



# IM MEDICAL LIMITED

ABN 47 009 436 908

Notice of General Meeting

And

Explanatory Memorandum

Friday, 13th March 2009

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**IM MEDICAL LIMITED**  
ABN 47 009 436 908

**Notice of General Meeting**

Notice is given for a General Meeting of the Company to be held at Boardroom, Level 12, 484 St Kilda Road, Melbourne, Victoria, 3004 at 9:30am on Friday, 13 March 2009.

**AGENDA**

**Business item**

**1. Ratification of share placement**

That the Company ratifies, for the purposes of Listing Rule 7.4, the prior issue of 14,792,545 ordinary shares deemed fully paid at an issue price of \$0.00297 per share and 2,994,509 Options at an exercise price of \$0.00297 with an expiry date of 24 November 2011. The voting exclusion is included in the notes attached.

**2. Ratification of share placement**

That the Company ratifies, for the purposes of Listing Rule 7.4, the prior issue of 25,000,000 ordinary shares deemed fully paid at an issue price of \$0.0027 per share and 5,000,000 Options at an exercise price of \$0.0027 with an expiry date of 23 January 2012. The voting exclusion is included in the notes attached.

**3. Ratification of share placement**

That approval be granted for the issue of 129,000,000 ordinary shares deemed fully paid at an issue price of \$0.002 per share pursuant to ASX Listing Rule 7.4." The voting exclusion is included in the notes attached.

**Voting exclusions**

In accordance with the ASX Listing Rules, the Company will disregard votes cast:

- (a) on resolution 1, by Fortrend Securities Pty Ltd, which has participated in the issue and any associate of Fortrend Securities Pty Ltd;
- (b) on resolution 2, by Fortrend Securities Pty Ltd, which has participated in the issue and any associate of Fortrend Securities Pty Ltd;
- (c) on resolution 3, by a person who participated in the issue, who are named in the Explanatory Memorandum accompanying this Notice, and an associate of those person(s)/entity(ies).

However, the Company, need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**Explanatory Memorandum**

The Explanatory Memorandum accompanying this Notice is incorporated into and forms part of this Notice of Annual General Meeting.

**Snapshot Date**

For the purposes of voting at this meeting, the directors have determined that all shares of the Company that are quoted securities at 7:00pm (Melbourne time) on 11 March 2009 are taken to be held by the persons who are registered as holding them at that time. The entitlement of members to vote at the meeting will be determined by reference to that time.

**Questions and Comments**

The Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the resolutions.

**Proxies**

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy. The proxy may be an individual or a body corporate. A proxy need not be a shareholder of the Company. A shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions).

For an appointment of a proxy to be valid, the form appointing the proxy and, if the form is signed under a power of attorney or other authority, the authority under which the form is signed (or a certified copy of the authority) must be received at the following addresses or by fax at least 48 hours prior to the meeting at which the proxy intends to vote:

**IM Medical Limited**  
Level 12, 484 St. Kilda Road  
Melbourne VIC 3004  
Fax: (03) 9860 0999

**Share Transfer Registrars Pty Ltd**  
770 Canning Highway  
Applecross WA 6153  
Fax: (08) 9315 2233

A proxy form accompanies this Notice of Annual General Meeting. Additional proxy forms are available on request from the registered office of the Company or its share registrar.

**Bodies Corporate**

A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at meetings of a company's shareholders or in the capacity of a shareholder's proxy. The appointment may be a standing one. Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body could exercise at a meeting or in voting on a resolution.

By order of the Board

Roman Najdecki  
Company Secretary  
05 February 2009

## IM MEDICAL LIMITED

ABN 47 009 436 908

### Explanatory Memorandum

The following information provides an explanation of each resolution set out in the Notice of Annual General Meeting.

#### 1. Ratification of share placement

The Company is seeking approval for the issue on 24 November 2008 to Fortrend Securities Pty Ltd of 14,972,545 ordinary shares at a subscription price of \$0.00297 per share and 2,994,509 Options at an exercise price of \$0.00297 with an expiry date of 24 November 2011.

