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Kane Biotech Announces New Manufacturing Partner for bluestem™ Product Line

Strategic Partnership Reduces Annual Overhead Costs by More than C\$200,000

WINNIPEG, Manitoba, Oct. 17, 2018 (GLOBE NEWSWIRE) -- **Kane Biotech Inc. (TSX-V:KNE, OTCQB:KNBIF)**, (the “Corporation” or “Kane Biotech”), today announced it has signed an agreement with Nature Soap & Spa, a Winnipeg-based company whose Director has more than 30 years of experience in GMP-certified manufacturing, for the manufacture of its bluestem™ product line. The partnership with Nature Soap & Spa reduces Kane Biotech’s manufacturing-related fixed costs by more than \$200,000 (CAD) per year.

Nature Soap & Spa will take over manufacturing responsibilities for all bluestem™ products effective November 5, 2018. The full cost-saving effects of this partnership will be reflected in Kane Biotech’s financial results beginning in the first quarter of 2019.

Marc Edwards, Kane Biotech’s Chief Executive Officer, stated, “We’re proud to have chosen a Winnipeg-based company as our manufacturing partner for bluestem™. Nature Soap & Spa will allow us to rapidly scale up production as sales grow and significantly reduce overhead costs. They will also enable us to maintain the high quality of our bluestem™ oral care products which all contain 100% food-grade ingredients that are approved by Health Canada’s Veterinary Health Products (VHP) program.

As we seek to improve shareholder value, it is imperative that the quality, service and delivery of bluestem™ and all of Kane Biotech’s products remain at the highest standards. Our customers, distributors and retailers should not expect any supply or availability interruptions as we make this transition.”

About Nature Soap & Spa

Nature Soap & Spa, which has been in operation since 2015, is a Winnipeg-based natural health product and Health Canada licensed manufacturing company. The Director of Nature Soap & Spa, Emilio Crescenzi, is a pharmacist with more than 30 years of international research and development and GMP manufacturing experience and has been a product development collaborator with Kane Biotech for the last three years.

About bluestem™

bluestem is the only pet oral care line of products that contain coactiv+ technology - scientifically developed to break down biofilm where harmful bacteria multiply. bluestem has been proven to help reduce tartar without brushing by up to 25.4%. According to the

American Veterinary Dental Society, 80% of all dogs and cats will suffer from dental problems by the age of 3. bluestem oral care products contain 100% food-grade ingredients that are approved by Health Canada's VHP program, as well as follow AAFCO guidelines. bluestem's food-grade ingredients are alcohol-free, xylitol-free, chlorhexidine-free, and sugar-free.

In a Good Clinical Practice Efficacy study, sixty dogs had their teeth cleaned and their calculus measured. Half of the dogs were given bluestem™-treated water and the other half were given regular water. After 84 consecutive days of using bluestem™-treated water, the calculus score for the treated dogs was 25.4% lower than the control group. In a controlled Good Scientific Practice (GSP) study, the safety of the bluestem™ water additive was tested over 30 days with some dogs receiving 5 times the recommended dose. After 30 days, the test revealed no evidence of adverse effects related to the consumption of the water additive.

About Kane Biotech

Kane Biotech is a biotechnology company engaged in the research, development and commercialization of technologies and products that prevent and remove microbial biofilms.

The Corporation has a portfolio of biotechnologies, intellectual property (75 patents and patents pending, trade secrets 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" and on the OTCQB Venture Market under the symbol "KNBIF".

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Caution Regarding Forward-Looking Information

This press release contains certain statements regarding Kane Biotech Inc. that constitute forward-looking information under applicable securities law. 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. These risks and uncertainties include, but are not limited to, risks relating to the

Company's: (a) financial condition, including lack of significant revenues to date and reliance on equity and other financing; (b) business, including its early stage of development, government regulation, market acceptance for its products, rapid technological change and dependence on key personnel; (c) intellectual property including the ability of the Company to protect its intellectual property and dependence on its strategic partners; and (d) capital structure, including its lack of dividends on its common shares, volatility of the market price of its common shares and public company costs. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by the Company with applicable securities regulatory authorities, available at www.sedar.com. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive.

These risks and uncertainties should be considered carefully undue reliance should not be placed 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.



Source: Kane Biotech Inc.