

*Improving the Standard of Care for Breast Cancer & BPH Treatment*

**Business Overview**

**Medifocus, Inc.** develops and commercializes minimally invasive focused heat thermotherapy systems used in the treatment of cancerous and benign tumors, and enlarged prostate, medically known as Benign Prostatic Hyperplasia ("BPH"). In July 2012, it acquired the FDA-approved **Prolieve®** BPH treatment business assets from Boston Scientific Corp., further expanding its comprehensive IP portfolio, and most importantly, adding the revenue producing property - Prolieve® to its product offerings.

Medifocus' patented **Adaptive Phased Array (APA) Microwave Focusing Technology Platform**, licensed from Massachusetts Institute of Technology (MIT), provides the design basis of the Company's unique focused heat cancer treatment systems. This platform offers the capability to precisely focus and concentrate microwave energy at tumor sites to induce elevated temperature (hyperthermia) to shrink or eradicate the tumor without undue harm to surrounding tissue. With approval from the U.S. FDA and Health Canada for the pivotal Phase III Study and future new funding, the Company plans to move forward towards the commercialization of its APA 1000 system for the treatment of breast cancer.

**Fast Facts:**

Ticker (Exchange):	OTCQX: MDFZF, TSXV: MFS
Stock Price (02/27/13):	\$0.25
Market Cap:	\$29 million
Shares Outstanding (02/27/13):	117 million
52-Week Range:	\$0.10 - \$0.33
Fiscal Year End:	March 30
Revenue:	
Quarter Ended 06/30/12:	\$0
Quarter Ended 09/30/12:	\$313,281
Quarter Ended 12/31/12:	\$630,150
Corporate Headquarters:	Toronto, Canada
Operation, R&D:	Columbia, MD, USA

**APA Microwave Focusing Technology for Locally Advanced Breast Cancer (LABC)**

The Company's first indication is locally advanced breast cancer (LABC), which 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.



**Thermodilatation System for enlarged prostate or BPH (Benign Prostatic Hyperlasia)**

Medifocus' patented Prolieve® Thermodilatation system was developed with its **Endo-thermotherapy Technology Platform** as the only true in-office alternative to drug therapy for BPH treatment. It provides a 45-minute in-office treatment that combines our microwave thermotherapy capability with a proprietary balloon compression technology to both heat the prostate and dilate the prostatic urethra. Medifocus' business model for its Prolieve® is to focus on disposables with high gross-margins to generate recurring revenue streams.

**Market Opportunity for New Microwave-Focusing Cancer Treatments**

With over 1.4 million new cases of breast cancer diagnosed each year, Medifocus plans to raise the standards of care and treatment by using focused heat to enhance neo-adjuvant chemotherapy to provide better tumor shrinkage and control, leading to improved surgical outcomes and ultimately breast preservation. Currently, there are over 1,200 breast cancer centers in North America where the APA system, upon approval, can be placed with a continuous revenue flow from disposable probes at each location. Utilizing the same business model, Prolieve® is already positioned as the only true in-office alternative to drug therapy for BPH treatment in the \$8 billion BPH drug treatment market.



Medifocus, Inc. (OTC:MDFZF, TSXV:MFS)

## Investment Highlights

**Transition to Mature Medical Device Company through Prolieve® Acquisition:** Prolieve® provides Medifocus with an FDA-approved, revenue-generating property to help fund the continued development and commercialization of its technology platforms.

**Extensive Patent Portfolio:** Including patents acquired from Prolieve®, Medifocus holds over 100 issued/pending patents covering its focused heat systems, positioning it to develop a rich pipeline of treatment products for a number of different cancers.

**Compelling Clinical Results for Treating LABC:** Prior clinical results have already demonstrated that the Company's combined heat and neo-adjuvant chemotherapy increases breast tumor shrinkage by an additional 50% over neo-adjuvant chemotherapy alone.

**Significant Revenue Potential:** In addition to continued growth in Prolieve® sales, Medifocus expects that the APA 1000 breast cancer treatment system, if approved, could generate significant revenue through the sales of disposable probes.

**Experienced Management Team:** Medifocus management was part of the original team at Celsion Corp. that successfully developed and commercialized Prolieve® system and developed the APA 1000 breast cancer treatment system.

**Proven Commercialization Strategy:** Medifocus plans to use a similar commercialization approach used in Prolieve®, which generates revenue through the sales of disposable kits.

**Strong Growth Opportunities:** Successful commercialization of Prolieve® and future commercial success of the breast cancer system is expected to provide validation for the clinical potential of the Company's two technology platforms.

## Management

### Dr. Augustine Y. Cheung, PhD (CEO)

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. 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 thermo-therapy 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.

### Mr. Mirsad Jakubovic (CFO)

Mr. Jakubovic is a Chartered Accountant. His experience includes working as the Director of Finance and Administration for Havana House Cigar and Tobacco Merchants Ltd. and as Director of Finance and Administration for Swatch Group Canada Ltd. Mr. Jakubovic received his EMBA from the Richard Ivey School of Business and his B.Comm. from the University of Toronto.

### Mr. Kurt O'Neill, CPA (VP, Sales and Finance)

Mr. O'Neill was the Controller and Chief Financial Officer at Celsion Corp, where he later became the Director of Prolieve Clinical Trials and Director of Prolieve Product Development. Subsequently, he was Boston Scientific's Business Development Manager—Prolieve® System, Atlantic Region before joining Medifocus Inc. as its Vice President of Sales and Finance in charge of Prolieve sales.

### Mr. Dennis Smith (VP, Engineering)

Over 30 years of experience in engineering management, Mr. Smith is previously VP of Engineering of Celsion. He was 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.

## Competitive Advantages

- Two proprietary technology platforms with 100 + patents to position the APA 1000 & Prolieve at the forefront of their markets and to develop other focused heat product pipeline for the treatment of cancers and other diseases
- FDA approved revenue-producing Prolieve for the treatment of BPH
- APA 1000 breast cancer system in pivotal Phase III study

## Contact Information

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