

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. **Name and Address of Company:**

Kane Biotech Inc. (the "Company")
162 – 196 Innovation Drive
Winnipeg, Manitoba R3T 2N2

2. **Date of Material Change:**

February 12, 2015

3. **News Release:**

The Company issued a press release regarding the material change on February 12, 2015, a copy of which is attached hereto.

4. **Summary of Material Change:**

Kane Biotech Inc. (TSX-V:KNE), a biotechnology company developing and commercializing products that prevent and remove microbial biofilms announces that it will be introducing the company's bluestem pet oral care brand in the over the counter (OTC) retail market.

5. **Full Description Of Material Change:**

See attached Schedule "A".

6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:**

Not Applicable.

7. **Omitted Information:**

Not Applicable.

8. **Executive Officer:**

Gord Froehlich, President and CEO
Tel: (204) 477-7592

DATED at Winnipeg, Manitoba this 12th day of February, 2015.

KANE BIOTECH INC.

Per: "Gord Froehlich"
Gord Froehlich, CEO

SCHEDULE “A”

Kane Biotech Introduces bluestem™

WINNIPEG, Manitoba (February 12, 2015) - Kane Biotech Inc. (TSX-V:KNE), a biotechnology company developing and commercializing products that prevent and remove microbial biofilms announces that it will be introducing the company's bluestem pet oral care brand in the over the counter (OTC) retail market.

bluestem™ is a specifically formulated oral care product that contains the company's patent pending coactiv+™ technology. The initial product introduction will be a water additive for daily use in four flavours including original, vanilla mint, chicken and salmon, with additional product formulations to follow. bluestem is now available at select pet stores in Manitoba.

More information on bluestem can be found at www.bluestempets.com.

Coinciding with the launch the company is pleased to announce that it will receive up to \$250,000 funding from the Province of Manitoba Commercialization Support for Business Program for the marketing, selling and promotion of the company's products in the animal health sector. “This program assists Manitoba businesses in developing and commercialization of innovative products and expanding them into new markets” stated Gord Froehlich, President and CEO of Kane Biotech. “This funding is very timely and we are very pleased to receive this support from the Province of Manitoba as we develop our launch plans for the companion animal oral care market”

The company continues to focus its resources on the companion animal market with the Strix NB™ brand for the veterinary segment and the bluestem™ brand for the pet OTC market. Our strategy also includes licensing our technology to industry leaders and we continue to work with strategic partners to advance this area of the business.

About Kane Biotech Inc.

Kane Biotech is a biotechnology company engaged in the development and commercialization of products that prevent and remove biofilms. Biofilms develop when bacteria and other microorganisms form a protective matrix that acts as a shield against attack. When in a biofilm, bacteria become highly resistant to antibiotics, biocides, disinfectants, high temperatures and host immune responses. This resiliency contributes to human health problems such as recurrent urinary tract infections, medical device associated infections and tooth decay.

Kane Biotech uses patent protected technologies based on molecular mechanisms of biofilm formation/dispersal and methods for finding compounds that inhibit or disrupt biofilms. The Company has evidence that these technologies have potential to significantly improve the ability to prevent and/or destroy biofilms in several medical and industrial applications.

For more information, please contact:

Gord Froehlich
President & CEO
Kane Biotech Inc.
204-477-7592 phone
204-474-7552 fax
ir@kanebiotech.com
www.kanebiotech.com

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Caution Regarding Forward-Looking Information

Certain statements contained in this press release constitute forward-looking information within the meaning of applicable Canadian provincial securities legislation (collectively, "forward-looking statements"). These forward-looking statements relate to, among other things, our objectives, goals, targets, strategies, intentions, plans, beliefs, estimates and outlook, including, without limitation, our anticipated future operating results, and can, in some cases, be identified by the use of words such as "believe," "anticipate," "expect," "intend," "plan," "will," "may" and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements.

These statements reflect management's current beliefs and are based on information currently available to management. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things: Kane's early stage of development, lack of product revenues and history of operating losses, uncertainties related to clinical trials and product development, rapid technological change, uncertainties related to forecasts, competition, potential product liability, additional financing requirements and access to capital, unproven markets, supply of raw materials, income tax matters, management of growth, partnerships for development and commercialization of technology, effects of insurers' willingness to pay for products, system failures, dependence on key personnel, foreign currency risk, risks related to regulatory matters and risks related to intellectual property and other risks detailed from time to time in Kane's filings with Canadian securities regulatory authorities, as well as Kane's ability to anticipate and manage the risks associated with the foregoing. Kane cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on Kane's forward-looking statements to make decisions with respect to Kane, investors and others should carefully consider the foregoing factors and other uncertainties and potential events.

These risks and uncertainties should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Kane cannot provide assurance that actual results will be consistent with these forward-looking statements. Kane undertakes no obligation to update or revise any forward-looking statement.

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