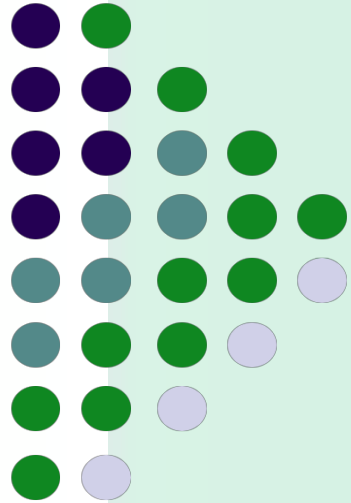
Medifocus, Inc.

OTCQX: MDFZF TSXV: MFS

www.medifocusinc.com

Develops and commercializes minimally invasive focused heat thermotherapy systems for the treatment of cancer and other diseases.



Safe Harbor Statement

Except for historical information, the statements made in this presentation are forward-looking statements involving significant risks and uncertainties. These risks and uncertainties, including those related to the future financial projections and business strategy of the Company, can be found in the Company's filings with the regulatory authorities.

May 2013

Two Fully Developed Technology Platforms

Comprehensive IP Portfolio with 100+ Issued and Pending U.S. and International Patents

Endo-thermotherapy Platform

- Prolieve Thermodilatation System: FDA approved, revenue-generating BPH treatment system
- Future applications: prostate, rectal, cervical and esophageal cancers

Adaptive Phased Array Microwave Focusing Platform

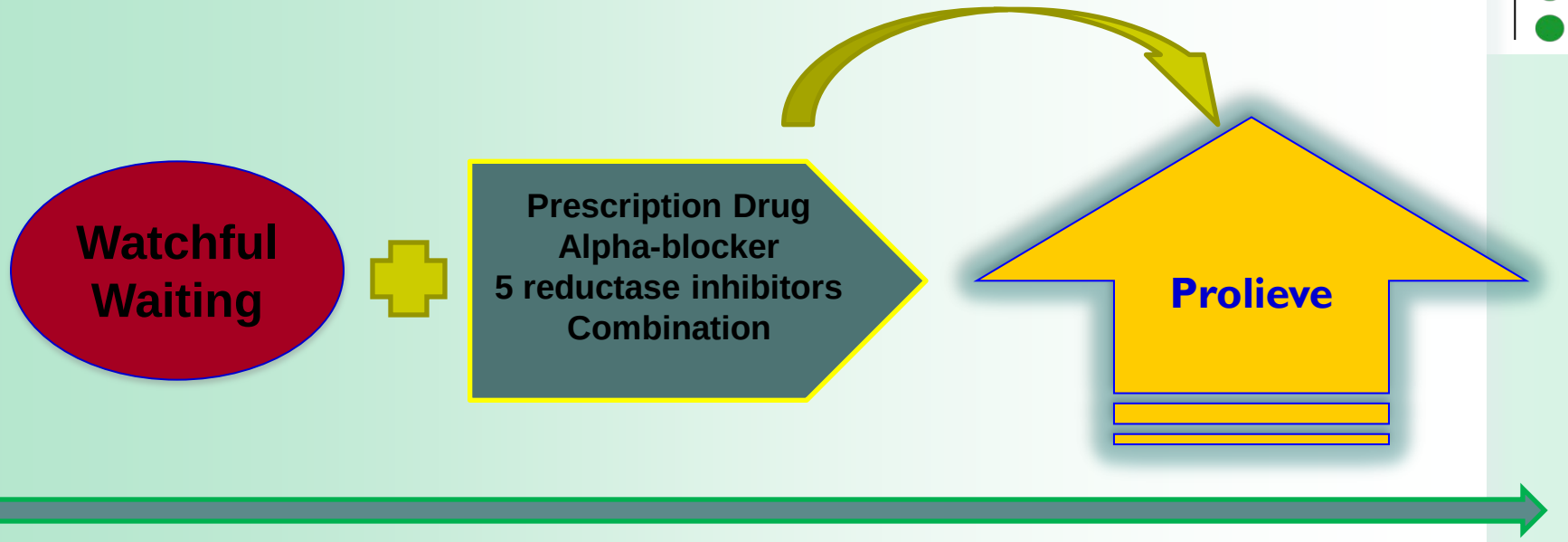
- Invented by MIT, exclusively licensed to Medifocus
- APA 1000 Breast Cancer Treatment System in Phase III trial
- Future applications: lung, liver, and prostate cancers

Prolieve Thermodilatation System for Treatment of Benign Prostatic Hyperplasia (BPH)

- **BPH is a medical term for enlarged prostate.**
- **50% of men over age 50 and 90% over age 70 will develop symptoms of BPH.**
- **BPH symptoms include urgency, nocturia, hesitancy, weak stream, dysuria, retention and intermittency.**
- **The quality of life of BPH sufferers are badly compromised.**

BPH Treatment Options and Market Potential

BPH Drug Market Potential:
$8 Billion (including watchful waiting)



