

DispersinB(R) Topical Wound Gel Manufacturing Completed

WINNIPEG, MANITOBA -- (MARKET WIRE) -- 08/10/09 -- 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 DispersinB® Topical Wound Gel under current Good Manufacturing Practices (cGMP). The required quality control (QC) tests including sterility and DispersinB® and alginate concentrations have been completed.

"The successful manufacturing represents a significant milestone in the development of a commercial product," stated Dale Zajicek, Chief Operating Officer and Vice-President, Business Development for BioVectra. "BioVectra is honored to have been a part of this developing technology."

"In addition to QC testing, we have also confirmed the biological activity of the DispersinB® Topical Wound Gel finished product based on its ability to inhibit as well as disperse bacterial biofilms using a standard biofilm assay," stated Dr. Sri Madhyastha, Vice-President, Research & Chief Scientific Officer of Kane Biotech Inc. "The real-time shelf life and accelerated aging studies on the wound gel under cGMP are currently in progress".

"The successful manufacturing of DispersinB® for human clinical trials is a critical step in the pathway to making a positive impact for patients suffering from chronic and poorly healing wounds", stated Gord Froehlich, President and Chief Executive Officer of Kane Biotech Inc.

"With this step completed, we can now move forward and complete the DispersinB® Topical Wound Gel biocompatibility studies and work with our collaborators to design the regulatory approval program," concluded Mr. Froehlich.

About BioVectra Inc.

BioVectra Inc. is a growing Canadian biopharmaceutical company focused on contract manufacturing and product development of active pharmaceutical ingredients, pharmaceutical intermediates and bioreagents. Located in Prince Edward Island, Canada, BioVectra currently holds 9 Drug Master File filings and is an active supplier to most of the major pharmaceutical, biotechnology, and diagnostic companies in North America and Europe. BioVectra is well positioned to provide full cGMP development and production expertise to the Canadian and World Biotech markets.

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 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.

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

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