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DispersinB(R) Effective Against Superbug MRSA

Highlights:

- DispersinB works synergistically with well-known silver based commercial wound dressing to demonstrate an almost 6-fold reduction in MRSA infection**
- Silver wound dressing alone had a negligible effect on the MRSA biofilm infection**
- Chronic wound mouse study was conducted independently at Texas Tech University Health Sciences Center**

WINNIPEG, MANITOBA -- (MARKET WIRE) -- 07/26/11 -- 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 the results of an in vivo efficacy study conducted by Texas Tech University Health Sciences Center in Lubbock, Texas demonstrated DispersinB wound spray is effective against a biofilm-embedded Methicillin-Resistant Staphylococcus aureus (MRSA) strain infection.

Dr. Kendra Rumbaugh at Texas Tech University Health Sciences Center tested DispersinB wound spray in combination with a well known commercial silver wound dressing and the wound dressing alone in a chronic wound mouse model of MRSA infection. The combination of DispersinB and the silver dressing performed much better resulting in almost 6-fold reduction in infection (81% reduction) than the silver dressing alone (14% reduction). This indicates that there is synergy between the two compounds due to DispersinB enhancing the antimicrobial activity of silver against MRSA by disrupting the biofilm.

"While the silver wound dressing alone had a negligible effect on the MRSA biofilm infection, the DispersinB-silver combination significantly reduced the MRSA biofilm infection (P less than 0.05)", stated Dr. Kendra Rumbaugh, Assistant Professor, Department of Surgery, Texas Tech University Health Sciences Center, Lubbock. "Thus, the results of this study suggest DispersinB in combination with silver makes biofilm-embedded MRSA more susceptible to killing by silver in the dressing."

"Since silver alone showed minimal efficacy against MRSA, it is a testament to the difficult challenge that the healthcare industry faces in trying to control this superbug associated with

chronic infections, including wound infections. DispersinB could provide a valuable tool to help combat MRSA", stated Dr. Sri Madhyastha, Vice President of Research and Chief Scientific Officer of Kane Biotech.

"DispersinB is compatible and synergistic with a number of antimicrobial/antibiotic wound care products, which could prove very useful in managing the chronic non-healing wounds involving biofilm infections in a number of clinical settings." added Dr. Madhyastha.

About Dr. Kendra P. Rumbaugh

Dr. Kendra P. Rumbaugh is an Assistant Professor in the Department of Surgery at the Texas Tech University Health Sciences Center, Lubbock, Texas. Dr. Rumbaugh has over 30 research publications in peer-reviewed scientific journals. Recently, she has published an article entitled "Fatal attraction: Bacterial bait lures worms to their death" in the prestigious journal, "Proceedings of National Academy of Sciences (PNAS), USA." Dr. Rumbaugh has also edited a book entitled "Quorum Sensing: Methods and Protocols", published by Springer, New York. Her major current research projects include: (i) Interkingdom Signaling between *P. aeruginosa* Quorum Sensing Molecules and Host Cells; and (ii) *P. aeruginosa* Pathogenesis and Biofilm Formation in Wounds. Dr. Rumbaugh's research is supported by the American Diabetes Association.

About Texas Tech University Health Sciences Center

Beginning in 1969 as Texas Tech University School of Medicine, today Texas Tech University Health Sciences Center is a six-school university located in Abilene, Amarillo, Dallas/Fort Worth, El Paso, Highland Lakes, Lubbock, Midland and Odessa in Texas., The Texas Tech University Health Sciences Center is dedicated to education, patient care and research and has made an impact on the health of West Texas and beyond for almost 40 years. To date, they have trained more than 10,000 health care professionals, and met the health care needs of more than 2.5 million people who live throughout a vast 108-county area stretching from the Texas Panhandle south to the Permian Basin and west into Eastern New Mexico. They have established themselves as a leader in education and patient care and are building a top-ranked research environment with significant studies under way in areas such as aging, cancer, reproduction, genetic diseases and rural health.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the development and commercialization of products to prevent and remove biofilms. Biofilms are a major cause of a number of serious medical problems including chronic infections and medical device related infections. They develop on surfaces such as catheters, prosthetic implants, teeth, lungs and the urogenital tract. Biofilms are pervasive, costly to deal with and are involved in approximately 80% of all human bacterial infections. The healing of chronic wounds alone costs the United States health care system \$20 Billion per year.

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.

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Contacts:

Kane Biotech Inc.

Kam Thindal

604-566-9236 office or 604-488-9875 mobile

kam@puread.ca

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