Surgical and Minimally invasive Treatment Options

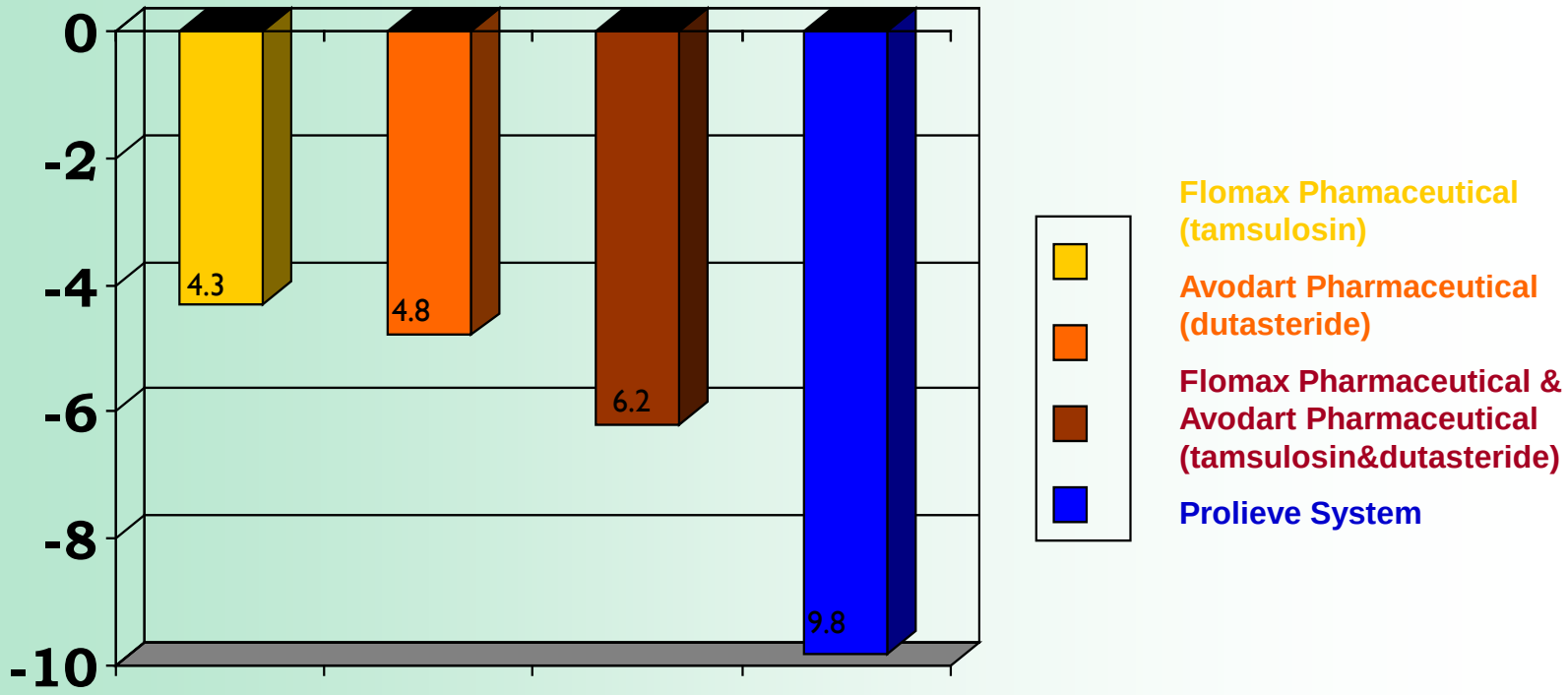
$150 Million

Traditional Surgery TURP

Thermotherapy (Prolieve & others) and laser surgery

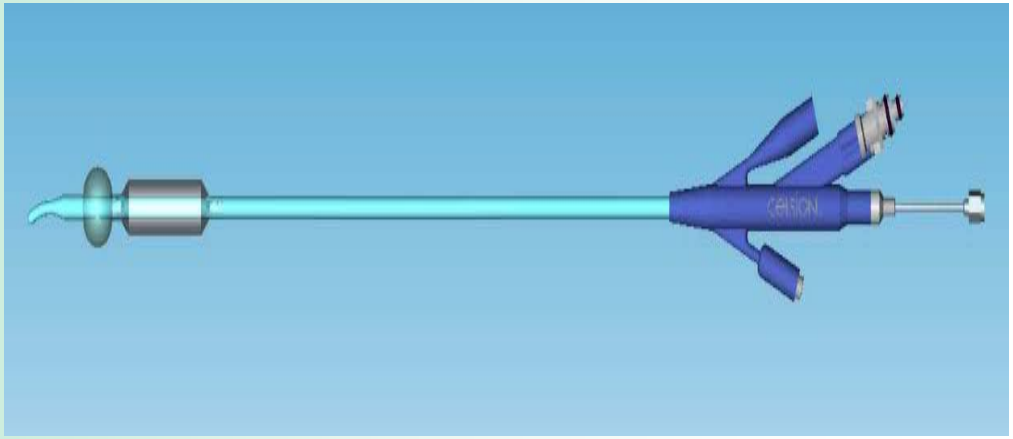
Prolieve More Effective Than Drugs

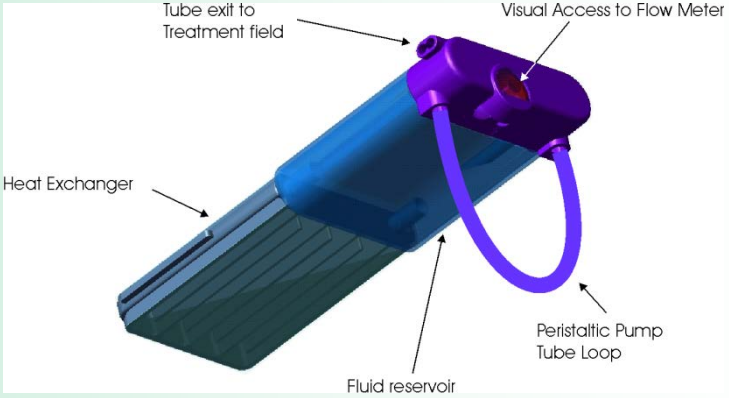
Change in Prostate Symptom Scores
Drug Therapy vs. Prolieve System Treatment



