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## **Kane Biotech Retains Pure Advertising & Marketing for Investor Relations**

WINNIPEG, MANITOBA -- (MARKET WIRE) -- 01/13/11 -- 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 engaged Pure Advertising and Marketing Inc. for investor relations services. Pure is an established investor relations firm based in Vancouver, BC and works with junior companies in articulating a company's inherent value to the investment community and strategic partners.

"Investor communication is of vital importance to a growing public company like Kane Biotech. Recent developments warrant a broader audience for our Company and Pure will provide a solid outreach program and ongoing investor relations support as we highlight our progress to current and prospective investors," commented Gord Froehlich, President and CEO of Kane Biotech.

Effective immediately, the services agreement for investor relations is for a 12 month renewable term. Either party may terminate the agreement at anytime on 6 months prior written notice.

Under the terms of the services agreement, which is subject to TSX Venture Exchange approval, Kam Thindal, the sole shareholder of Pure Advertising and Marketing Inc., will receive a total of 500,000 share purchase options with each option expiring 2 years after its vesting date. The first 300,000 options that vest will have an exercise price of \$0.10 per share and the remaining 200,000 options will have an exercise price of \$0.20 per share. The options will vest quarterly with 75,000 options vesting each quarter over the first year beginning on the effective date of the agreement and 50,000 options vesting quarterly over the following year beginning 12 months from the effective date of the agreement. All outstanding options will be cancelled 30 days after termination of the agreement as per TSX Venture Exchange rules applicable to Tier 2 Issuers.

Pure Advertising and Marketing Inc. has no direct or indirect interest in the Company or its securities.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the development and commercialization of products that prevent and remove 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 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.

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