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**Press release**

# Can-Fite Proceeds with Development of Third Drug; Progress in Development of CF502 will be Presented at the Annual European Congress of Rheumatology

## The CF502 drug is characterized by high affinity to A3 adenosine receptor, which is targeted by Can-Fite's drugs

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**Can-Fite, a biotechnology company traded on the Tel Aviv Stock Exchange**, proceeds with the development of its third drug CF502; this is in addition to CF101, which is currently in clinical trials and CF102, which is in preclinical phases. This weekend Can-Fite will present at the EUALR annual congress of rheumatology in-vitro and in vivo study results showing effective anti-inflammatory activity for CF502. The EUALR congress is highly regarded and attracts global leaders in the Rheumatology arena.

The chemical structure of CF502 differs from that of the Company's first two drugs CF101 and CF102, and is characterized by higher affinity and selectivity to the A3 adenosine receptor, which is targeted by the Can-Fite's drugs. The drug attacks inflammatory cells and leads to programmed cell death (apoptosis) and suppression of the inflammatory process. Can-Fite is using human cells to investigate the effects and mechanism of action of CF502. The Company is currently finalizing the development of CF502 synthesis process, before entering preclinical and clinical development phases.

Can-Fite will present at the rheumatology congress in-vitro data showing that CF502 specifically targets inflammatory cells and does not affect healthy cells, and will also present the drug's molecular mechanism of action. In addition in vivo data showing marked anti-inflammatory effects of CF502 will be reported. The Company will also present new data on the expression of A3 adenosine receptor in various autoimmune diseases. High expression of this receptor is directly correlated with response of inflammatory cells to this drug.

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CF502, which is being developed by Can-Fite, became part of the development pipeline after Can-Fite had signed a prestigious agreement with the NIH, the leading research institute in the US. Under this agreement, titled CRADA, Can-Fite now cooperates with the laboratory of Prof. Jacobson, a worldwide leading scientist in the field of A3 adenosine receptor agonists and antagonists. Can-Fite is currently in negotiations with the NIH for the licensing of the CF502 molecule.

In addition to CF502, Can-Fite's development pipeline also includes two other drugs, CF101 which is being evaluated for rheumatoid arthritis, dry eye syndrome and psoriasis in phase I clinical trials, and CF102 which is intended for the treatment of liver cancer and hepatitis B. The Company's first commercial agreement was signed with the Japanese Seikagaku Corporation during development of CF101, under the terms of which Can-Fite has already received about USD 5 million.

**CAN-FITE BIOPHARMA LTD** is a public company traded on the Tel Aviv Stock Exchange. The Company, which commenced business activity in 2000, was founded by researcher Prof. Pnina Fishman and patent attorney Dr. Ilan Cohn. The Company focuses on the development of molecule-based drugs that inhibit the development of cancer or inflammatory cells. The market for the company's drugs is estimated at billions of dollars.

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