- Data from Prolieve was not collected in a head-to-head study vs. pharmaceutical. Prolieve was measured from AUASS and drug therapy was measured from IPSS
- IPSS and AUASS are derived from a similar set of standardized questions recognized globally
  - IPSS = International Prostate Symptom Score
  - AUASS = American Urological Association Symptom Score

Prolieve Treatment Module and Disposables



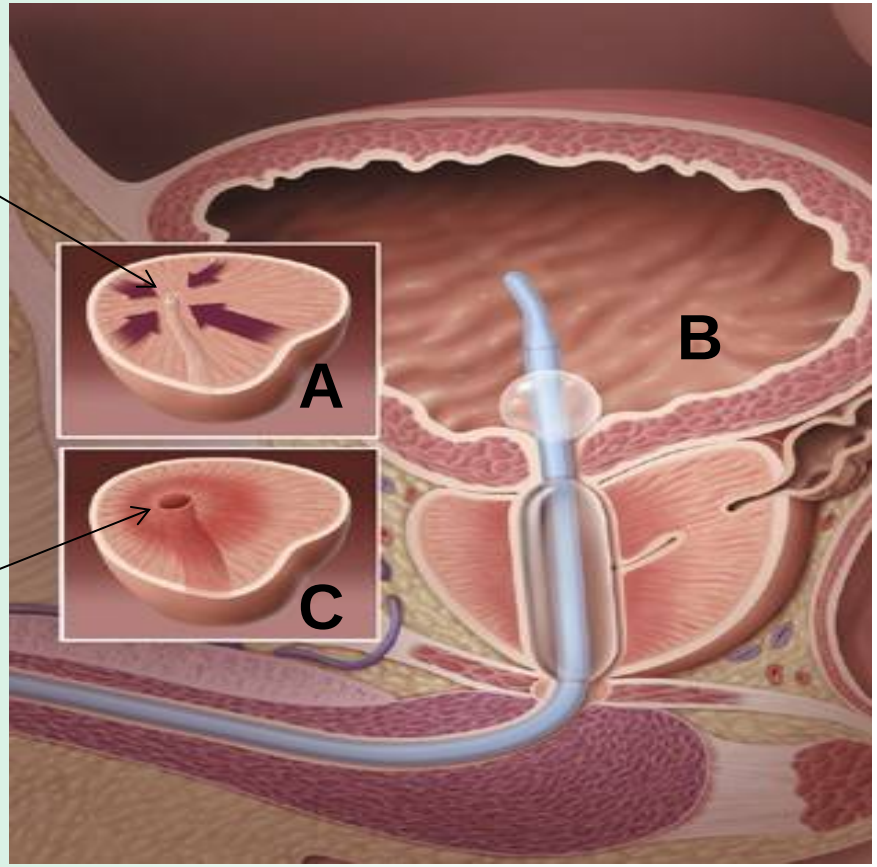


Prolieve Treatment Illustration

Figure A: Constricted Urethra BEFORE Prolieve Treatment

Figure B: Placement of Prolieve Proprietary Heat/Dilation Catheter, 45-minute treatment

Figure C: Forms bio-logical stent in the Urethra AFTER Prolieve Treatment



Prolieve® System Treatment Benefit after 60,000 Patients

- Immediate and long term symptom relief
- Less invasive and very few side effects
- Does not affect sexual function in 99% of patients studied
- Patients resume normal activities after a 45-minute treatment at physician's office
- Reduces related costs & inconvenience of drug therapy and alleviates daily medication and side effects

Marketing Strategy for Prolieve

- Currently focus on re-activating urologists with Prolieve installed
- Promote Prolieve treatment as a better alternative to BPH drugs
- Expand sales to physicians with no Prolieve installation by utilizing our mobile treatment service which delivers equipment and disposables in mobile vans and operates treatment procedure with minimum involvement by physicians
- Generate recurring revenue stream from sales of treatment disposables

