



To the shareholders of IM Medical Limited (ASX: IMI)

As you will be aware from recent announcements, IMI has received fully paid ordinary shares in Capitol Health Limited (Capitol, ASX: CAJ) as consideration for the sale of the IMI radiology operations to Capitol and that the Directors of IMI have indicated an intention to distribute these CAJ shares to eligible IMI shareholders.

If you meet the criteria to receive an allocation of CAJ shares please note that should you retain them as at the close of business on 12 April 2012 you will be eligible to directly receive our interim dividend payment of \$0.002 cents (point two of one cent) per share, fully franked.

For your information, Capitol has recently announced the following:

- A very strong financial result for the half year to December 2012, including the declaration of our maiden and fully franked (interim) dividend; and
- A Dividend Reinvestment Plan (DRP). This allows shareholders to use their dividend to acquire more shares in Capitol Health at a discounted price and with no transaction fees or brokerage.

Details on the above can be found within our recent announcements to the ASX.

Capitol has a history of consistently delivering strong growth and profitability, expanding to the second largest network of radiology facilities in Victoria within a reasonably short time. The Directors of Capitol are confident in the Company's future prospects and believe it offers outstanding long-term investment potential. Capitol is well positioned in its market and offers a defensive earnings profile which is increasingly attractive in uncertain economic conditions.

There is much more to the Capitol story and I look forward to updating you, as a shareholder in Capitol, on the Company's ongoing development throughout the year.

John Conidi
Managing Director
Capitol Health Limited

29 March 2012