

Wednesday, 6 October 2010

ASX ANNOUNCEMENT

IMI SIGNS JOINT VENTURE TO PROVIDE NEW SERVICES

Joint Venture to be Cashflow Positive from inception

IM Medical Ltd announced today that it has signed a Joint Venture agreement with Dental Imaging Group Australia (DIGA) to install and operate two (2) new Cone Beam CT units (CBCT) at our Box Hill and Camberwell branches.

It is expected that the two (2) CBCT's will add between \$500,000 to \$600,000 in profits per annum to the IMI group. Most services offered by IMI's Radiology centres qualify for Medicare Bulk Billing and reimbursement.

The Joint Venture agreement provides for DIGA to supply and install the CBCT units at our two sites. Installation is expected to begin by the end of this week and the service is expected to be fully operational by 24th October 2010 following comprehensive training. The success of the CBCT venture will be monitored as a guide to the introduction of this service to our other centres. Additionally, the CBCT service will provide a template for future boutique dental site operations.

CBCT is an exciting new service offered primarily to Dental practitioners. It offers low dose radiation imaging and provides high quality accurate detail; primarily but not limited to dental treatment and planning. This is a new service offered by IMI and we expect this service to be well accepted by the Dental profession.

This Joint Venture is the first significant step since the acquisition of the Melbourne Specialist Imaging Group in reinforcing our business and marketing strategy of increasing the quality and breadth of service to our referrers.

Sergio Del Vecchio
Managing Director

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