

August 26, 2021



Kane Biotech Announces Second Quarter 2021 Financial Results

Strong pipeline of opportunities across all three strategic pillars

WINNIPEG, Manitoba, Aug. 26, 2021 (GLOBE NEWSWIRE) -- Kane Biotech Inc. (TSX-V:KNE; OTCQB:KNBIF) (the "Company" or "Kane Biotech") today announced its Second Quarter 2021 financial results.

Second Quarter Financial Highlights

- Total revenue in the three months ended June 30, 2021 was \$278,741 compared to \$267,493 in the three months ended June 30, 2020.
- Gross profit in the three months ended June 30, 2021 was \$83,584 compared to \$115,570 in the three months ended June 30, 2020.
- Total operating expenses in the three months ended June 30, 2021 was \$1,090,396 compared to \$711,448 in the three months ended June 30, 2020.
- Loss from operations for the three months ended June 30, 2021 was (\$1,006,812) compared to (\$595,878) in the three months ended June 30, 2020.

Detailed financial information about Kane Biotech can be found in its three and six month ended June 30, 2021 and 2020 Financial Statements and Management Discussion and Analysis on SEDAR and the Company's website.

"I am excited about the momentum we are generating across our three strategic pillars – animal health, OTC/dermatology as well as wound care and surgical – for the second half of 2021 and beyond," commented Kane Biotech's Chief Executive Officer, Marc Edwards. "Both our DispersinB[®] and coactiv+[™] technologies continue to be recognized for their effectiveness in treating biofilms. As a result, the pipeline of licensing and commercial opportunities continues to grow."

Recent Corporate Developments:

- On July 29, 2021, the Company received two Decisions to Grant from the European Patent Office for patents covering its best-in-class coactiv+[™] technology.
- On July 22, 2021, the Company announced plans to expand its wound care and surgical portfolio with an antimicrobial hydrogel based on its best-in-class coactiv+[™] technology.

- On July 13, 2021, the Company announced it had successfully prepared a first batch of DispersinB® wound care hydrogel, intended for use in pre-clinical studies which will begin in Q3 2021. In addition, the Company announced a new manufacturing partnership with Dow Development Laboratories, LLC to scale up the process and, ultimately, manufacture materials under Good Manufacturing Practices (GMP) for a first-in-human proof of concept trial.
- The Company has received proceeds of \$1,116,000 in 2021 to date related to the exercise of 6,200,000 warrants exercised during the year. The remaining 41 million warrants have an exercise price of \$0.18 and expire between December 2021 and February 2022, representing a significant potential source of capital for the Company.

All interested parties are invited to participate in a conference call with management on Thursday August 26, 2021 at 4.30pm ET to discuss results and respond to questions.

Q2 2021 Conference Call details:

Date: Thursday August 26, 2021
 Time: 4:30 p.m. ET
 Live Call: 1-877-268-9044 (Canada and the United States) 1-706-679-2995
 (International)
 Replay: 1-404-537-3406
 Conference ID: 3026836

[Access webcast here](#)

The call will also be broadcast live and archived on the Company's website at www.kanebiotech.com under "News/Events" in the Investors section.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the research, development and commercialization of technologies and products that prevent and remove microbial biofilms. The Company has a portfolio of biotechnologies, intellectual property (53 patents and patents pending, trade secrets and trademarks) and products developed by the Company's own biofilm research expertise and acquired from leading research institutions. StrixNB™, DispersinB®®, Aledex™, bluestem™, bluestem®, silkstem™, goldstem™, coactiv+™™, coactive+®, DermaKB™ and DermaKB Biofilm™ are trademarks of Kane Biotech Inc. The Company is listed on the TSX Venture Exchange under the symbol "KNE" and on the OTCQB Venture Market under the symbol "KNBIF".

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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.

COVID-19 Pandemic

Since December 31, 2019, the COVID-19 outbreak of the novel strain of coronavirus, SARS-CoV-2, has resulted in a widespread health crisis that has affected economies and financial markets around the world resulting in an economic downturn. The effects of this pandemic on the Company may include decreased customer demand, interruptions to supply chains, manufacturing activities and research and development programs and increased government regulations or interventions. The duration and impact of the COVID-19 outbreak is unknown at this time and it is not possible to reliably estimate the length and severity of these developments nor the impact of these developments on the financial results and condition of the Company in future periods.

KANE BIOTECH INC.

Selected Financial Results

Statement of Comprehensive Loss	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Total Revenue	\$ 278,741	\$ 267,493	\$ 654,780	\$ 723,633
Gross Profit	83,584	115,570	249,460	294,987

Operating expenses

General and administration	889,092	630,815	1,718,358	1,649,560
Research	201,304	80,633	521,649	686,040
Total operating expenses	1,090,396	711,448	2,240,007	2,335,600
Loss from operations	\$ (1,006,812)	\$ (595,878)	\$ (1,990,547)	\$ (2,040,613)
Loss and comprehensive loss for the period	\$ (998,889)	\$ (505,397)	\$ (2,009,781)	\$ (1,869,233)
Loss and comprehensive loss for the period attributable to shareholders	\$ (904,487)	\$ (505,397)	\$ (1,812,953)	\$ (1,869,233)
Basic and diluted loss per share for the period	\$ (0.01)	\$ -	\$ (0.02)	\$ (0.02)
Weighted average shares outstanding - basic and diluted	112,101,447	108,613,536	110,362,986	106,473,412

Statement of Financial Position

	June 30, 2021	December 31, 2020
Cash and cash equivalents	\$ 455,825	\$ 1,007,923
Other current assets	1,592,301	1,730,687
Non-current assets	3,688,116	2,297,009
Total Assets	\$ 5,736,242	\$ 5,035,619
Current liabilities	\$ 3,148,818	\$ 2,924,174
Non-current liabilities	2,285,635	1,036,709
Shareholders' equity	301,789	1,074,736

**Total liabilities and
shareholders' equity**

\$ 5,736,242 \$ 5,035,619

Source: Kane Biotech Inc.



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