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Can-Fite Signed an Agreement to Spin off its Ophthalmology Activities to a US Based Public Company

Petah Tikva, Israel, 5 June, 2011: Can-Fite Biopharma Ltd (TASE: CFBI), an Israeli biopharmaceutical company with a pipeline of small molecule oral drugs under development for autoimmune inflammatory, ophthalmic and liver diseases, signed today an agreement to spin off its ophthalmic indications to a US based public company, Denali Concrete Management Inc. (OTC BB: DCMG.OB).

According to the agreement, Can-Fite shall grant a sublicense for the CF101 clinical development in the ophthalmology field to an Israeli subsidiary fully owned by Denali Concrete Management Inc. ("Denali"). Upon conclusion of the transaction, Can-Fite will become the main shareholder of Denali. Concurrently with the aforesaid transactions, and as a condition for closing, an investment will be made in Denali of not less than US\$5 Million. Denali will continue the clinical development of CF101 for the ophthalmic indications including Dry Eye Syndrome, Glaucoma and Uveitis.

Prof. Pnina Fishman, CEO of Can-Fite: "We are very pleased with the progress towards the conclusion of the ophthalmology spinoff, leading to the establishment of a company specializing in ophthalmology. We anticipate that this spinoff will boost the clinical development and future commercialization of CF101 in the ophthalmology field."

The ophthalmic indications are specified below:

Dry Eye Syndrome - a chronic disease that causes impairment in the production of tears, and as a result, in irritation and discomfort in the eyes. The disease can also cause temporary or permanent damage to vision.

Glaucoma - one of the main causes of blindness worldwide, with about 90 million sufferers. Glaucoma is a disease that causes damage to the optic nerve. It is usually linked to an increase in intraocular pressure, and as a result, the visual field gradually shrinks from the periphery to a gradual, total blindness.

Uveitis - a disease causing an inflammation of the middle layer of the eye with high risk of blindness.

About Can-Fite Biopharma Ltd

Can-Fite Biopharma Ltd is a public company, trading on the Tel Aviv Stock Exchange. The company, which commenced business activity on 2000, was founded by Prof Pnina Fishman, researcher in the Rabin Medical Center, and Dr Ilan Cohen, patent attorney and senior partner at Reinhold Cohen Patent Attorneys. Prof Fishman serves as CEO of the company. The company was founded on the basis of Prof Fishman's scientific findings, and is focused on the development of small molecule drugs, ligands to the A3 adenosine receptor. The latter mediates anti-inflammatory and anti-cancer effects and is suggested as a biological predictive marker. . The company's lead drug, CF101, is in advanced clinical development for the treatment of



autoimmune inflammatory and ophthalmic diseases. The CF102 drug candidate, , is being developed for the treatment of liver diseases including liver cancer and Hepatitis C. Can-Fite has a wealth of clinical experience: to date, more than 700 patients have participated in clinical trials conducted by the company.

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