, among others, uncertainties related to the ability to attract and retain partners for our technologies and products under development, the identification of lead compounds, the successful preclinical development of our products, the completion of clinical trials, the review process of the FDA, foreign regulatory bodies and other governmental regulation, and other factors described in our filings with the Securities and Exchange Commission. The statements are valid only as of the date hereof and we disclaim any obligation to update this information.

For additional information, contact Protalix BioTherapeutics at:
investors@protalix.com

AMEX IR Alliance for Protalix BioTherapeutics
Lee Roth / David Burke
212-896-1209 / 1258
lroth@kcsa.com / dburke@kcsa.com