

December 16, 2016



Kane Biotech Announces Results of Special Meeting and Proposed Share Consolidation

WINNIPEG, MANITOBA -- (Marketwired) -- 12/16/16 -- Kane Biotech Inc. (TSX VENTURE:KNE) (the "Corporation" or "Kane Biotech") today announced that a special resolution of the shareholders of the Corporation was passed at the special meeting of shareholders of the Corporation held on December 16, 2016 approving the consolidation of the common shares of the Corporation (the "Common Shares") on a five to one basis (the "Consolidation"). The Corporation currently has 227,390,037 Common Shares issued and outstanding. Following the implementation of the Consolidation by the Corporation, the Corporation anticipates that it will have approximately 45,478,007 Common Shares issued and outstanding. The board of directors of the Corporation has not yet determined when it will proceed to implement the Consolidation.

The number of Common Shares reserved for issuance under the Corporation's stock option plan and the number of Common Shares that may be purchased upon exercise of other convertible securities of the Corporation will be reduced proportionately. Further details with respect to the Consolidation are contained in the Corporation's management information circular dated November 14, 2016, a copy of which is available on SEDAR at www.sedar.com.

The completion of the Consolidation remains subject to the final 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 Corporation 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 and trademarks) and products developed by the Corporation'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 Corporation 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 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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