

November 14, 2018



Kane Biotech Announces Third Quarter 2018 Financial Results

WINNIPEG, Manitoba, Nov. 14, 2018 (GLOBE NEWSWIRE) -- Kane Biotech Inc. (TSX-V:KNE, OTCQB:KNBIF) (the "Corporation" or "Kane Biotech") announces its Third Quarter 2018 Financial Results.

Kane Biotech Inc. is a biotechnology company engaged in the research, development and commercialization of technologies and products that prevent and remove microbial biofilms.

Key Highlights of Kane Biotech include the following:

- Royalty-based revenue model focused on large markets for biofilm prevention and dispersion solutions that are implicated in 80% of animal and human bacterial infections
- Strong patent portfolio of anti-biofilm technologies with 75 patents and patents pending
- First commercial licensing and distribution agreement signed (2017)
- Several anti-biofilm applications in development for large market opportunities

Targeted upcoming company milestones include the following:

- Continue lawsuit against Nestlé to defend Kane Biotech's intellectual property
- Leverage newly-formed Scientific Advisory Board for high-yield opportunities
- Secure additional non-dilutive funding opportunities
- Existing license expansion for companion animal veterinary market in terms of geography and product applications
- Launch DispersinB[®] based products with Dechra
- Accelerate and expand bluestem[™] product line
- Execute new technology license and distribution agreements

Third Quarter 2018 Financial Highlights:

Note: Financial results in the first quarter of 2017 included a one-time license payment of \$500,000 USD which significantly affects the comparison of the first nine months of 2018 versus 2017 for revenue, gross margin and loss.

Total Revenues:

- For the quarter ended September 30, 2018 were \$109,791 an increase of 81% compared to \$60,727 for the quarter ended September 30, 2017.
- For the nine months ended September 30, 2018 were \$298,494, a decrease of 69% compared to \$951,634 for the nine months ended September 30, 2017.

License and Royalty Revenues:

- For the quarter ended September 30, 2018 were \$9,590, an increase of 114% compared to \$4,480 for the quarter ended September 30, 2017.
- For the nine months ended September 30, 2018 were \$31,904, a decrease of 95% compared to \$678,560 for the nine months ended September 30, 2017.

Product and Services Revenues:

- For the quarter ended September 30, 2018 were \$100,201, an increase of 78% compared to \$56,247

for the three months ended September 30, 2017.

- For the nine months ended September 30, 2018 were \$266,590, a decrease of 2% compared to \$273,074 for the nine months ended September 30, 2017.

Gross Profit % (of Product Sales):

- For the quarter ended September 30, 2018 was 72%, a decrease of 3% compared to 74% for the quarter ended September 30, 2017.
- For the nine months ended September 30, 2018 was 66%, a decrease of 5% compared to 69% for the nine months ended September 30, 2017.

Total Operating Expenses:

- For the quarter ended September 30, 2018 were \$1,008,879, an increase of 11% compared to \$910,168 for the quarter ended September 30, 2017.
- For the nine months ended September 30, 2018 were \$2,723,486, an increase of 2% compared to \$2,673,293 for the nine months ended September 30, 2017.

Loss:

- For the quarter ended September 30, 2018 was (\$996,688), an increase of 15% compared to (\$869,246) for the quarter ended September 30, 2017.
- For the nine months ended September 30, 2018 was (\$2,588,198), an increase of 36% compared to (\$1,897,489) for the nine months ended September 30, 2017.

Select Income Statement Information:

Kane Biotech Inc. (TSX:V:KNE/OTCQB:KNBIF)	Q3, 2018	Q3, 2017	% Change	Q1 - Q3, 2018	Q1 - Q3, 2017	% Change
Total Revenue	\$109,791	\$60,727	81%	\$298,494	\$951,634	-69%
License and Royalty Revenue*	\$9,590	\$4,480	114%	\$31,904	\$678,560	-95%
Product and Services Revenue**	\$100,201	\$56,247	78%	\$266,590	\$273,074	-2%
Gross Profit \$ (Product and Services)	\$72,059	\$41,795	72%	\$175,228	\$188,214	-7%
Gross Profit % (Product and Services)	72%	74%	-3%	66%	69%	-5%
Total Operating Expenses	\$1,008,879	\$910,168	11%	\$2,723,486	\$2,673,293	2%
General and Administration	\$822,910	\$690,770	19%	\$2,180,565	\$2,121,198	3%
Research	\$185,969	\$219,398	-15%	\$542,921	\$552,095	-2%
Loss for the Period	(\$996,688)	(\$869,246)	15%	(\$2,588,198)	(\$1,897,489)	36%
Loss per Share (Post Consolidation)	(\$0.012)	(\$0.012)	5%	(\$0.032)	(\$0.035)	-6%

* License and Royalty Revenue in Q1, 2017 included a \$500,000 USD initial license payment from Dechra.

