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Press Release

Can-Fite BioPharma Expands its Pipeline by Licensing Allosteric Modulators from Leiden University and the NIH

Can-Fite BioPharma announced today the completion of a license agreement from Leiden University and the NIH for a patent which includes allosteric modulators to the A3 adenosine receptor. Can Fite will pay license signing fee of €25,000 and annual minimal royalties of €10,000. In addition, the company will pay milestone payments up to €850,000 based on clinical development progress till marketing approval and royalty payments of 2-3% on net sales.

The compounds were developed via a joint collaboration between Prof. IJzerman at the Leiden University and Prof. Jacobson at the NIH, leading worldwide scientists in the field of adenosine receptors. The agreement was signed with Leiden University which represents the 2 academic institutions. Dr. Ilan Cohn, Can Fite founder, Vice Chairman and in charge of the company IP activities, led the negotiations with the Leiden University and the NIH.

Allosteric modulators are orally bioavailable small molecules which enhance the affinity of the natural ligand adenosine to its A3 adenosine receptor. The advantage of the A3 adenosine receptor allosteric modulators is their capability to target specifically areas where adenosine levels are increased – namely certain inflammation sites. Normal body cells and tissues are refractory to the allosteric modulators. This approach is complementary to the basic platform technology of Can Fite utilizing the G coupled protein A3 adenosine receptor as a potent target in inflammatory diseases.

In preclinical studies one of the licensed drug exhibited robust anti-inflammatory effects at low orally administered dosages with no adverse events. With the allosteric modulators in the pipeline, the company will be able to extend its clinical applications in the field of inflammatory diseases such as Crohn's Disease.

Dr. Ilan Cohn, Can Fite's Vice Chairman, said today that "the license of the allosteric modulators enriched the company pipeline with the next generation drugs which are highly potent and known to possess a safety profile. These new drugs recruit the natural ligand adenosine, which accumulates in the inflammatory environment, to act as an anti-inflammatory agent."

In keeping with its financial reports, Can-Fite expects to release within weeks the results of a phase II clinical trial with CF101 for the treatment of Psoriasis. The company concluded successfully a Phase II study in Dry Eye Syndrome.

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 on and inhibit the development of cancer or inflammatory cells.

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, dry eye syndrome and psoriasis. Can-Fite has also entered the development of CF102 for the treatment of liver diseases, including liver cancer.

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