

July 25, 2010

**Press Release**

**Can-Fite drug candidate CF102 significantly decreased viral load of HCV in 3 Patients with Liver Cancer**

**Petah-Tikva, Israel, July 25, 2010: Can-Fite BioPharma Ltd (TASE:CFBD), a biotechnology company traded on the Tel Aviv Stock Exchange** reported today that a significant decrease in HCV viral load was detected in 3 patients with liver cancer who are treated daily orally with CF102. The company is studying CF102 as a treatment for liver cancer (hepatocellular carcinoma, or HCC). The results announced today relate to data which came out of a Phase 1/2 clinical trial of CF102 in the treatment of patients with advanced HCC.

This protocol is enrolling patients with advanced or treatment-refractory hepatocellular carcinoma (HCC), or liver cancer. Because one of the most important risk factors for HCC is chronic viral hepatitis, patients in this trial are tested at entry for infection with hepatitis C virus (HCV). Although not part of the primary trial objectives, those patients who are HCV-positive are retested periodically to gauge the effect of CF102 on HCV infection in this population.

Till now 4 patients with HCC are also HCV-positive with a circulating viral load of  $>10^6$  IU/mL at entry and in 3 out of the 4 patients, the viral load significantly decreased in the absence of any other intervention, strongly indicating an effect of CF102 in suppressing viral replication in the liver.

According to Can-Fite CEO Dr Pnina Fishman, “These results are especially encouraging for 2 reasons. First, they validate our extensive pre-clinical data indicating CF102’s effectiveness in treating liver disease in general, and hepatitis C in specific. Second, they provide encouragement in light of Can-Fite’s other ongoing CF102 trial, a Phase 1/2 study in patients with HCV infection. Based on the current new data we were approved to extend the current HCV clinical study to a treatment period of couple of months. We are optimistic that CF102 can become part of the treatment regimen for the millions of people worldwide who suffer from hepatitis C.”

HCV is predominantly transmitted through body fluids and less frequently by sexual intercourse, and no vaccines are currently available. About 50% to 85% of HCV infected patients develop a chronic form of the disease, of whom 25% to 76% develop active chronic disease and cirrhosis, which is the leading cause of liver transplantation in Europe and the US and greatly increases the risk of liver cancer. Patients are currently offered drug therapy that generally consists of oral Ribavirin in combination with

interferon injections. These drugs have severe adverse events and most patients rapidly become refractory to them. The market size today is more than 3 Billion \$ and is estimated to grow to around 8.3 Billion \$ on 2012.

The Company previously reported that preclinical studies have suggested that the drug is active against HCV via inhibition of NS5, RNA dependent RNA polymerase. CF102 was also found to trigger programmed cell death (apoptosis) of liver cancer cells. The Company recently announced the successful completion of a Phase I clinical study with CF102 under an IND in the US, showing a safety profile and a linear pharmacokinetic behavior of the drug.

**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 clinical trials with the two drugs for various indications. CF101 is being studied for the treatment of inflammatory and Ophthalmic diseases and CF102 is studied for the treatment of Liver Diseases.

**For more details:**

Jonathan Eilat  
2681977-054  
6868654-03