** Product and Services Revenue in Q1 - Q3, 2018 included only a small amount of international StrixNB sales as this technology was licensed to Dechra for the North American veterinary channel in Q1, 2017.

Select Cash Flow Information:

Kane Biotech Inc. (TSX:V:KNE/OTCQB:KNBIF)	Q3, 2018	Q3, 2017	% Change	Q1 - Q3, 2018	Q1 - Q3, 2017	% Change
Cash, end of period	\$121,529	\$2,527,306	-95%	\$121,529	\$2,527,306	-95%
Cash, beginning of period	\$342,156	\$258,259	32%	\$1,975,723	\$739,568	167%
Operating activities	(\$666,825)	(\$791,371)	-16%	(\$2,250,152)	(\$1,594,966)	41%
Financing activities	\$500,000	\$3,072,288	-84%	\$500,000	\$3,546,032	-86%
Investing activities	(\$53,802)	(\$11,870)	353%	(\$104,042)	(\$163,328)	-36%

Detailed financial information about Kane Biotech can be found in its September 30, 2018 Financial Statements and Management Discussion and Analysis on SEDAR and on the Corporation's website. All amounts referenced herein are in Canadian dollars.

The Corporation's Third Quarter 2018 Earnings Conference Call and Business Update is scheduled on Thursday, November 15, 2018 at 4:30pm E.T. to discuss its financial results for the third quarter 2018, in conjunction with the filing of its Financial Statements for the third quarter ended September 30, 2018.

Marc Edwards, President and Chief Executive Officer, and Ray Dupuis, Chief Financial Officer of Kane Biotech will host the call and provide an update on recent developments. Management will be answering questions live immediately following the earnings announcement part of the call.

To participate in the call, please dial +1 877-268-9044 (toll-free) in the U.S. and Canada. The conference ID number is 6370498.

Event:	Q3 2018 Earnings and Business Update Conference Call
Date:	Thursday, November 15, 2018
Time:	4:30pm E.T.
U.S. & Canada Dial-in:	877-268-9044 (toll free)
Conference ID:	6370498
Webcast Link:	https://edge.media-server.com/m6/p/otzx7rvv

A live audio webcast of the conference call will also be available on the investor relations page of Kane Biotech's corporate website at www.kanebiotech.com. In addition, the recorded conference call can be replayed and will be available for 90 days following the call on Kane Biotech's website.

About Kane Biotech

Kane Biotech is a biotechnology company engaged in the research, development and commercialization of technologies and products that prevent and remove microbial biofilms.

The Corporation has a portfolio of biotechnologies, intellectual property (75 patents and patents pending, trade secrets and trademarks) and products developed by the Corporation's own biofilm research expertise and acquired from leading research institutions. StrixNB™, DispersinB®, Aledex®, bluestem™, AloSera™, coactiv+™ and Kane® are trademarks of Kane Biotech Inc. The Corporation is listed on the TSX Venture Exchange under the symbol "KNE" and on the OTCQB Venture Market under the symbol "KNBIF".

For more information, please visit www.kanebiotech.com or contact:

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Caution Regarding Forward-Looking Information

This press release contains certain statements regarding Kane Biotech Inc. that constitute forward-looking information under applicable securities law. These statements reflect management's current beliefs and are based on information currently available to management. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. These risks and uncertainties include, but are not limited to, risks relating to the Company's: (a) financial condition, including lack of significant revenues to date and reliance on equity and other financing; (b) business, including its early stage of development, government regulation, market

acceptance for its products, rapid technological change and dependence on key personnel; (c) intellectual property including the ability of the Company to protect its intellectual property and dependence on its strategic partners; and (d) capital structure, including its lack of dividends on its common shares, volatility of the market price of its common shares and public company costs. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by the Company with applicable securities regulatory authorities, available at www.sedar.com. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive.

These risks and uncertainties should be considered carefully undue reliance should not be placed on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, the Company cannot provide assurance that actual results will be consistent with these forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statement.



Source: Kane Biotech Inc.