

ASX ANNOUNCEMENT

DISTRIBUTION AGREEMENT SIGNED WITH YAMASA CORPORATION

Sydney, 12 November 2009: Medical Therapies Limited (ASX: MTY) has signed an agreement with Yamasa Corporation (Yamasa) for the non-exclusive distribution of MTY's anti-midkine antibodies for research purposes.

Pursuant to the agreement Yamasa will produce and sell certain proprietary anti-midkine antibodies solely to the research market. Yamasa will pay to MTY a fixed percentage of the net sales revenues.

The distribution agreement is non-exclusive and does not prevent Medical Therapies from selling its antibodies through any other agent in any region, including Japan.

Medical Therapies has a portfolio of high performance anti-midkine antibodies sought after by researchers involved in embryonic cytokine, in particular midkine, research. The Company has been able to leverage its antibodies recently in a collaboration agreement with Kumamoto University for substantial intellectual property rights.

Yamasa Corporation distributes reagents and diagnostic assays to the research market primarily in Japan. Yamasa's key expertise lies in the production and sale of superior grade antibodies.

"Yamasa is a prominent research reagent supplier in Japan and including MTY's antibodies in their product line is an important validation of the quality of our anti-midkine portfolio" said Maria Halasz, CEO of Medical Therapies.

Further details of the distribution agreement have not been released by the parties.

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

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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 and most comprehensive 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.

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.