

June 1, 2017



Kane Biotech Announces Private Placement Offering

WINNIPEG, MANITOBA -- (Marketwired) -- 06/01/17 -- Kane Biotech Inc. (TSX VENTURE:KNE) (the "Company" or "Kane Biotech") today announced the intention of the Company to undertake a non-brokered private placement offering (the "Offering") of up to 33,333,333 units ("Units") at a price of \$0.12 per Unit for gross proceeds of up to \$4,000,000. Each Unit shall be comprised of one common share of the Company (a "Share") and one Share purchase warrant (a "Warrant"). Each Warrant shall entitle the holder thereof to purchase one Share at a price of \$0.18 per Share for a period of 18 months from the date of issuance of the Warrant. The closing of the Offering is scheduled for July 14, 2017.

The Company reserves the right to call the Warrants, at their exercise price of \$0.18 per Warrant, in the event that the Shares have traded for ten (10) consecutive trading days at a closing price at or exceeding \$0.25 per Share. If the Company wishes to call the Warrants, the Company must provide written notice to the holders of the Warrants that it is calling the Warrants. Investors will have thirty (30) days from the date of such notice to exercise the Warrants and, in the event that any Warrants are not exercised, such Warrants shall be cancelled.

Insiders of the Company, including the Chairman and the CEO, have informed the Company that they will be subscribing for a minimum of \$1,500,000 (12,500,000 Units) of the Offering.

Certain persons may assist the Company by introducing potential subscribers for the Offering and, subject to compliance with applicable legislation, may be entitled to receive a finder's fee and/or broker warrants in such amounts and on such terms as may be determined by the Company.

The net proceeds of the Offering will be used for business development, technology and product commercialization, patent and trademark filings, regulatory expenses, clinical trials and general working capital.

The Offering is subject to receipt of all necessary approvals, including the approval of the TSX Venture Exchange.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the research, development and commercialization of technologies and products that prevent and remove microbial 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, antimicrobials, biocides, disinfectants, high temperatures and host immune responses. This

resiliency contributes to numerous human and animal health related problems such as wound care infections, recurrent urinary tract infections, tooth decay, medical device associated and hospital-acquired infections, and foodborne bacterial infections. According to the United States National Institutes of Health biofilms are estimated to be responsible for 80% of all human bacterial infections and cost individuals, industry, governments and hospitals billions of dollars each year. As such, there is significant interest in safe and effective products that can combat the biofilm problem.

Kane Biotech uses patent protected technologies based on molecular mechanisms of biofilm formation and methods for finding compounds that inhibit or disrupt biofilms. The Company has evidence that these technologies have the potential to significantly improve the ability to prevent and/or destroy biofilms in several medical and industrial applications.

Kane Biotech has a portfolio of biotechnologies, intellectual property (patents, patents pending, trade secrets and trademarks) and products developed by the Company's own biofilm research expertise and acquired from leading research institutions. StrixNB™, DispersinB®, Aledex®, bluestem™, AloSera™, coactiv+™ and Kane® are trademarks of Kane Biotech Inc. The Company is listed on the TSX Venture Exchange under the symbol "KNE".

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 may 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 Company'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 Company's filings with Canadian securities regulatory authorities, as well as the Company's ability to anticipate and manage the risks associated with the foregoing. The Company cautions that the foregoing

list of important factors that may affect future results is not exhaustive. When relying on the Company's forward-looking statements to make decisions with respect to the Company'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 Company cannot provide assurance that actual results will be consistent with these forward-looking statements. The Company undertakes no obligation to update or revise any forward-looking statement.

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