Revenue Model for Prolieve

Medicare reimbursement for Prolieve treatment = $2,200

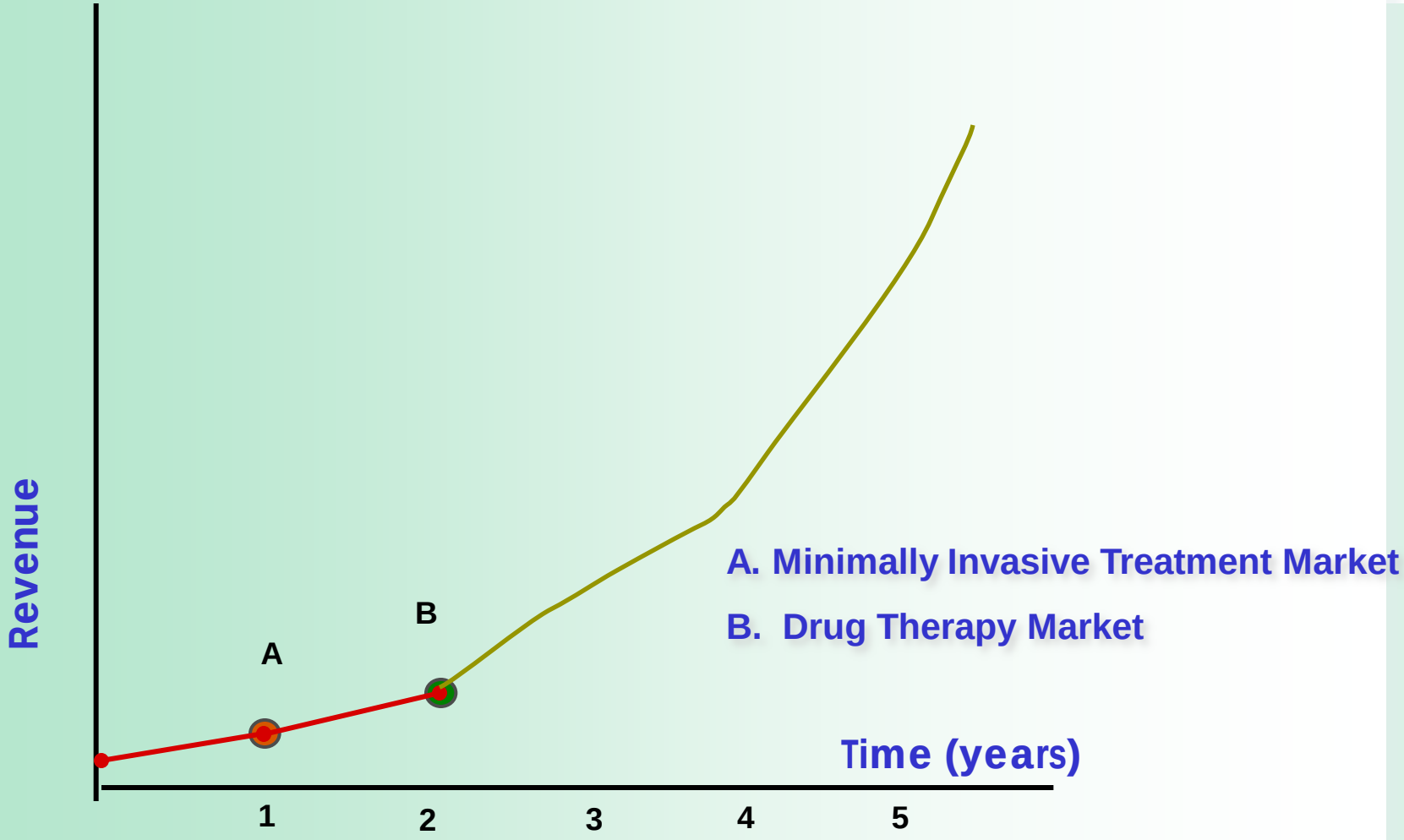
For Urologists with Installed Prolieve Systems:

Revenue (for Medifocus) per disposable kit	= $900
Cost of disposable kit	=$285
Gross profit per treatment (for Medifocus)	=$615
Urologists keep ($2,200-$900)	=$1,300

For Treatments Provided by Mobile Service:

Revenue (for Medifocus) per disposable kit	= $1,200
Cost of disposable kit	=$285
Gross profit per treatment (for Medifocus)	=$915
Physicians keep ($2,200-$1,200)	=$1,000

Prolieve® System Value Proposition

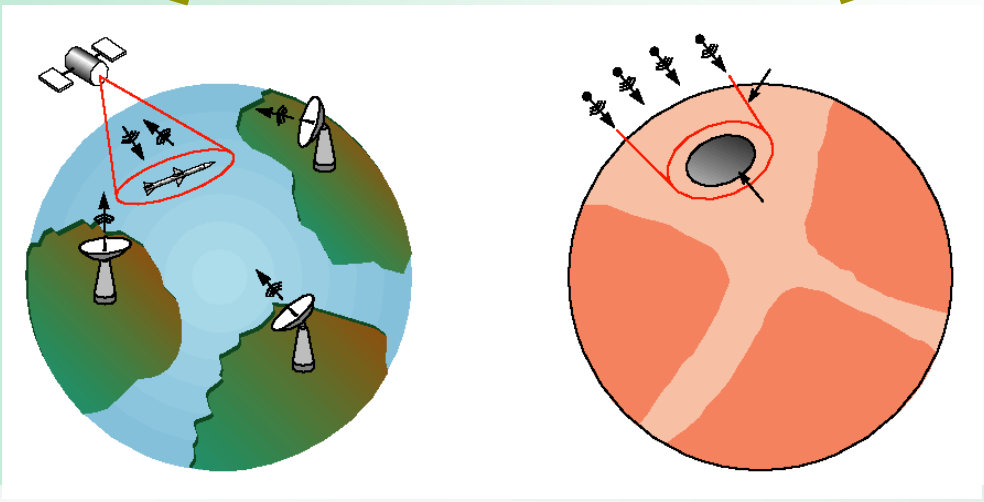


APA 1000 Breast Cancer Treatment System

- Adaptive Phased Array (APA) technology originally developed by MIT for the Star Wars missile defense system.
- Directs precision-focused microwave energy at tumors to shrink or eradicate tumors without undue harm to surrounding tissue