The shares allotted rank pari passu in all respects with the Company's other issued fully paid shares. The Company applied for and received official quotation on the ASX of the new shares.

This issue relates to a drawdown notice issued to Fortrend Securities Pty Ltd under the Standby Subscription Agreement that was advised to the market on 4 August 2008.

This issue raised \$44,468. The Company sought to undertake this placement to fund working capital requirements.

The Board elected to proceed by way of placement to Fortrend Securities Pty Ltd as a \$5 million Standby Subscription Agreement was already in place and quick access to funding was important.

Under the 15% Rule a company may, within a 12 month period, issue new ordinary securities which amount to up to 15% of the company's issued ordinary securities without the need for shareholder approval. The allotment of 14,972,545 shares represented approximately 1.2% of the Company's issued ordinary securities. Shares issued and subsequently approved under ASX Listing Rule 7.4 are not counted towards the 15% Rule. Shareholder approval is sought under ASX Listing Rule 7.4 to refresh the Company's capacity to issue ordinary securities which amount to up to 15% of the Company's issued ordinary securities under ASX Listing Rule 7.1.

**The directors unanimously recommend that shareholders vote in favour of this resolution.**

#### 2. Ratification of share placement

The Company is seeking approval for the issue on 23 January 2009 to Fortrend Securities Pty Ltd of 25,000,000 ordinary shares at a subscription price of \$0.0027 per share and 5,000,000 Options at an exercise price of \$0.0027 with an expiry date of 23 January 2012.

The shares allotted rank pari passu in all respects with the Company's other issued fully paid shares. The Company applied for and received official quotation on the ASX of the new shares.

This issue relates to a drawdown notice issued to Fortrend Securities Pty Ltd under the Standby Subscription Agreement that was advised to the market on 4 August 2008.

This issue raised \$67,500. The Company sought to undertake this placement to fund working capital requirements.

The Board elected to proceed by way of placement to Fortrend Securities Pty Ltd as a \$5 million Standby Subscription Agreement was already in place and quick access to funding was important.

Under the 15% Rule a company may, within a 12 month period, issue new ordinary securities which amount to up to 15% of the company's issued ordinary securities without the need for shareholder approval. The allotment of 25,000,000 shares represented approximately 1.8% of the Company's issued ordinary securities. Shares issued and subsequently approved under ASX Listing Rule 7.4 are not counted towards the 15% Rule. Shareholder approval is sought under ASX Listing Rule 7.4 to refresh the Company's capacity to issue ordinary securities which amount to up to 15% of the Company's issued ordinary securities under ASX Listing Rule 7.1.

**The directors unanimously recommend that shareholders vote in favour of this resolution.**

### 3. Ratification of share placement

The Company is seeking approval for the issue on 19 January 2009 to eligible sophisticated investors (listed below) of 129,000,000 ordinary shares at a subscription price of \$0.002 per share. The shares allotted rank pari passu in all respects with the Company's other issued fully paid shares. The Company applied for official quotation on the ASX of the new shares.

Allottee	Number of Shares	Value of Shares
HAYDOS CORPORATION P/L	50,000,000	\$100,000
JR CAPITAL P/L	37,500,000	\$ 75,000
A.P.O'BRIEN ADVISORY SERVICES P/L	25,000,000	\$ 50,000
SUPER SEEK P/L	10,000,000	\$ 20,000
MELLIER P/L	5,000,000	\$ 10,000
M. SIMUNIC	1,500,000	\$ 3,000

None of the allottees are related parties of the Company.

