

31 July 2009

## **ASX Announcement**

### **Radiology Acquisition Agreement signed**

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**).

The Company advises that following financial due diligence and independent valuations it has completed extensive discussions and has signed a formal Acquisition Agreement with the Mark Scott Group and associated parties.

With the Acquisition Agreement, the company will acquire all the businesses and operating assets of the Mark Scott Group, currently trading as Melbourne Specialist Imaging for a consideration of \$2.8million, payable by issue of 1,120,000,000 ordinary shares in IM Medical Ltd., plus up to \$200,000, payable by issue of up to 80,000,000 ordinary shares in IM Medical Ltd., for stock and other purchase adjustments.

There will also be an issue to the vendors of 1,120,000,000 options exercisable at \$0.0035 for a term of 3 years from issue.

As part of the transaction, the Company will assume finance obligations in respect of equipment used in the Mark Scott Group businesses (estimated at approximately \$1.9 million) and employee entitlements up to a cap of \$150,000.

The Acquisition Agreement is also conditional on a number of matters including, in particular, approval by Shareholders in General Meeting.

The Notice of General Meeting and other materials associated with the proposed acquisition are scheduled to be sent to shareholders next week.

**Roman Najdecki**  
**Company Secretary**