

**ASX ANNOUNCEMENT**

**8 December 2008**

**REVENUE GENERATING VETERINARY MIDKINE TEST VALIDATED**

**8<sup>th</sup> December 2008, Sydney, Australia:** Medical Therapies Limited has completed independent validation of its veterinary cancer diagnostic test which relies on measuring blood midkine levels for the detection of cancer in mammals.

The test is currently sold in Japan for diagnosing cancer in dogs. Medical Therapies Limited will seek approval for the marketing of the product in Australia and in large pet diagnostic markets such as the USA and Europe.

The diagnostic test relies on blood midkine measurements by an immunoassay, essential components of which are Medical Therapies' proprietary anti-midkine antibodies.

This test complements MTY's human diagnostic portfolio and ensures that the Company has full intellectual property ownership in relation to using midkine for early cancer detection not only in humans but in animals as well.

The incidence of canine cancer is very high with 25% of dogs affected at some stage in their life. As with humans, successful treatment correlates well with early detection.

Currently there is no diagnostic test to indicate early stage solid tumours in dogs and typically they develop large growths before owners become aware of the disease.

MTY's validated midkine diagnostic test is able to detect tumours early hence it will contribute to improved survival rates and prevent the needless suffering of animals.

In addition to geographically extending the use of the test in large markets MTY intends to broaden its utility for other species such as cats and horses.

The acquisition provides the Company with the opportunity to generate near term revenue and access the lucrative pet diagnostic market with a "first to market" assay.

End

**About Medical Therapies Limited (ASX: MTY):**

Medical Therapies Limited is a biotechnology company listed on the Australian Stock Exchange. The Company is the owner of the largest intellectual property portfolio around midkine, including several therapeutic uses of the protein and a large number of anti-midkine antibodies and nucleotides. Midkine is a native protein expressed during early cancer formation as well as at the onset of inflammatory processes. Midkine is a significant therapeutic and diagnostic target and Medical Therapies is committed to the commercialisation of these exciting drug candidates. In addition to its in-house therapeutic and diagnostic programs Medical Therapies is actively seeking partnership opportunities for its non-core intellectual property assets.

For further information visit [www.medicaltherapies.com.au](http://www.medicaltherapies.com.au) or contact:

Maria Halasz  
CEO  
M +61 416 008 413

**Investment in biotechnology companies**

There are a number of inherent risks associated with the research, development and commercialisation of pharmaceutical products. Investment in companies specialising in these activities carry specific risks which are different to those associated with trading and manufacturing businesses. As such, these companies should be regarded as highly speculative. Medical Therapies recommends that investors seek professional advice before making an investment in its shares.

**Forward-looking statement**

This Announcement may contain forward looking statements regarding the Company's business and commercialisation objectives. These statements should be viewed as "at risk" and they are subject to the technical and commercial risks associated with companies engaged in developing pharmaceutical products. Although Medical Therapies may not publish changes to forward looking statements it will release all material information to the market in a timely manner.