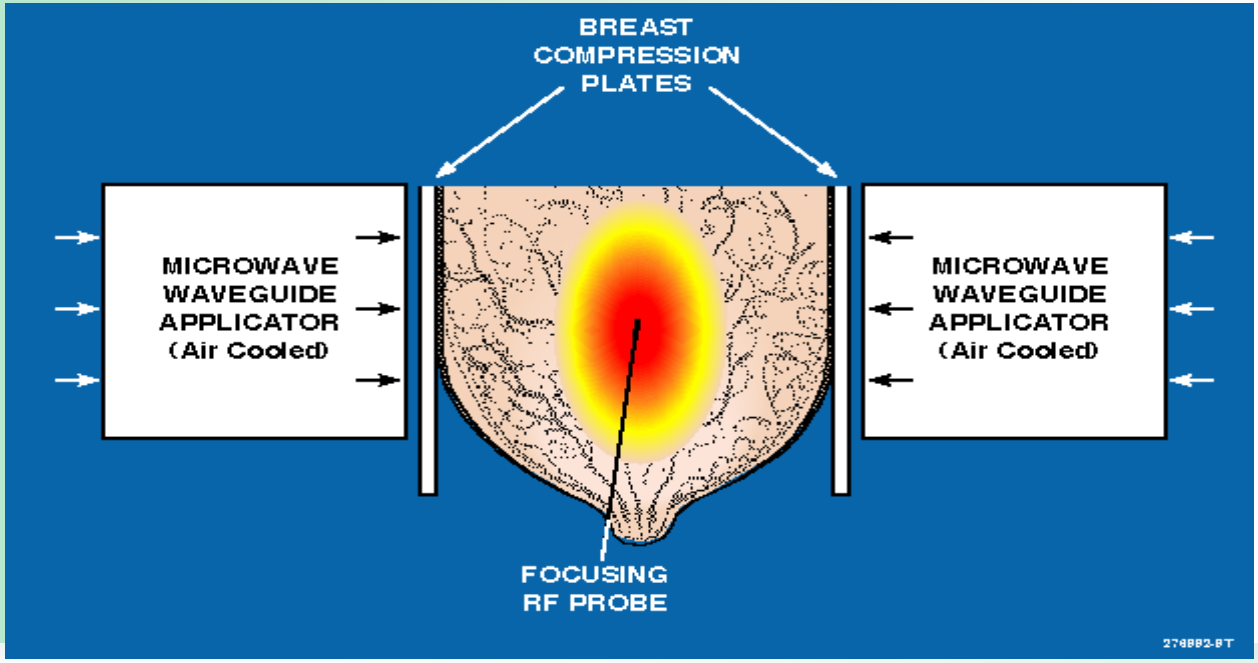
To detect and destroy an enemy missile, microwave energy is targeted on it, simultaneously nullifying enemy jamming

To kill a cancerous tumor, microwave focused heat is targeted on the tumor while simultaneously nullifying any energy that would burn surrounding tissue



APA 1000 Breast Cancer Treatment System

- A RF needle probe inserted at tumor center provides feed-back signal to precisely focused microwave energy at tumor center to induce shrinkage or eradication of tumors without harming surrounding tissue.
- Focused microwave energy beam also destroys microscopic tumors along its path throughout the breast.
- Focused heat (43-44˚ C) combined with chemotherapy achieves an average of 88% tumor size reduction, **improving surgical outcomes!**

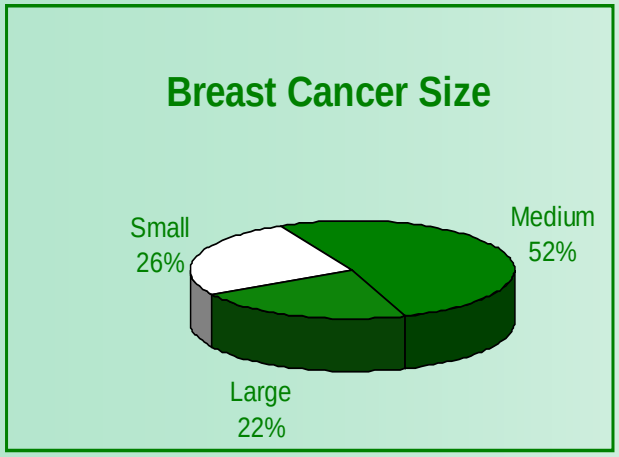


APA 1000 Breast Cancer Treatment System

- Pre-clinical, Phase I and Phase II Clinical Studies completed with excellent results
- Approved by US FDA and Health Canada to begin Pivotal Phase III Study
- Same system can be modified to treat recurrent chest wall and other surface and subsurface cancers.

Breast Cancer Treatment Market Opportunity

- Worldwide -- 1.4 million new cases each year
- Patients with medium/large tumors indicated for mastectomy often desire to have Breast Conservation Surgery (BCS).
- Neo-adjuvant chemotherapy shrinks tumors prior to surgery to enable BCS (instead of mastectomy) – low success rate of approximately 22%.
- Focused heat combined with neo-adjuvant chemotherapy significantly increases tumor shrinkage and enhances the chance for BCS for patients with medium and large tumors.



