December 6, 2013

Kane Biotech Announces Extension of Warrants and Private Placement Offering

WINNIPEG, MANITOBA -- (Marketwired) -- 12/06/13 -- Kane Biotech Inc. (TSX VENTURE:KNE) (the "Corporation") today announced that it has amended the terms of its 18,035,000 share purchase warrants (the "December 2012 Warrants") issued on December 14, 2012 by extending the expiry thereof from December 14, 2013 to January 31, 2014. The TSX Venture Exchange has granted its approval for the extension to the term of the December 2012 Warrants. The Corporation will send a notice to all holders of December 2012 Warrants notifying them of the extension to the term of the December 2012 Warrants.

The Corporation also announces the intention of the Corporation to undertake a non-brokered private placement offering (the "Offering") of a single unit (the "Unit") comprised of a $500,000 principal amount 2 year 10% convertible redeemable unsecured note (the "Note") and 4,000,000 share purchase warrants ("Warrants") for gross proceeds of $500,000.

The Note will have a term of two years from the date of issuance and bear interest at a rate of 10% per annum. The Note will be redeemable at any time at the option of the Corporation at an amount equal to the face value of the Note, plus all accrued and unpaid interest, subject to the right of the Note holder to convert the Note into common shares of the Corporation ("Common Shares") prior to the date of redemption. The Corporation may elect to pay the interest on the Note or the redemption price of the Note in Common Shares, in lieu of cash, at the market price of the Common Shares on such interest payment date or redemption date, subject to the approval of the TSX Venture Exchange. The Note may be converted at the option of the Note holder into Common Shares at a price of $0.15 per Common Share at any time until maturity of the Note.

Each Warrant shall entitle the holder thereof to purchase one Common Share at a price of $0.095 for a period of two years from the date of issuance.

It is anticipated that the purchaser of the Unit will be Philip Renaud, a director and the Chairman of the Corporation. As Mr. Renaud is a director and Chairman of the Corporation, the Offering is considered to be a "related party transaction" for the purposes of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*("MI 61-101"). In accordance with MI 61-101, the Corporation is not required to obtain a formal valuation or minority approval of the Offering due to the fact that it may rely on an exemption to those requirements contained in MI 61-101, namely that the fair market value of the Offering is not more than 25% of the market capitalization of the Corporation.

The Offering has been unanimously approved by the directors of the Corporation other than Mr. Renaud. Mr. Renaud abstained from voting on the resolution to approve the Offering and did not participate in the decision by the Corporation to undertake the Offering. The completion of the Offering will not immediately increase Mr. Renaud's ownership of Common Shares of the Corporation. However, if Mr. Renaud were to convert the entire amount of the Note into Common Shares and exercise all of the Warrants issued to him, he would increase the number of Common Shares held by him from 2,877,715 (approximately 3.63% of the issued and outstanding Common Shares) to 10,218,048 (approximately 11.82% of the issued and outstanding Common Shares).

The Note, the Warrants and any Common Shares issued upon exercise or conversion thereof, will be restricted from transfer for a period of four months and a day from the closing date of the Offering in accordance with applicable securities laws and the policies of the TSX Venture Exchange.

The net proceeds of the Offering will be used for the Corporation's research and development program and for working capital purposes.

The Offering is subject to receipt of all necessary approvals, including the approval of the TSX Venture Exchange. It is anticipated that the closing of the Offering will take place in the upcoming weeks.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the development of products to prevent and disperse biofilms. Biofilms develop when bacteria, and other microorganisms, form a protective matrix that acts as a shield against attack. When in a biofilm, bacteria 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 uses a patent protected technology based on molecular mechanisms of biofilm formation and methods for finding compounds that inhibit or disrupt biofilms. The Corporation has evidence that this technology has potential to significantly improve the ability to prevent and/or destroy biofilms in several medical and industrial applications.

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

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: the Corporation'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 the Corporation's filings with Canadian securities regulatory authorities, as well as the Corporation's ability to anticipate and manage the risks associated with the foregoing. The Corporation cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on the Corporation's forward-looking statements to make decisions with respect to the Corporation's, 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, the Corporation cannot provide assurance that actual results will be consistent with these forward-looking statements. The Corporation undertakes no obligation to update or revise any forward-looking statement.

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