

18 December 2015

ASX Release

PLACEMENT OF SHARES AND CHANGE OF BOARD

IM Medical Limited (IMI) (Company) is pleased to announce a placement of new shares to sophisticated investors to raise \$1m at \$0.00075 per share (Placement). Cicero Advisory Services and Patersons Securities Limited are the Joint Lead Managers to the Placement.

The Placement will be conducted in two tranches; the first utilising the Company's available 15% placement capacity under ASX Listing Rule 7.1 to raise \$131,000 (Tranche 1) and the second, which is subject to shareholder approval, to raise \$870,000 (Tranche 2). Participants in the Placement will receive one (1) free attaching listed IMIOA option (Option) for every three (3) shares subscribed to under the Placement, subject to shareholder approval. Contemporaneous with the issue and quotation of the Tranche 1 securities, the Company will lodge a cleansing prospectus (Prospectus) as required under section 708A(11) of the Corporations Act 2001 (CTH). The Company will apply for quotation of the Tranche 2 securities on the ASX, post receiving shareholder approval. A notice of meeting for the approval of the issue of the Tranche 2 securities will be dispatched to shareholders shortly.

Following the closure of the Tranche 1 Placement, Mr. Darren Wates, Mr. Josh Puckridge and Mr. Sonu Cheema (New Directors) will be appointed to the board of the Company and all of the existing Directors will retire from their positions. The proposed Directors' biographies are set out below.

Funds raised under the Placement will be used for general working capital, evaluating investment acquisition opportunities and the business development of the Company.

Subject to shareholder approval and in conjunction with the Placement the Company has agreed to grant Cicero (and/or its nominees) 371,479,517 Options at an issue price of \$0.000001 per Option.

The New Directors' biographies are as follows:

Mr. Darren Wates

Mr Wates is a corporate lawyer with over 15 years' experience in equity capital markets, mergers and acquisitions, project acquisitions/divestments and corporate governance gained through private practice and in house roles in Western Australia. Mr Wates is currently the Non-Executive Chairman of ASX listed company Tech Mpire Limited (ASX:TMP). Mr Wates holds a Bachelor of Laws, Bachelor of Commerce and a Graduate Diploma in Applied Finance and Investment.

Mr. Josh Russell Puckridge

Mr. Puckridge is a Corporate Finance Executive and former Executive Director and Chief Executive of Discovery Resources Limited; Mr. Puckridge structured the acquisition of the Canberra Casino and the relisting of the Company as Aquis Entertainment Limited. He was founding Director of Windward Resources Limited, seeding and listing the Company and retiring as a Director on the completion of the Company's acquisition of its Fraser Range North and South projects and \$11m capital raise. Currently, Mr. Puckridge is also Director of Toptung Limited (ASX: TTW), Blaze International Limited (ASX: BLZ), Naracoota Resources Limited (ASX: NRR) and Red Gum Resources Limited (ASX: RGX).

Mr. Sonu Cheema

Mr Sonu Cheema (CPA) has worked in accounting and finance administration with ASX listed companies and corporate advisory service providers for the past 8 years. Mr Cheema is a Partner at Cicero Corporate Services and holds the position of Non-Executive Director and Company Secretary at Star Striker Limited (ASX: SRT). In addition, Mr Cheema currently serves as the Company Secretary of West Peak Iron Limited (ASX: WPI), Sugar Dragon Limited and Sena Resources Limited. Past Company Secretarial positions include Animoca Brands Corporation Limited (ASX: AB1), Mongolian Resource Corporation Limited (ASX: MUB) and Jernigan Commodities Limited.

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