

ASX ANNOUNCEMENT

\$700K Capital Raising Completed

17 April 2009, Sydney, Australia

Medical Therapies Limited has completed a private placement and raised \$700,000 at an effective price of 1 cent per share, which represents a 12% discount to the average share price during the previous five trading days.

Subscribers to this issue will also receive, at no additional consideration, one attaching 3-year option for every five shares subscribed for at an exercise price of 3 cents each.

No related parties have participated in the private placement and the issuing of the shares pursuant to this raising is subject to shareholders' approval.

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

Maria Halasz
CEO
M +61 416 008 413

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 and MTY owns a large portfolio of patents in relation to therapeutic uses of the protein and its antagonists, a large number of anti-midkine antibodies with their respective hybridoma cell lines as well as anti-midkine nucleotides.

Midkine is a native protein expressed during early cancer formation as well as at the onset of inflammatory processes. Medical Therapies is committed to the commercialisation of its novel drug candidates and diagnostic assets. In addition to its in-house product development program MTY is actively seeking partnership opportunities for its non-core therapeutic and diagnostic assets.

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.