Treatment Outcome	Chemotherapy Alone	Focused Heat + Chemotherapy
Tumor Size Reduction	50%	88% (1) ✓

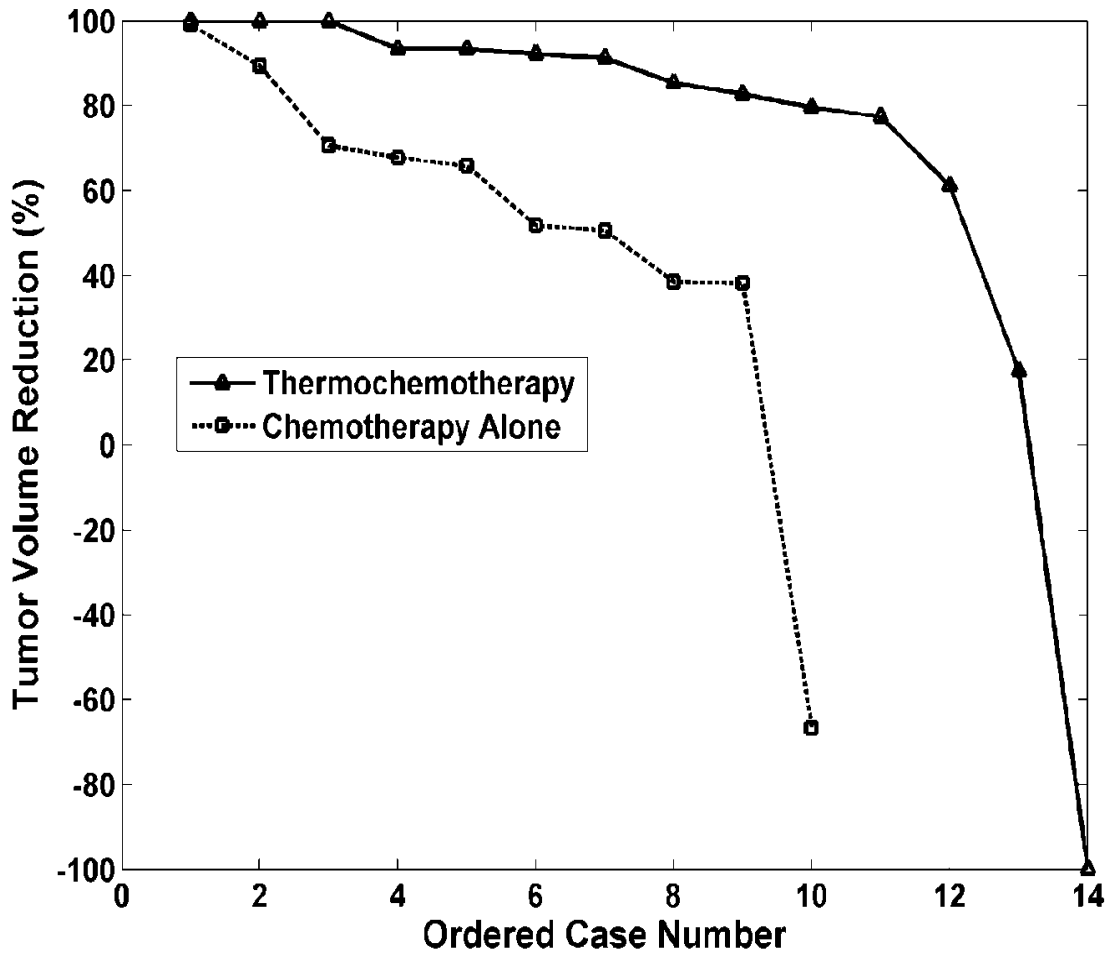
（1） as demonstrated in Phase II clinical trials

Published FDA Clinical Study Results

- **Phase I FDA Safety Study** **(Annals of Surgical Oncology, Vol. 9, No. 4, April 2002)**
  - Safely heats breast tumors of up to 8 cm in diameter to treatment temperature (10 patients)
- **Phase II FDA Dose Escalation Study** **(Annals of Surgical Oncology, Vol. 11, No. 2, February 2004)**
  - Established optimum safe heat treatment dose (25 patients)
- **Phase II FDA Multi-center Randomized Study** **(Cancer Therapy, Vol. 5, published online November 25, 2007)**
  - Patients indicated for mastectomy and neo-adjuvant chemotherapy.
  - 50% additional improvement in tumor shrinkage when the APA 1000 System was used in conjunction with neo-adjuvant Chemotherapy (34 patients)
- **Phase II FDA Multi-center Randomized Study** **(Cancer Therapy, Vol.65, published online Aug 25, 2008)**
  - Patients with early stage breast cancer and indicated for BCS (Heat alone)
  - 0 of 34 had positive margins with Pre-operative Focused Heat and 4 of 41 or almost 10% had positive margins in the control arm. (75 patients)

Conclusion: Focused heat can be used effectively in both early stage and advanced stage breast cancer in combination with neo-adjuvant chemotherapy to improve chance for BCS.

