April 17, 2012

Kane Biotech Successfully Completes Wound Gel for the United States Army

Highlights:

- Wound gel reduced over 95% of biofilm-embedded bacteria versus approximately 50% reduction by industry leading product

- Superior performance is due to synergy between DispersinB(R) and antimicrobial peptide

WINNIPEG, MANITOBA -- (Marketwire) -- 04/17/12 -- Kane Biotech Inc. (TSX VENTURE: KNE), a biotechnology company engaged in the development and commercialization of products that prevent and remove microbial biofilms is pleased to announce it has successfully completed its contract with the United States Army Dental and Trauma Research Detachment (USADTRD) to develop an antibiofilm-antimicrobial wound gel formulation comprising Kane Biotech's DispersinB® antibiofilm enzyme and the US Army's antimicrobial peptide. The completion of this contract is part of a continued collaborative effort in accordance with the previously announced Cooperative Research and Development Agreement for Material Transfer (CRADA-MT) signed with the U.S. Army's Walter Reed Army Institute of Research.

The completed contract included: (i) formulation of the wound gel; (ii) selection and standardization of sterilization method (iii) determination of antibiofilm and antimicrobial activity against wound-associated bacteria; and (iv) comparison of antibiofilm-antimicrobial activity of the wound gel with that of a commercial antimicrobial wound gel.

The broad-spectrum antibiofilm and antimicrobial activity of DispersinB-US Army's antimicrobial peptide wound gel against wound-associated bacteria was confirmed using standard bioassays. The wound gel reduced over 95% of biofilm-embedded wound associated bacteria as compared to commercial Silversept wound gel which showed only approx. 50% reduction. This superior performance is due to synergy between DispersinB and the antimicrobial peptide. DispersinB makes biofilm-embedded bacteria more susceptible to antimicrobial peptide killing by disrupting the biofilm. The US Army has developed an animal wound model and will be testing the in vivo efficacy of DispersinB-antimicrobial peptide wound gel.

"We are pleased with the excellent performance of the wound gel against all the important wound-associated bacteria, including combat wound infection associated bacteria", stated Dr. Sri Madhyastha, Vice President of Research and Chief Scientific Officer of Kane Biotech. "The in vitro efficacy test results that were completed will be confirmed by the in vivo efficacy

study that will be conducted by the US Army using an appropriate animal wound model for the specific indication".

"This accomplishment is an important milestone in the development of DispersinB-based wound care product and a testament to the unique additive characteristics that DispersinB can bring to wound healing", stated Mr. Gord Froehlich, President and CEO of Kane Biotech. "We are both pleased and excited with the results and we look forward to the US Army initiating their FDA-recognized full-thickness dermal wound model animal studies".

About Walter Reed Army Institute of Research

The Walter Reed Army Institute of Research has an overarching mission to conduct biomedical research focused on the health and medical readiness of US military personnel, to ensure that America's war-fighters are equipped with the most effective medical defenses and treatments relative to international health threats. The WRAIR fulfills its mission by conducting innovative basic and applied biomedical research and development of technologies to: (i) prevent, diagnose, and treat infectious diseases; (ii) treat and transport combat casualties; (iii) prevent and minimize operational stress and health hazards; and (iv) prevent and treat casualties from biological and chemical agents.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the development and commercialization 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 uses patent protected technologies based on molecular mechanisms of biofilm formation/dispersal and methods for finding compounds that inhibit or disrupt biofilms. The Company has evidence that these technologies have 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.

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.

Contacts:
Kane Biotech Inc.
Kam Thindal
Office: 604-566-9236 or Mobile: 604-488-9875
kam@puread.ca
www.kanebiotech.com

Source: Kane Biotech Inc.