



For Release

**Can-Fite BioPharma Completes Two Phase I Trials
of its lead anti-cancer and anti-inflammatory drug CF101**
Company to commence two Phase II Trials in Q2 2003

Tel Aviv, Israel – 10th April, 2003: Can-Fite BioPharma, Ltd. (www.canfite.com), developer of innovative treatments for cancer and inflammatory diseases, announced today the successful completion of two Phase I clinical trials of its lead drug, CF101. In both Phase I trials, CF101 was shown to be safe at therapeutic doses and to have high oral bioavailability. These placebo-controlled trials took place in the UK and comprised a total of 53 healthy subjects who were treated with either single or multiple doses of CF101.

Can-Fite also announced today its plans to begin two separate multi-center Phase II clinical trials in the second quarter of 2003. Patients with colorectal cancer and rheumatoid arthritis will be enrolled in these respective trials.

Annually, more than 940 thousand people worldwide are diagnosed with colorectal cancer, and nearly 500 thousand patients die from it. In the U.S. alone, approximately 140 thousand new cases and more than 60 thousand deaths from this type of cancer are recorded each year. Rheumatoid arthritis, the most crippling form of arthritis, affects approximately 2.1 million people in the U.S. The overall economic cost of this disease is estimated to be more than 1% of U.S. GDP.

“CF101 clearly fills an unmet clinical need. It is a small molecule, orally available drug (administered in the form of a capsule) with highly specific anti-cancer and anti-inflammatory activity. In addition, CF101 and other of Can-Fite’s drugs in development are devoid of the toxic side effects, generally caused by most anti-cancer and disease modifying anti-rheumatic drugs on the market today,” said Can-Fite BioPharma President & CEO Dr. Ilan Cohn.

The market potential for CF101 is estimated at more than US\$ 1 billion worldwide. The first commercial product is expected in 2006.

“Can-Fite’s development speed is almost unprecedented in the pharmaceutical industry. In just two short years, the company has advanced from its initial research stages, through full-fledged pre-clinical development, the successful completion of two Phase I trials and the preliminary stages of two Phase II trials. We plan to continue with the same determination as we begin the next stages of the development process,” said Dr. Cohn.

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About Can-Fite BioPharma, Ltd.

Can-Fite BioPharma Ltd. is a privately held company headquartered in Petach Tikva, Israel that began operations in year 2000. The Company was founded on the basis of the scientific work of Prof. Pnina Fishman, a Tumor Immunologist from the Rabin Medical Center in Israel, who currently serves as the Company's Chief Scientific Officer. Can-Fite's research is conducted in its research lab in Israel. The Company also has a US-based senior management team that is involved in the company's pre-clinical and clinical development. Can-Fite is currently preparing for Phase II trials of its lead drug CF101 for the treatment of cancer and rheumatoid arthritis. Scientific and clinical collaborators include the US National Institute of Health (NIH), Fox Chase Cancer Center, Dana Farber Cancer Center, Arizona Cancer Center, the Technion, the Hebrew University, Leiden University and Temple University. Investors include Giza Venture Capital, The Yozma Group, Ascend Technology Ventures, Vitalife and Biocom Venture Capital Fund.

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