



29.12.2008

Press Release

**Can-Fite-Completed Patient Enrollment for the
Confirmatory Phase IIb Trial in Rheumatoid Arthritis
Patients with CF101.**

Company estimates to release data on Q2 2009

The arthritis market cap is currently estimated to be US\$ 11 billion

Can-Fite BioPharma has achieved yet another goal by completion of enrolment of 230 patients in its confirmatory phase IIb RA trial. Approximately 230 patients were enrolled to this study, randomized into 3 groups treated with 0.1 mg and 4 mg of CF101, and placebo. Patients are taking the drug for 12 weeks plus 2 weeks of follow-up. The trial is being conducted in 30 sites in Europe and Israel. The company estimate to release study data on H1 2009.

In addition, the company recently that it has signed an out license agreement with Kwang Dong Pharmaceutical Co., a Korean company, granting Kwang Dong exclusive rights to develop and commercialize the drug CF101 for rheumatoid arthritis, in Korea. CF101, Can-Fite's lead drug, is currently being tested in a multi-national Phase IIb study for its therapeutic activity in the treatment of rheumatoid arthritis and in two Phase IIa studies: one for the treatment of psoriasis and the other for dry eye syndrome.

The terms of the license include an upfront payment as well as milestone payments to Can-Fite in an aggregate amount of US\$ 1.5M; and certain royalties on sales. Additionally, Kwang Dong will also purchase equity in Can-Fite in an amount representing 1% of Can-Fite's outstanding share capital at a premium of 50% above market price.

CAN-FITE BIOPHARMA LTD 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, an investigator from Rabin Medical Center, and patent attorney Dr. Ilan Cohn, a senior associate at Reinhold Cohn Patent Attorneys. Prof. Pnina Fishman serves as the CEO of Can-Fite. The Company was founded on the basis of scientific findings made by Prof. Pnina 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's development pipeline currently has two drugs: CF101 and CF102. The company is simultaneously conducting several preclinical and clinical trials with the two drugs for various indications. CF101 is being studied for the treatment of rheumatoid arthritis (Phase IIb), dry eye syndrome (Phase II) and psoriasis (Phase

II). Can-Fite develops CF102 for the treatment of liver conditions, including liver cancer, hepatitis infections and liver tissue regeneration.

For details: Amir Eisenberg, 0528-260285; Shai Eliash 0522-546635; Liron Singer 0525-476661; Hadas Friedman 0524-022274; Miri Riley 0524-022275; Sarah Seltzer 0524-448262; Office 03-7538828