

August 3, 2023



Kane Biotech Announces Private Placement Offering and Proposed Amendments to its Credit Facility

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WINNIPEG, Manitoba, Aug. 03, 2023 (GLOBE NEWSWIRE) -- Kane Biotech Inc. (TSX-V:KNE OTCQB:KNBIF) (the “**Company**”, “**Kane**” or “**Kane Biotech**”) today announces its intention to undertake a non-brokered private placement offering (the “**Offering**”) of up to 6,250,000 units of the Company (“**Units**”) at a price of \$0.08 per Unit for gross proceeds of up to \$500,000. Each Unit shall be comprised of one common share of the Company (a “**Share**”) and one-half of one Share purchase warrant (each whole warrant, a “**Warrant**”). Each full Warrant shall entitle the holder thereof to purchase one additional Share of the Company for a period of 18 months at an exercise price of \$0.10 per Share.

After a period of four months from the closing date of the Offering, in the event that the Shares traded on the TSX Venture Exchange (the “**TSXV**”) have a closing price at or exceeding \$0.20 per Share for five (5) consecutive trading days, the Company reserves the right to call the Warrants, at their exercise price of \$0.10 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 Shares that will equal or exceed 20% of the then issued and outstanding Shares.

The net proceeds of the Offering will be used for working capital and general corporate purposes.

All securities issued in connection with the Offering will be subject to a hold period of four-months and one day in Canada. The closing of the Offering is subject to TSXV and other regulatory approvals. The Company may pay finder's fees in connection with the Offering consisting of a cash commission equal to 8% of the gross proceeds raised and finder's warrants equal to 8% of the number of Units issued, where each finder's warrant will entitle the holder thereof to purchase one Unit at a price of \$0.10 per Unit for a period of 18 months from the closing of the Offering.

The Offering is subject to receipt of all necessary approvals, including the approval of the TSXV.

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.

The Company today also announces that Pivot Financial I Limited Partnership (**Pivot**) has agreed, in principle, to amend the terms of the Company's amended and restated credit agreement between Pivot and the Company dated August 31, 2021, as amended (the "**Credit Facility**"), by, among other things, increasing the size of the Credit Facility from \$5 million to \$6 million and extending the maturity date of the Credit Facility from August 31, 2023 to November 30, 2023 (the "**Proposed Amended Credit Facility**"). The Proposed Amended Credit Facility shall have an interest rate of 15% per annum.

Under the terms of the Proposed Amended Credit Facility, Pivot and the third party guarantor of \$1,000,000 of the Proposed Amended Credit Facility (the "**Guarantor**"), will each receive 2,500,000 compensation warrants ("**Compensation Warrants**"). Each Compensation Warrant will be exercisable into one Share for a period of 12 months at an exercise price of \$0.10 per Share. In accordance with the policies of the TSXV, the 2,500,000 compensation warrants previously issued to the Guarantor on April 20, 2023 will expire on the closing date of the Proposed Amended Credit Facility and will be of no further force or effect.

The Proposed Amended Credit Facility is subject to the above-mentioned Offering being fully subscribed, the execution of definitive transaction documents and the receipt of all necessary approvals.

The Company continues to be in full compliance with its debt covenants.

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 Company has a portfolio of biotechnologies, intellectual property (80 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®, Aledex™, bluestem™, bluestem®, silkstem™, goldstem™, coactiv+™, coactiv+®, DermaKB™ and DermaKB Biofilm™ are trademarks of Kane Biotech Inc. The Company is listed on the TSXV under the symbol "KNE" and on the OTCQB Venture Market under the symbol "KNBIF."

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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 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.



Source: Kane Biotech Inc.