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Kane Biotech Files PCT Patent on Bone Tissue Regeneration Technology

Highlights:

- **Research study demonstrates bone regenerating activity**
- **Global annual market for bone tissue regeneration is over \$32 billion**

WINNIPEG, MANITOBA -- (Marketwire) -- 05/30/12 -- 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 that the Company has filed the PCT (Patent Cooperation Treaty) on its bone tissue regeneration technology with the World Intellectual Property Organization (WIPO). The patent is examined by a central authority before moving on to the national stage, during which the application can issue as a patent from any of the countries that are parties to the PCT.

The experimental results from a collaborative research study demonstrate the osteogenic (bone regenerating) activity of the Company's CSP (competence stimulating peptide) technology based fusion polypeptide. The bone regenerating activity of the fusion peptide was confirmed by the experiments to determine: (i) osteoblast (bone cell) precursor stem cell adhesion and proliferation, (ii) osteoblast differentiation based on alkaline phosphatase activity, and (iii) calcium mineralization estimation using alizarin red staining method. The CSP-based fusion polypeptide promoted cell adhesion and osteogenic activity significantly better compared to CSP alone and a known osteogenic peptide (control) tested in this study.

This invention targets a global market for bone tissue regeneration of over \$32 billion a year and is valuable for: (i) repairing dental bone defects such as those caused by bone loss resulting from moderate to severe periodontitis and augmenting of bone defects of the alveolar ridge; (ii) filling tooth extraction sites and sinus elevation grafting; (iii) treatment of fractures; and (iv) prevention of fractures associated with osteoporosis and rheumatoid arthritis.

"The confirmed superior osteogenic activity of our CSP-based fusion peptide gives us the confidence to develop this technology further for applications in the fast growing field of tissue engineering," stated Dr. Sri Madhyastha, Vice President of Research and Chief Scientific Officer of Kane Biotech. "An NSERC-Engage Grant Program (Natural Sciences and Engineering Research Council of Canada) will support further collaborative research on our bone regenerating technology".

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 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 cost 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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