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Can-Fite Files Two New Patent Applications Relating to Very Important Therapeutic Indications

Can-Fite BioPharma, a world leader in development of drugs that are agonists of the A₃ adenosine receptor (A₃AR agonists), announced today on the recent filing of two new patent one concerning the use of A₃AR agonists for the treatment of osteoarthritis (OA) and the other for the treatment of dry eye syndrome. Both are very important therapeutic indications with very large commercial potential.

Can-Fite is engaged in the research and development of therapies for the treatment of inflammatory diseases and cancer that utilize A₃AR agonists. OA is an inflammatory disease of the joints, in which the cartilage in the joints deteriorates, causing pain and loss of movement. It is the most prevalent form of arthritis affecting tens of millions of individuals in the Western world. The therapeutic market for OA is extremely large and currently not sufficiently served by existing therapies. Extensive research carried out by Can-Fite's scientists over the last year suggested that A₃AR agonists such as CF101 may be useful in the treatment of OA.

Dry eye syndrome is a chronic eye disease that results from inadequate tear volume, leading to eye irritation that may lead to temporary or rarely permanent impairment in vision. It is a disease that is commonly found in rheumatoid arthritis (RA) patients. As was recently announced by Can-Fite (press release of January 30), dry eye symptoms of several RA patients that participated in Can-Fite's Phase IIa study and that also suffered from *Keratitis Sicca* were significantly improved following treatment with CF101. Dry eye syndrome is a condition affecting more than 6 million people in the US alone. Other than symptomatic treatment and the use of general immunosuppressive drugs, there are currently no drug therapies for the treatment of this disease. A therapy for treating dry eyes targets a huge therapeutic market.

"The filing of these new patent applications secures Can-Fite's proprietary rights in commercially very important and lucrative therapeutic indication", said Dr. Ilan Cohn, the Company's Vice Chairman of the Board and Senior Partner of Israel's largest intellectual property firm, Reinhold Cohn and Partners. "These new patent applications add significant value to Can-Fite's already very extensive and valuable patent estate and may provide the platform for developing Can-Fite's proprietary A₃AR agonists for A₃AR agonists for one or more of these therapeutic indications", he concluded.

About Can-Fite

Can-Fite BioPharma Ltd. is a public company, traded on the Tel-Aviv Stock Exchange that is headquartered in Petach-Tikva, Israel. The company, which began its operations at the end of 2000 was founded based on the work by Professor Pnina Fishman, formerly a Tumor Immunologist in the Rabin Medical Center and currently the company's CEO, together with Dr Ilan Cohn, Patent Attorney and Senior Partner at Reinhold Cohn and Partners, a leading Israeli Patent Attorney firm. The Company has research laboratories and offices in Israel. The Company's lead drug, CF101, for the treatment of rheumatoid arthritis is currently in Phase II clinical trials and to date went through clinical trials in the USA, UK and Israel.

About CF101

CF101 is a small molecule, which is administered to patients orally. This drug, which is developed for the treatment of rheumatoid arthritis, was tested to date in clinical trials in the USA, UK and Israel. The drug is active against a wide variety of autoimmune and cancer diseases and has a preferential safety profile. The drug's main advantage is in its ability to specifically attack pathological cells without affecting healthy ones. In addition, the fact that the drug is administered orally in the form of a capsule creates a huge advantage vs. current treatments which are administered by IV infusion or injection, at much higher costs.

Rheumatoid arthritis (RA) is a severe and chronic autoimmune disease that affects more than 1% of the population in the Western World. The disease is characterized mainly by inflammation of the lining, or synovium, of the joints that can lead to long-term joint damage, resulting in chronic pain, loss of function and disability. The market of disease modifying anti-rheumatic drugs is estimated to be about US\$ 5 billion and is expected to rise to about \$7 billion by 2007.

More information can be found at www.canfite.com