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Press Release

Can-Fite Successfully Completes Preclinical Trials with its second Drug Candidate CF102

Soon to submit to the FDA an application for a phase I clinical trial

The drug is indicated for the treatment of patients with liver cancer and patients infected with Hepatitis; current market share for these clinical applications is estimated at approximately USD 3.5 billion

Prof. Pnina Fishman, CEO of Can-Fite: "We are very pleased with the rapid progress in the development of CF102 and with the impressive results obtained in the preclinical studies, which will enable the Company to proceed into human clinical trials within several months. CF102 enriches Can Fite's portfolio beyond CF101, which is being developed for three indications: rheumatoid arthritis, psoriasis and dry eye syndrome."

Can-Fite BioPharma Ltd., a biotechnology company traded on the Tel Aviv Stock Exchange, announced today the successful completion of preclinical trials with CF102, the second molecule in the Company's development pipeline, which is the basis for a drug indicated for the treatment of liver cancer and hepatitis. Success of the preclinical trials will enable Can-Fite to submit to the US Food and Drug Administration (FDA) an application for phase I human clinical trials. The Company estimates that the clinical phase of the trials will begin in the up-coming months.

Can-Fite VP Drug Development Dr. William Kerns: " CF102 has been evaluated in an IND enabling pharmacokinetic, metabolism, toxicology and safety pharmacology program in the US and Europe. These preclinical studies progressed smoothly and no issues that could adversely affect the clinical development program were identified. In particular, CF102 has been shown in these pre-clinical studies to be safe. CF102 is thus positioned to move forward to Phase 1 clinical trials. The company plans to file an IND and commence Phase 1 during the next couple of months", stated Dr William Kerns, VP Development for Can-Fite.

With the initiation of the CF102 clinical trial, Can-Fite will have two pipeline drugs in humans for diverse indications including cancer, autoimmune inflammatory disease and viral diseases.

CF102 binds with high selectivity and specificity to the A3 Adenosine Receptor, which is over-expressed on the cell surface of liver cancer cells. Laboratory studies have shown that CF102 induces apoptosis of liver cancer cells. Liver cancer affects about 450,000 new patients each year and is highly prevalent in people infected with hepatitis virus and in alcohol abusers. This type of cancer is particularly common in Eastern countries, due to the high proportion of people infected with the hepatitis virus. The current market share for liver cancer is estimated at about USD 0.5 billion due to lack of appropriate treatment.

CF102 belongs to a chemical class of substances called nucleosides, known to act as antiviral agents. Laboratory studies conducted by the Company in collaboration with a leading laboratory at Temple University in Philadelphia show that CF102 is

also active against the hepatitis virus. The number of individuals infected with hepatitis B and C worldwide is 350 million and 170 million, respectively, and these numbers are rapidly increasing in recent years. The market share is currently about USD 3 billion annually due to lack of appropriate treatments.

Prof. Pnina Fishman, CEO of Can-Fite, said today: "We are very pleased with the rapid progress in the development of CF102 and with the impressive results obtained in preclinical studies which will enable the Company to proceed into human clinical trials within several months. This drug is added to CF101, which is being developed for three indications: rheumatoid arthritis, psoriasis and dry eye syndrome."

Can-Fite recently reported the results of a phase IIb trial with CF101 for the treatment of rheumatoid arthritis. Following these results, the company decided to further pursue the development of this indication. A decision will be made in the near future about the nature of further development and type of trials required.

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 Prof. Pnina Fishman, a Rabin Medical Center investigator, and patent attorney Dr. Ilan Cohn, a senior associate at Reinhold Cohn Patent Attorneys. Prof. Fishman serves as the CEO of Can-Fite. The Company was founded on the basis of scientific findings made by Prof. Fishman and focuses on the development of molecule-based drugs that bind to receptors of cancerous or inflammatory cells and inhibit their development.

Can-Fite currently has two drugs in development, CF101 and CF102. The company is simultaneously conducting several clinical and preclinical trials with the two drugs for various indications. CF101 is being studied for the treatment of rheumatoid arthritis, dry eye syndrome and psoriasis. Can-Fite has also begun the development of CF102 for the treatment of liver cancer and hepatitis is also underway.

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