

**MED BIOGENE INC.
598 East Kent Avenue South
Vancouver BC V5X 4V6**

NEWS RELEASE

MBI ANNOUNCES SHARES FOR DEBT TRANSACTION

Vancouver, B.C., January 13, 2015 – Med BioGene Inc. (“MBI” or the “Company”) (TSXV: MBI) wishes to announce that it has entered into a debt settlement agreement (the “**Agreement**”) pursuant to which the Company has agreed to issue an aggregate of 2,652,520 common shares (“**Shares**”) at a deemed price of \$0.05 per Share. The amount of indebtedness settled by the Agreement is \$132,626, which is payable to Iain Weir-Jones, a non-arm’s length party to the Company, as reimbursement for legal fees incurred in relation to the recent proxy battles culminating with the Annual and Special General Meeting held on September 5, 2014. Dr. Weir-Jones is the Chief Executive Officer and Chairman of the Board of Directors of the Company. The Company decided to satisfy this outstanding indebtedness with Shares in order to preserve its cash for normal operating expenses.

The Agreement is subject to the approval of the TSX Venture Exchange (the “**Exchange**”). The Company will issue the Shares once the debt settlement transaction contemplated by the Agreement has been approved by the Exchange.

About Med BioGene Inc.

MBI is a life science company based in Vancouver, British Columbia that is currently focused on managing the license and rights to GeneF_x Lung. MBI’s common shares are listed for trading on the Exchange. For more information, please visit www.medbiogene.com

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This news release contains forward-looking statements and forward-looking information (together, “forward-looking statements”) within the meaning of applicable Canadian and United States legislation. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include those risks set out in the Company’s public documents filed on SEDAR at www.sedar.com. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

The TSX Venture Exchange has neither approved nor disapproved of the contents of this press release. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.