

**ASX Announcement
30 November 2012**

**– Annual General Meeting –
Chairman’s Address**

Melbourne, Friday 30 November 2012 .The Directors of IM Medical Limited are pleased to welcome shareholders to this year’s AGM and to present a summary of the Company’s progress.

- The first half of the year was completely focused in restoring the viability of the Company. Approximately \$3.5 million was raised by way of an entitlement issue and a share placement. This allowed the Company to satisfy all creditors, and retain sufficient working capital to properly recapitalise the Company.
- After a long period while the shares were suspended, the Company’s shares were reinstated to trading on the ASX on 8 November 2011.
- In March the sale of the Radiology business to Capitol Health Limited (ASX: CAJ) was completed and in April we were pleased to be able to transfer approximately 42.9 million Capitol Health shares to eligible IMI shareholders under the planned in-specie distribution, shareholders whose entitlement was below marketable parcel levels received cash in lieu.
- We are pleased to see that since the date of the distribution Capitol Health shares have appreciated by over 75%. Shareholders who retained their Capitol Health shares will have benefitted from the combination of IMI’s and Capitol Health’s radiology businesses through the increase in share price as well as by receiving two dividends in the intervening period. We are pleased to note that the value of the Capitol Health shares distributed to IMI shareholders is now \$4.2 million at the current value of the shares of \$0.098 per share at 29 November 2012.
- As we indicated at the Half-year, we are in the process of investigating the sale of Company’s Intelliheart business. This has taken longer than expected, however, I can advise that good progress is being made and we hope to bring this process to a conclusion in the next two months.
- Having now stabilised the Company’s financial position, your directors have been active in investigating a number of investment opportunities. As previously announced these are expected to take the Company into the resources sector. Once the Company is in a position to announce a proposed deal, we will also move to the appointment of suitably qualified Directors and Executives to lead this process.

Nigel Blaze
Chairman
IM Medical Limited

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