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Kane Biotech Announces Private Placement Offering

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WINNIPEG, Manitoba, Dec. 04, 2019 (GLOBE NEWSWIRE) -- Kane Biotech Inc. (TSX-V:[KNE](#)) (the "Company" or "Kane Biotech") today announced its intention to undertake a non-brokered private placement offering (the "Offering") of up to 25,000,000 units ("Units") at a price of \$0.14 per Unit for gross proceeds of up to \$3,500,000. Each Unit shall be comprised of one common share and one-half of one common share purchase warrant (a "Warrant"). Each full Warrant shall entitle the holder thereof to purchase one additional common share of the Company for a period of two years, at an exercise price of \$0.18 per share.

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 Company has been advised by a number of its insiders, including the Chairman of its Board of Directors, Philip Renaud; its President and Chief Executive Officer, Marc Edwards; and its Chief Scientific Officer, Dr. Gordon Guay, that they intend to subscribe for a minimum aggregate of \$1,100,000 (7,857,000 Units) of the Offering.

"This private placement, combined with more than \$4,100,000 in non-dilutive funding recently awarded by Western Economic Diversification Canada (WD) and the National Research Council of Canada Industrial Research Assistance program (NRC IRAP), will provide us with the requisite financial resources to continue executing our growth plan for at least the next two years," said Mr. Edwards. "Our business has been successfully transformed over the past five quarters, demonstrated by strong revenue growth in our Animal Health business and the steady advancement toward commercialization of our first Human Health product. We expect rapidly growing bluestem Oral Care line sales in new (Europe and Asia) and existing markets; strong growth and continued geographical expansion of our licensing agreement with Dechra Pharmaceuticals; new licensing agreements for our patented technologies in Animal Health; and regulatory approval and licensing of our DispersinB human hydrogel. The fact that I, our Chairman, our CSO and a number of senior management team members plan on participating in the financing is, in my opinion, an indicator of the strong internal confidence in the future of the Company."

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 in such amount as may be determined by the Company.

In the event that the common shares traded on the TSX Venture Exchange have a closing price at or exceeding \$0.25 per Share for five (5) consecutive trading days, the Company reserves the right to call the Warrants, at their exercise price of \$0.18 per Warrant. 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. Holders of Warrants shall be restricted from exercising any number of Warrants that will cause the holder to own such number of common shares that will equal or exceed 20% of the then issued and outstanding shares.

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

This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States or to U.S. persons unless registered or exempt therefrom.

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. The Company has a portfolio of biotechnologies, intellectual property (56 patents and 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®, bluestem™, AloSera™, coactive+™ and Kane® are trademarks of Kane Biotech Inc. The Company is listed on the TSX Venture Exchange under the symbol "KNE."

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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

This press release contains certain statements regarding Kane Biotech Inc. that constitute forward-looking information under applicable securities laws. 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 Shares, volatility of the market price of its 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.