

18 June 2009

ASX Announcement

Update on Radiology Acquisition

IM Medical Limited (**ASX: IMI**) previously advised the market that it had entered into an 'in principle' agreement to acquire the Radiology and Imaging business of the Mark Scott Group trading as Melbourne Specialist Imaging (**MSI**).

Arising from the financial due diligence which was conducted and further discussions, the parties have agreed that the acquisition price for the MSI business is reduced from \$3.275million to \$2.8million, with the consequence that there will be a pro-rata reduction in the number of securities to be issued. This reflects in part financing arrangements which will be assumed by IMI in relation to equipment used in the business and employee liabilities to be assumed.

The Notice of Meeting and other materials associated with the proposed acquisition will be sent to shareholders shortly.

Roman Najdecki
Company Secretary