

January 27, 2016



Kane Biotech Announces Private Placement Offering

WINNIPEG, MANITOBA -- (Marketwired) -- 01/27/16 -- 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 66,666,667 units ("Units") at a price of \$0.06 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 half of one Share purchase warrant (a "Warrant"). Each whole Warrant shall entitle the holder thereof to purchase one Share at a price of \$0.10 per Share for a period of 18 months from the date of issuance of the Warrant. Insiders of Kane Biotech have informed the Company they will be participating in the Offering.

Certain persons may assist the Company by introducing potential subscribers for the Offering and, subject to compliance with applicable legislation, will be entitled to receive: (i) a finder's fee, payable in cash, equal to up to 8% of the total subscription proceeds received from subscribers introduced to the Company by such finder; and (ii) Share purchase warrants ("Compensation Warrants") equal to up to 8% of the number of Units sold pursuant to the Offering to subscribers introduced to the Company by such finder. Each Compensation Warrant shall entitle the holder thereof to purchase one Share at a price of \$0.10 per Share for a period of 18 months from the date of issuance of the Compensation Warrant.

The net proceeds of the Offering will be used for investing in revenue growth through the commercialization of the Company's extensive patent portfolio, including: (1) the expansion of Kane Biotech's **bluestem**[™] and **StrixNB**[™] companion pet oral healthcare products in Canada and their launch in the United States during 2016; (2) accelerated product formulation of Kane Biotech's anti-biofilm technologies; (3) support of strategic Joint Development Agreements already underway; and (4) continued investment in the areas of research and development and intellectual property protection.

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 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 and animal health problems such as tooth decay, chronic inflammatory skin

disorders, recurrent urinary tract infections, chronic wounds and medical device associated infections.

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.

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.

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

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Kane Biotech Inc.
Mark Ahrens-Townsend
President & CEO
204-477-7592
204-474-7552 (FAX)
ir@kanebiotech.com
www.kanebiotech.com

Source: Kane Biotech Inc.