

COMPANY DESCRIPTION

Business Overview

Medifocus, Inc. (TSXV-MFS) is in the business of development and commercialization of minimally invasive, focused-heat tumor targeted cancer treatment devices and systems. The Company plans to raise the standards of breast cancer care and treatment by using focused microwave heating to enhance neo-adjuvant chemotherapy to provide better tumor shrinkage and control, leading to improved surgical outcomes and ultimately breast preservation.

Medifocus' patented adaptive phased array (APA) microwave focusing technology platform licensed from MIT provides the design of the Company's unique focused heat treatment systems with the capability to direct a precision-focused microwave beam at targeted tumor to induce elevated temperature (hyperthermia) to shrink or eradicate tumors without undue harm to surrounding tissue.

The Company's goal is to improve outcomes and standards of care in cancer treatment. Its first indication, locally advanced breast cancer (LABC), involves large tumors that are generally treated first with neo-adjuvant chemotherapy to induce tumor shrinkage and then followed by either radical surgery or breast conservation surgery, depending on the final size of the tumor. Medifocus' focused-heat treatment can significantly improve the efficacy of neo-adjuvant chemotherapy in shrinking LABC, significantly improving the chance of breast conservation, and decreasing the need for radical breast surgery. Focused microwaves can be used to shrink breast tumors up to 8 cm in diameter, vastly improving the chance of breast conservation for these patients who under normal circumstances will have no option but to undergo radical breast surgery.

The company completed the qualifying transaction with Celsion (Canada) Ltd in November 2008 and raised \$3 M, where previously Celsion (Canada) Ltd resulted from a management buyout from a US listed company Celsion Corp.

Shares Issued and Outstanding	24.3 Million
Warrants	5.2 Million
Common Shares Fully Diluted	29.5 Million

Investment Highlights

- The APA system has already received the pre-market approval (PMA) from the FDA as an adjunct to radiation for treatment of surface and subsurface cancers.
- The Company is ready to enter into the Pivotal clinical trial for obtaining another PMA for the system to treat breast cancer.
- Prior clinical results have already demonstrated that combined heat and neo-adjuvant chemotherapy increases breast tumor shrinkage by an additional 50% over neo-adjuvant chemotherapy alone.
- Globally, over 1.2 million new cases of breast cancer are reported each year, and over 450,000 new cases a year are expected by 2017 in Canada and the USA.
- The management has substantial industry experience in commercialization of heat treatment devices and systems.

- The management has successfully commercialized "Prolieve", a heat treatment system for BPH and sold Prolieve to Boston Scientific Corp for over \$100 M in return.

- Medifocus plans to use a similar commercialization approach to that used in Prolieve to generate annual revenue of \$60-100 million USD for the company.

Clinical Results and Milestone Achieved

- 10-patient Phase I clinical feasibility test in 1999/2000 demonstrated that Medifocus' system can heat cancerous breast tumors of 1-8 cm diameter, with a mean reduction in tumor dimension of 25% using the microwave treatment alone.
- 25-patient Phase II Columbia Hospital/Harbor UCLA study in 2001/2 demonstrated that Medifocus' focused microwave energy delivered to cancerous tissues deep in the breast caused tumor necrosis without causing significant increase in skin surface temperature.
- Randomized Phase II study in 2003/4 involving 10 clinical sites indicated that Medifocus' microwave energy used prior to surgery to treat early-stage breast cancer tumors can reduce the rate of positive tumor margins.
- Randomized Phase II study in 2003/4 involving 9 clinical sites indicated that Medifocus' microwave energy used in combination with chemotherapy to treat large breast cancer tumors can reduce the tumor burden significantly to allow the option of lumpectomy over mastectomy compared to chemotherapy treatment by itself.
- The Company has received unconditional Investigational Testing Authorization (ITA) on June 5, 2009 from Health Canada to commence the pivotal trial in Canada to commercialize the APA breast cancer treatment system. The pivotal trial is the last step in the commercialization process.
- The Company has filed its Investigational Device Exemption (IDE) response letter to the USA Food and Drug Administration (FDA) on September 16, 2009 and expects to receive a response prior to the end of year.



MANAGEMENT BIOS

Dr. Augustine Y. Cheung, PhD (CEO and Chairman)

Previously founder and CEO of Celsion Corporation in the US and professor at the University of Maryland, Dr. Cheung is a well known microwave expert and has presented papers internationally. He has raised significant capital in the past for Celsion and successfully developed multiple focused heat based tumor targeting cancer treatment devices and pharmaceuticals. Dr. Cheung received a PhD in Electrical Engineering, from the University of Maryland.

Mr. John Mon (COO)

Significant life sciences experience, Mr. Mon is previously V.P. of business and product development, General Manager, and Director of Celsion. He achieved FDA approvals for IDE/PMA/510K submissions, and has worked with clinicians, engineers, and patent attorneys on thermotherapy and breast-cancer-related devices. Mr. Mon has authored several scholarly articles and holds many granted and pending patents in the area of thermotherapy for the treatment of cancer and other diseases.

Mr. Dennis Smith (VP, Engineering)

Over 30 years of experience in engineering management, Mr. Smith is previously VP of Engineering of Celsion. He oversaw development of all commercial microwave thermotherapy systems development at Celsion. The head of the engineering team responsible for the development of the APA breast cancer treatment system and the commercialization of the Prolieve thermotherapy system for treatment of BPH.

DIRECTORS

Dr. Augustine Y. Cheung, PhD

Dr. Cheung has been involved in microwave technology for his entire professional career, publishing over 50 papers on the use of microwaves as a treatment for cancer.

Dr. Andy Lam

Dr. Lam is CFO and an Executive Director of Harmony Asset Limited, an investment and asset management company listed on the Hong Kong and Toronto Stock Exchange.

Mr. Joe Tai

Joe has been the Managing Partner of Goldpac Investments since 1994. Through his directorships of various public companies, Mr. Tai is highly experienced with the handling of corporate management and finance issues, particularly with companies in the Life Sciences sector.

Mr. Grant Walsh

Grant B. Walsh is the Managing Partner and CEO of EC Murphy Walsh, a consulting firm specializing in performance improvement and executive talent development for healthcare organizations. Mr. Walsh has served on numerous Boards and as Chairman of six.

Medifocus, Inc. (TSXV-MFS)

Competitive Advantages

- ✓ Patent Protected Proprietary Technology Platform - 9 US allowed patents, 20 international patents and 34 patents pending
- ✓ APA system already FDA approved for other oncological indications
- ✓ Ability of the APA System to Treat All Forms of Breast Cancer and Other Cancers
- ✓ APA system provides volumetric heating to treat very large solid tumors
- ✓ Unique Category-III CPT Code to position for insurance reimbursement approval

CONTACT INFORMATION

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