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Can-Fite BioPharma Concluded a NIS 30 Million Fund-Raising for Funding Clinical Studies and Ongoing R&D

Can-Fite BioPharma concluded yesterday (Tuesday) a fund-raising of an immediate gross amount of NIS 30 million and an additional NIS 20 million in future funds (through exercise of options that can be converted into shares). Orders of NIS 6.4 billion were received for the offering which means a 214 times oversubscription. The immediate raise of NIS 30 million was through the issuance of short term convertible notes that can be converted into shares within 1 year at an exercise price of NIS 2.5 per share. Can-fite will have an option to convert the notes into shares upon achieving two milestones and such conversion will be according to an average share price on TASE during the 30 days preceding the conversion, less 10% discount. The proceeds of the immediate raise are deposited at the Company's bank account that is pledged in favor of the note holders until any of the above specified conversions. The fund-raising was led by a consortium of underwriters headed by Clal Finance Underwriting, Apex Underwriting, DIM Risk Management and Discount Underwriting & Issuing.

Prof. Pnina Fishman, CEO of Can-Fite, stated that the raised funds are earmarked for promoting the company's growth and enrich the development pipeline with additional drugs on the basis of the company's technology platform. "Can-Fite targets vast therapeutic markets and the company's drugs have thus a very large market potential. Within a short period of time the company expects to begin a Phase IIb clinical study with its flagship product CF101 in rheumatoid arthritis patients" noted Prof. Fishman.

The company intends to use the funds that were raised for a Phase IIa clinical study to test the efficacy of CF101 in treating dry eye symptoms in patients having this disease, for continued preclinical development and early clinical development of the drug CF102, for additional clinical development of CF101 for another inflammatory disease based on the company's research that demonstrated the potential activity of CF101 in treating inflammatory diseases such as psoriasis, osteoarthritis, Crohn's disease and multiple sclerosis and for conducting additional experiments that will permit the company to advance CF101 towards Phase III clinical studies (which include long term toxicology studies and metabolic studies).

About Can-Fite

Can-Fite BioPharma Ltd. is a public company, traded on the Tel-Aviv Stock Exchange that is headquartered in Petach-Tikva, Israel. The company, which began its operations at the end of 2000 was founded based on the work by Professor Pnina Fishman, formerly a Tumor Immunologist in the Rabin Medical Center and currently the company's CEO, together with Dr Ilan Cohn, Patent Attorney and Senior Partner at Reinhold Cohn and Partners, a leading Israeli Patent Attorney firm. The Company has research laboratories and offices in Israel. The Company's lead drug, CF101, for the treatment of rheumatoid arthritis is currently in Phase II clinical trials. The company is planning another clinical study in which CF101 will be tested for its efficacy in treating dry eye symptoms in patients having this disease.

About CF101

CF101 is a small molecule, which is administered to patients orally. This drug, which is developed for the treatment of rheumatoid arthritis, was tested to date in clinical trials in the USA, UK and Israel. The drug is active against a wide variety of autoimmune and cancer diseases and has a preferential safety profile. The drug's main advantage is in its ability to specifically attack pathological cells without affecting healthy ones. In addition, the fact that the drug is administered orally in the form of a capsule creates a huge advantage vs. current treatments which are administered by IV infusion or injection, at much higher costs. The drug is developed for the treatment of rheumatoid arthritis. The company also plans to shortly initiate another clinical study to test the drug's efficacy in treating dry eye symptoms of patients with this disease. The market of disease modifying anti-rheumatic drugs is estimated to be about US\$ 7 billion per year and is expected to rise by about 20% annually. The market potential of drugs for treating dry eyes is also several billion dollars per year.

More information can be found at www.canfite.com.