Multi-Center Randomized Study Results Demonstrate Statistical Significant Improvement



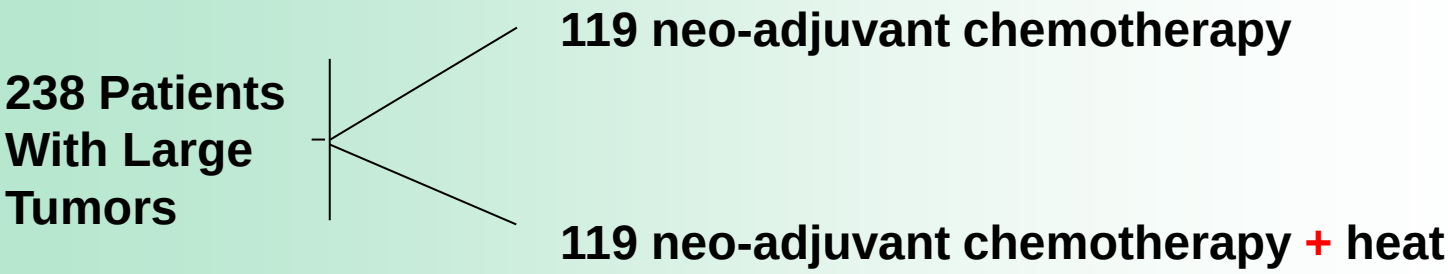
Evaluation Population 24pts

T2, T3 tumors > 2 cm at enrollment

Thermochemo:88.4% (Median)
Chemo Alone: 58.8% (Median)
P=0.048

Vargas et al, *Cancer Therapy*, Vol 5, Nov. 2007

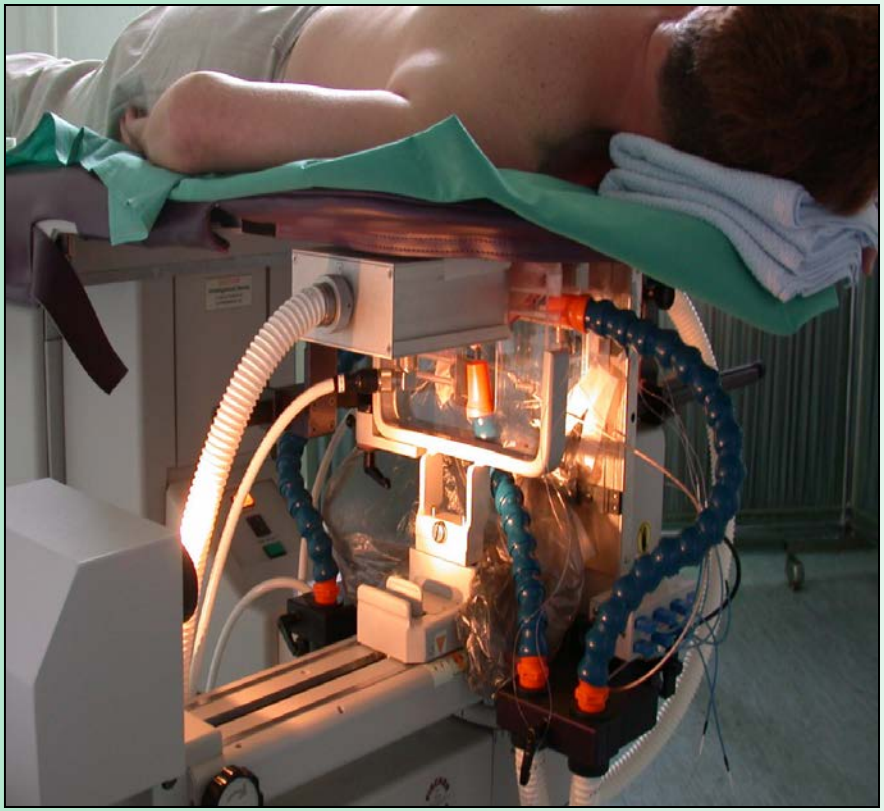
Final Pivotal Phase III Trial Design



Primary Clinical Endpoint	To demonstrate 40% or more in tumor shrinkage over chemotherapy alone (control arm) • **50% increase in tumor shrinkage with chemo + heat over chemo alone already observed in Phase II** • **More heat dose to be used (two heat treatments in Phase II and three in Phase III), thus better results are expected than in Phase II** • **High probability of meeting or exceeding endpoint** • **Early submission for PMA possible if 50% or more tumor shrinkage is attained**
Time Frame	Start 2013 Complete 2016 Expected Approval 2017-18 Midpoint Analysis 2015

Medifocus APA1000 Breast Cancer Treatment System

Effectiveness in Treating Breast Cancer



Clinical trial demonstrated that Medifocus’ focused-heat treatment combined with chemotherapy shrinks tumors by an average of 88%.

Completed Systems Ready for Pivotal Study

Revenue Strategy for APA 1000

- Market system as a tool for breast surgeons to improve treatment outcome (more BCS, fewer mastectomies) for patients **AND increase revenue**
- Target 1,200+ comprehensive breast cancer treatment centers in the U.S.A.
- Proactively secure appropriate reimbursement for treatment
- Initial Category III CPT Code granted by AMA
- Capture recurring revenue stream by selling disposable probes

For Surgeons	
$5,000*/treatment X 3 treatments	=$15,000/patient
For Medifocus	
$1,500/treatment X 3 treatments	=$4,500/patient
Cost of 3 probes ($150/each)	=$450
Gross profit	=$4,050/patient

