

ASX Release

Approval of Entitlement Issue

Melbourne, 21 October 2011: IM Medical Limited (ASX: IMI) is pleased to announce it has received overwhelming shareholder approval for the proposed Entitlement Issue at the Company's general meeting today.

The Company is now working with the appointed lead manager, Patersons Securities to complete the Entitlements Issue.

The Directors are delighted with the strong endorsement from shareholders and look forward to completion of the capital raising.

The Entitlement Issue will raise up to \$3.3 million with a minimum raising of \$2.8 million. The proceeds of the offer will allow the Company to pay all creditors and provide working capital for the company to pursue new opportunities.

The ASX has advised the Company it will reinstate the Company's shares to trading on completion of the Entitlement Issue.

Shareholders have been sent a Prospectus and an Entitlement & Application form. The offer closes on 28 October 2011.

Capital Raising Timetable

Closing Date	28 October 2011
ASX notified of under subscriptions	2 November 2011
Anticipated date for allotment and issue of new securities	7 November 2011
Anticipated date for dispatch of holding statements	7 November 2011
Anticipated date suspension ends (trading recommences)	8 November 2011

- Ends -

For further information, please contact the Company on (03) 9860-0904.

Richard Wadley
Company Secretary

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21 October 2011

Manager Companies
Company Announcements Office
Australian Securities Exchange Limited
Level 4, Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir,

Results of General Meeting

In accordance with Listing Rule 3.13.2 and section 251AA of the Corporations Act, we advise details of the resolution and the proxies received in respect of the resolution set out in the attached proxy summary.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'R. Wadley'.

Richard Wadley
Company Secretary

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IM Medical Limited
GENERAL MEETING

Proxy Summary
Friday, 21 October 2011

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The instructions given to validly appointed proxies in respect of the resolution were as follows:-

For	Against	Abstain	Proxy's discretion
24,796,086	54,242	152,973	2,275,141

The motion was carried unanimously on a show of hands as an ordinary resolution

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