

**Medifocus, Inc. Announces Significant Improvement in
Operating Results for the Six Months
Ended September 30, 2016**

COLUMBIA, MD - December 19, 2016 - Medifocus, Inc. (OTCQX:MDFZF and TSXV:MFS.V) ("Medifocus" or the "Company"), a biotechnology company with a portfolio of medical products encompassing thermotherapy systems for the treatment of Benign Prostatic Hyperplasia (BPH) and Breast Cancer reported its financial results for the six months ending September 30, 2016. Operating results improved by 83%.

For the six months ended September 30, 2016, Prolieve® sales were \$2,126,964, compared to \$2,261,370 for the six months ended September 30, 2015, reflecting a decrease of 5.9%. However, compared to the same period in 2015, the operating loss for the six months decreased from \$1,594,515 to \$272,823, an 83% improvement.

Dr. William Jow, President and Chief Executive Officer of Medifocus, commented, "Since I became President of Medifocus in March 2016 and CEO in October, I have launched the restructured program to reduce our operating costs while providing ongoing Prolieve® services to our urologists. As a result, we are pleased to witness a marked decline in operation loss thanks to improved operation effectiveness. The slight dip of 6% of the overall sales volume during the first six months of my tenure due to implementation of a new cost effective business model is far better than expected. Now with the more efficient operation system in place, we can diligently focus on launching new programs to create public awareness and to expand our Prolieve® markets, in order to achieve operating profitability in the foreseeable future. "

"As a practicing urologist who has been using Prolieve® and other minimally invasive procedures to treat BPH patients," Dr. Jow related, "I can say with confidence that Prolieve® therapy is the best alternative to BPH medications, surgeries and other thermal, radiofrequency, laser or vaporization procedures for many BPH patients. Prolieve® Thermodilatation™ is the only Third-Generation Transurethral Microwave Thermotherapy (TUMT) equipped with a patented dilating balloon that significantly minimizes the need for post treatment catheterization and improves patient comfort during treatment compared to Second-Generation non-dilating TUMT."

Dr. Jow continued, "Prolieve® is a proven, stat-of-the-art technology with over 100,000 cases performed in the U.S. alone. Our interim 10-year post market study of 220 men treated with Prolieve® recently submitted to the FDA demonstrated long-term safety, efficacy and durability with improved lower urinary tract symptoms, urinary flow rate, quality of life, and little or no sexual side effects compared to untreated age-matched population at 5-year follow-ups. In addition, the 45-minute, patient-friendly, in-office procedure is shown to stabilize serum PSA and BPH symptoms over time, thus Prolieve® should be considered First-line treatment of choice among symptomatic BPH patients."

About Medifocus, Inc.:

Medifocus, Inc. (TSXV-MFS, OTC-MDFZF) is a biotechnology company with a portfolio of medical technologies that utilize heat activation to treat conditions ranging from prostate diseases to breast cancer and extends to gene therapy. Heat is known to accelerate numerous chemical and biochemical reactions, and Medifocus' portfolio relies on this fact to improve clinical outcome. Its Prolieve® Thermodilatation™ System offers relief from Benign Prostatic Hyperplasia (BPH) to millions of men with a simple, 45-minute, in-office treatment. Its APA 1000 Breast Cancer Treatment System is currently in phase 3 clinical trials, and it is designed to destroy localized breast tumors through the application of heat alone or in combination with chemotherapy. Medifocus has formally entered into an exclusive license agreement with Duke University to the Patent Rights of a "method for selective expression of therapeutic genes in cancer cells by hyperthermia" to develop Heat-Activated and Tumor-Targeted Immunotherapy and Gene Therapy. This is a novel approach to control expression of anti-cancer genes intratumorally with focused heat and is a unique method to achieve precise viral delivery of gene therapy and molecular therapeutics on demand. Medifocus will work on further development of other focused heat devices and delivery vector, making it universal to accommodate other molecular and genetic therapeutics. The Company believes this could result in an entire stable of gene-specific, heat-activated treatments for a variety of medical conditions.

Forward-Looking Statements

This news release contains "forward-looking statements" and "forward-looking information", which may not be based on historical facts. Forward-looking statements and forward-looking information, include, but are not limited to, information and statements with respect to the benefit to Medifocus' future growth resulting from the acquisition of additional intellectual property rights, additional treatment possibilities and the expectation that sales from Prolieve® may accelerate as a consequence. Forward-looking statements are frequently characterized by words such as "plan," "expect," "project," "intend," "believe," "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made. Such forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors that may cause the actual results events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements or forward-looking information. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements and forward-looking information. Except as required by applicable securities laws, the Company disclaims any obligation to update any such factors or to publicly announce the results of any revisions to any of the forward-looking statements or forward-looking information contained herein to reflect future results, events or developments.

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For more details, please visit:

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