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Kane Biotech Announces Positive Results From an Independent Wound Care Study

WINNIPEG, MANITOBA -- (MARKETWIRE) -- 07/11/07 -- Kane Biotech Inc. (TSX VENTURE: KNE), a biotechnology company engaged in the development of products that prevent and disperse microbial biofilms, is pleased to announce positive results from an in vitro study using a novel approach to treat chronic wound infections with a combination of DispersinB and lytic bacteriophage.

The study carried out by Dr. Randy Wolcott's team at the Southwest Regional Wound Care Center in Lubbock, Texas, showed that the combination of DispersinB with a bacteriophage mixture was very effective against biofilm-embedded E.coli. More specifically, the DispersinB and bacteriophage mixture showed almost 99% inhibition of E.coli growth and proliferation as compared to only 9% inhibition by the bacteriophage mixture alone over the four day period of treatment. While DispersinB makes biofilm-embedded bacteria more susceptible to bacteriophage by inhibiting or dispersing biofilms, lytic bacteriophage invades bacterial cells and disrupts the metabolism of the bacteria. This combination therapy could provide a new and highly effective method of treating chronic wounds such as diabetic foot ulcers.

"DispersinB degrades the defences of the biofilm, providing a synergistic effect when combined with bacteriophages. Our findings are very encouraging as DispersinB may also enhance the effectiveness of a number of antimicrobial agents in the treatment of chronic wounds" stated Dr. Wolcott. "I believe that DispersinB will also prove effective against other wound infection associated bacteria in combination with other antimicrobials and we are continuing our studies in this area."

"DispersinB is one of our lead technologies to prevent and disperse biofilms and is proving to have very broad applications in the medical field. This study adds further evidence to the growing knowledge base on the value of our technology", stated Gord Froehlich, President and CEO of Kane Biotech.

Chronic wounds are a serious debilitating complication of vascular disease, diabetes and prolonged immobility and are a huge unmet clinical need that costs the US health care system \$20 billion per year. The current global market for wound care management technology is estimated at US\$4.5 billion per year.

"Our DispersinB technology prevents and removes biofilms while the bacteriophages and antimicrobial agents offer broad spectrum microbial control. As a naturally occurring non-antibiotic antibiofilm enzyme, DispersinB is a compelling technology for clinical settings", added Mr. Froehlich.

About Dr. Randy Wolcott

Randall Wolcott, M.D., P.A., is the founder and medical director of the Southwest Regional Wound Care Center in Lubbock, Texas. The focus of Dr. Wolcott's clinical practice and research is wound healing. He is an expert in biofilm-based chronic wound management and was instrumental in initiating the research on chronic wounds at the Center for Biofilm Engineering (CBE) Bozeman, MT. Dr. Wolcott, CBE and the University of Washington received a \$2.9 million grant from the National Institutes of Health (NIH, USA) in 2006 to find new ways to heal chronic wounds.

About the Southwest Regional Wound Care Center

The Southwest Regional Wound Care Center, located in Lubbock, Texas, is dedicated to healing wounds. As a leader in treating hard to heal wounds, everything the Center does is carefully designed to nurture, always putting the patient first. The Center specializes in wound healing using a biofilm-based wound care approach and treats up to 100 patients per day. The medical staff includes a physician, physician assistants, nurses, social workers, physical therapists, licensed vocational nurses (LVNs), certified hyperbaric oxygen technicians and clinical technicians.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the development of products to prevent and disperse microbial biofilms. Biofilms develop when bacteria, and other microorganisms, form a protective matrix that acts as a shield against attack. When in a biofilm, bacteria and other microorganisms become highly resistant to antibiotics, biocides, disinfectants, high temperatures and host immune responses. This resiliency contributes to human health problems such as recurrent urinary tract infections, medical device associated infections and tooth decay. Kane Biotech Inc. uses a patent protected technology based on molecular mechanisms of biofilm formation and methods for finding compounds that inhibit or disrupt biofilms. The Company has evidence that this technology has potential to significantly improve the ability to prevent and/or destroy biofilms in several medical and industrial applications.

Caution Regarding Forward-Looking Information

Certain statements contained in this press release constitute forward-looking information within the meaning of applicable Canadian provincial securities legislation (collectively, "forward-looking statements"). These forward-looking statements relate to, among other things, our objectives, goals, targets, strategies, intentions, plans, beliefs, estimates and outlook, including, without limitation, our anticipated future operating results, and can, in some cases, be identified by the use of words such as "believe," "anticipate," "expect," "intend," "plan," "will," "may" and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements.

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. Important factors that could cause actual results to differ materially from these expectations include, among other things: Kane's early stage of development, lack of product revenues and history of operating losses, uncertainties related

to clinical trials and product development, rapid technological change, uncertainties related to forecasts, competition, potential product liability, additional financing requirements and access to capital, unproven markets, supply of raw materials, income tax matters, management of growth, partnerships for development and commercialization of technology, effects of insurers' willingness to pay for products, system failures, dependence on key personnel, foreign currency risk, risks related to regulatory matters and risks related to intellectual property and other risks detailed from time to time in Kane's filings with Canadian securities regulatory authorities, as well as Kane's ability to anticipate and manage the risks associated with the foregoing. Kane cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on Kane's forward-looking statements to make decisions with respect to Kane, investors and others should carefully consider the foregoing factors and other uncertainties and potential events.

These risks and uncertainties should be considered carefully and prospective investors should not place undue reliance 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, Kane cannot provide assurance that actual results will be consistent with these forward-looking statements. Kane undertakes no obligation to update or revise any forward-looking statement.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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