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Clinical Grade DispersinB(TM) has Been Successfully Manufactured

WINNIPEG, MANITOBA -- (MARKET WIRE) -- 09/09/08 -- Kane Biotech Inc. (TSX VENTURE: KNE), a biotechnology company engaged in the development of products that prevent and remove microbial biofilms, is pleased to announce that BioVectra has successfully completed the manufacturing of clinical grade DispersinB(TM) in their cGMP facility from the Master Cell Bank created earlier this year (July 7th Kane Biotech press release).

"In addition to the certificate of analysis provided by the Quality Control Department of BioVectra, we have performed the necessary additional tests to confirm the identity, purity and biological activity of DispersinB(TM)", stated Dr. Sri Madhyastha, Chief Scientific Officer for Kane Biotech. "Our tests, as well as the tests conducted by Dr. Jeffery Kaplan and his colleagues at the University of Medicine and Dentistry of New Jersey, confirm that the clinical grade material meets the required specifications."

"We are very pleased with the progress that is being made with our DispersinB(TM) technology. The successful manufacturing of clinical grade material by BioVectra is a valuable step in this process", stated Gord Froehlich, President and CEO for Kane Biotech. "With this step completed we will now move forward and prepare for finalizing the DispersinB(TM)-based topical wound gel formulation that can be used in clinical trials."

DispersinB(TM) is a novel antibiofilm enzyme capable of both preventing and removing bacterial biofilms. Kane Biotech has received a patent from the U.S. Patent and Trademark Office for DispersinB(TM) and has been awarded a \$405,000 contribution from the National Research Council-Industrial Research Assistance Program (NRC-IRAP) to further develop this technology. Kane Biotech is presently using DispersinB(TM) alone, and in combination with other antimicrobial agents to develop a wound care therapy.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the development of products to prevent and remove biofilms. Biofilms are a major cause of a number of serious medical problems including chronic infections and medical device related infections. They develop on surfaces such as catheters, prosthetic implants, teeth, lungs and the urogenital tract. Biofilms are pervasive, costly to deal with and are involved in approximately 80% of all human bacterial infections. The healing of chronic wounds alone costs the United States health care system \$20 Billion per year.

Kane Biotech is currently developing two lead technology platforms:

- DispersinB(TM), a novel antibiofilm enzyme that inhibits as well as disperses microbial biofilms, with applications in wound care, medical devices, oral care and animal healthcare. Kane is currently developing a DispersinB(TM) based antibiofilm/antimicrobial wound gel for healing chronic wounds.

- PS/CHX, a broad-spectrum antimicrobial/antibiofilm composition comprising FDA-approved protamine sulfate and chlorhexidine, with applications in anti-infective medical device coatings, animal care and dairy and food processing industries.

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

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