

ASX ANNOUNCEMENT

IMPORTANT EUROPEAN PATENT GRANTED

- European patent has been granted for the treatment of the narrowing of the blood vessels
- It adds significant value to MTY's intellectual property portfolio and represents a major licensing opportunity
- MTY's anti-midkine compositions may be useful in the prevention and treatment of the narrowing of the blood vessels due to fatty deposits and following stent surgery

Monday, 24 August 2009, Sydney: Medical Therapies Limited (ASX: MTY) has been granted an important European patent titled *"Pharmaceutical compositions for the prevention and treatment of atherosclerosis and restenosis after PTCA"*.

Atherosclerosis, or narrowing of the blood vessels, can lead to heart attack, stroke and vascular diseases which result in 50,000 deaths in Australia annually. These conditions are the most common causes of serious illness and death worldwide, especially in developed countries. A preventative or treatment as outlined in MTY's now granted patent represents a large global market opportunity.

MTY's business model relies on building long term revenue from licensing its intellectual property. The Company owns 26 patent families and over 50 granted patents around midkine. This new patent adds significant value to the company's asset portfolio and creates a major licensing opportunity.

Application of the patented technology: Atherosclerosis is the leading cause of stroke, heart attack and vascular diseases throughout the world. It is characterised by the narrowing and thickening of the blood vessels due to the build up fatty material, such as cholesterol.

Narrowing of the blood vessels is often treated with angioplasty (PCTA). However rapid rebuilding of plaques, also known as restenosis, limits the long term benefits of angioplasty. The current patent relates to the prevention and treatment of atherosclerosis and restenosis following angioplasty using MTY's proprietary compositions.

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 globally. Midkine is a significant novel therapeutic and diagnostic target. It is a native protein expressed during early cancer formation as well as at the onset of a number of inflammatory processes.

Medical Therapies is committed to the commercialisation of its novel cancer diagnostic assets to improve therapeutic outcomes. In addition to its in-house diagnostic product development program MTY is actively seeking partners for its high value therapeutic programs.

For further information visit www.mty.com.au or contact:

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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.