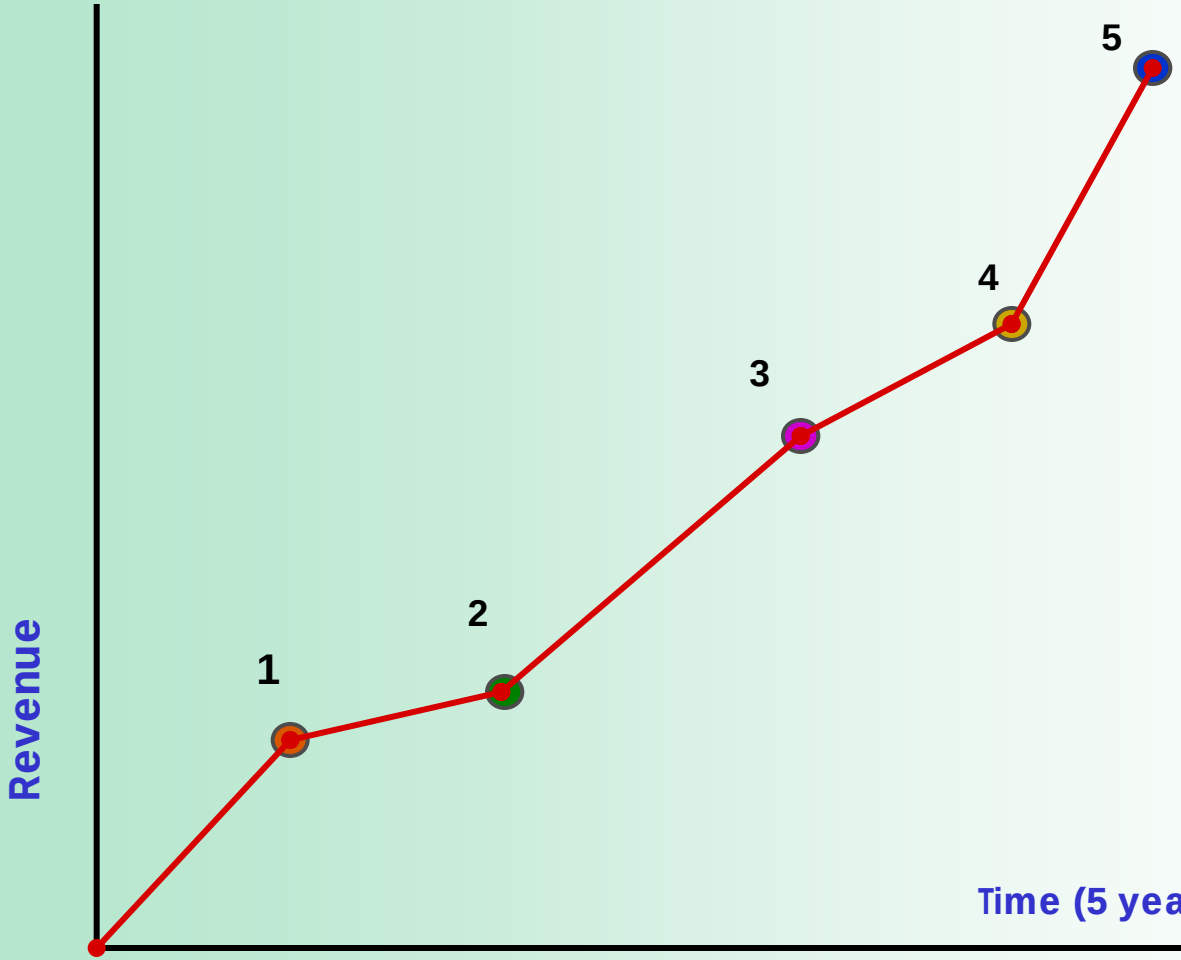
Surgeons keep ($15,000-$4,500) = $10,500/patient

*$5,000 per treatment reimbursement expected upon approval

Annual Revenue Potential
Per APA 1000 System Placed

Annual Revenue from Disposable Probes	
No. of working days/year	240
No. of treatments/day	2
Revenue from probe/treatment	$1,500
Revenue from probes/system/year	$720,000
Cost of probes used/system/year	$72,000

Value Proposition for Medifocus Breast Cancer Device



1. Local Advanced Breast Cancer
2. Recurrent Chest Wall
3. Primary Small Tumor
4. DCIS Pre-cancerous
5. Benign Lesion

Business Strategy

- File Form 20-F Registration Statement to become a SEC reporting company and seek listing on a USA national exchange
- Raise sufficient capital in Q4-2013 to provide working capital to accelerate the expansion of the Prolieve business by:
  - Adding additional marketing and sales personnel to increase Prolieve revenue
  - Expanding the fleet size of mobile service vans to facilitate sales to primary care providers and urologist without Prolieve installation
- Jump start and complete pivotal phase III trial for the APA 1000 Breast Cancer System
- Seek strategic sales and distribution partners worldwide for Prolieve and the APA 1000
- Seek strategic R&D partners to collaborate on development of future pipeline products from Company's technology platforms

Medifocus Highlights

- Two patent protected technology platforms with a wide range of applications for treatment of cancers and other diseases
- US FDA approved Prolieve for treatment of BPH already in commercialization in the USA and application for SFDA approval for China already in process
- Virtually no debt, growing revenue with an undervalued market cap
- High profit margin revenue model with recurring revenue stream
- Near term: Prolieve provides rapid revenue growth and profit potential
- Medium term: APA 1000 (Phase III) with high probability of receiving FDA approval in two to three years
- Longer term: Focused-heat technology platforms provide foundation to develop other disease targeted treatment product pipelines

Stock Overview

- Current share price $0.20
- Shares outstanding 116 million
- Become a USA public company