The issue raised \$243,000 (after costs). The Company sought to undertake this placement to fund the working capital of the company:

The Board elected to proceed by way of private placement to sophisticated investors for the following reasons:

- a) Expediting fundraising is considered important. A placement to sophisticated investors undertaken in accordance with Section 708 of the Corporations Act does not require the lodgement of a prospectus, saving time and associated costs, and can be undertaken more quickly than an entitlement issue which is required to follow a prescribed timetable;
- b) There is an inherent risk associated with entitlement issues in that the outcome is unknown until the issue is completed and, unless fully underwritten, a company may not be successful in raising required funds. Obtaining underwriter support for an entitlement issue was considered too costly and time consuming.

Under the 15% Rule a company may, within a 12 month period, issue new ordinary securities which amount to up to 15% of the company's issued ordinary securities without the need for shareholder approval. The allotment of 129,000,000 shares represented approximately 10% of the Company's issued ordinary securities. Shares issued and subsequently approved under ASX Listing Rule 7.4 are not counted towards the 15% Rule. Shareholder approval is sought under ASX Listing Rule 7.4 to refresh the Company's capacity to issue ordinary securities which amount to up to 15% of the Company's issued ordinary securities under ASX Listing Rule 7.1.

**The directors unanimously recommend that shareholders vote in favour of this resolution.**

**PROXY FORM**

Shareholder's name and address

**Appointment of proxy**

I/We being a member/s of IM Medical Limited and entitled to attend and vote hereby appoint

The Chairman of the meeting  
(mark with an "X")

**OR**

If you are not appointing the Chairman of the Meeting as your proxy, please write here the full name of the individual or body corporate (excluding the registered securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of IM Medical Limited to be held at Level 12, 484 St Kilda Road, Melbourne, Victoria on Friday, 13 March 2009 at 9.30am and at any adjournment of that meeting.

**Voting directions to your proxy – please mark "X" to indicate your directions**

		For	Against	Abstain
Item 1	Ratification of share placement			
Item 2	Ratification of share placement			
Item 3	Ratification of share placement			

The Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of the above business. If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**PLEASE SIGN HERE**

This section must be signed in accordance with the instructions overleaf to enable you directions to be implemented.

**Individual or securityholder 1**

Sole Director and Sole Company Secretary

**Securityholder 2**

Director

**Securityholder 3**

Director/Company Secretary

\_\_\_\_\_  
Contact name

\_\_\_\_\_  
Contact daytime telephone

\_\_\_\_\_  
Date

## Instructions on how to complete the Proxy Form

### Your address

Please insert your name and address as it appears on the company's share register. Please note that you cannot change ownership of your securities using this form.

### Appointment of proxy

If you wish to appoint the Chairman of the Meeting as your proxy, please mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting, please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company.

### Vote on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item, your vote on that item will be invalid.

### Appointment of a second proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may make a copy of this form.

To appoint a second proxy, you must:

- (a) on each of the first Proxy Form and the second Proxy Form, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) Return both forms together in the same envelope.

### Signing instructions

You must sign this form as follows in the spaces provided:

- (a) Individual

Where the holding is in one name, the holder must sign

- (b) Joint holding

Where the holding is in more than one name, all of the securityholders should sign

- (c) Power of Attorney

To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

- (d) Companies

Where the company is a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director can also sign alone. Otherwise, this form must be signed by a director jointly with either another director or the company secretary. Please indicate the office held by signing in the appropriate place.

### Lodgement of Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 9:30 am on Friday, 13 March 2009. Any Proxy Form received after that time will not be valid for the scheduled meeting.

- (a) In person

- Registered office: IM Medical Limited, Level 12, 484 St Kilda Road, Melbourne, Victoria, 3004, Australia
- Share registry: Security Transfer Registrars Pty Ltd, 770 Canning Highway, Applecross, WA, 6153, Australia

- (b) By mail

- Registered office: IM Medical Limited, Level 12, 484 St Kilda Road, Melbourne, Victoria, 3004, Australia
- Share registry: Security Transfer Registrars Pty Ltd, PO Box 535, Applecross, WA, 6953, Australia

- (c) By fax

- Registered office: +61 3 9860 0999
- Share registry: +61 8 9315 2233