

ImpediMed Limited ABN 65 089 705 144

Resolutions in accordance with clause 18.10 of the Constitution

We, being the directors of ImpediMed Limited (**Company**), note that:

- 1 On 11 September 2007 the Company lodged with the Australian Securities and Investments Commission (**ASIC**) a prospectus for the offer of securities in the Company to raise a minimum of \$18,000,000 (**Prospectus**).
- 2 That in this resolution capitalised terms have the meaning given to them in the Prospectus, unless provided otherwise.
- 3 Under the Prospectus, the Company sought to raise a maximum of \$18,000,000 pursuant to:
 - an underwritten initial public offer of 12,200,000 Shares at an issue price of \$0.72 per Share to raise \$8,784,000 with one IPO Option for every two Shares allotted;
 - a non-underwritten initial public offer of up to a further 1,400,000 Shares in oversubscriptions at an issue price of \$0.72 per Share to raise \$1,008,000 with one IPO Option for every two Shares allotted; and
 - an issue to the holders of 8,208,000 series 4 convertible notes (**Series 4 Convertible Notes**) of 11,400,000 Shares at an issue price of \$0.72 per Share to raise \$8,208,000 with one IPO Option for every two Shares allotted.
- 4 The Company currently has on issue 71,500 Series 3 Convertible Notes with a face value of \$100 each (**Series 3 Convertible Notes**). Under the terms of issue of the Series 3 Convertible Notes, the Series 3 Convertible Notes must be repaid and redeemed by the Company, and the Company must issue to the holders of Series 3 Convertible Notes, a total of 19,915,588 Shares under the Prospectus no later than the time at which Shares are issued to applicants under the Public Offer.
- 5 The Company has received from each holder of Series 3 Convertible Notes a duly completed application form, in the form provided to them with a copy of the Prospectus, for the Shares to be issued to them on the redemption of their Series 3 Convertible Notes.
- 6 The Company currently has on issue 8,208,000 Series 4 Convertible Notes. Under the terms of issue of the Series 4 Convertible Notes, the Series 4 Convertible Notes must be repaid and redeemed by the Company, and the Company must issue to the holders of Series 4 Convertible Notes:
 - in aggregate, 11,400,000 Shares; and
 - in aggregate, 5,700,000 IPO Options,

no later than the time at which the Shares are issued to applicants under the Public Offer.

7 The Company has received from each holder of Series 4 Convertible Notes a duly completed application form, in the form provided to them with a copy of the Prospectus, for the Shares to be issued to them on the redemption of their Series 4 Convertible Notes.

8 The Board has previously resolved to offer Greg Brown 1,000,000 options to subscribe for Shares on the terms described in section 13.6 of the Prospectus. This offer was made under the Prospectus and the Company has received from Greg Brown a duly completed application form, in the form provided to him with a copy of the Prospectus, for the options to be issued to him.

9 The offers under the Prospectus closed at 5.00 pm on Friday, 12 October 2007. The Company received valid applications for:

- 13,745,500 Shares pursuant to the Public Offer (including oversubscriptions); and
- 11,400,000 Shares pursuant to the Redemption Issue.

The Company will therefore raise \$18,000,000 under the Prospectus, being the maximum amount (including oversubscriptions) able to be raised, and will be required to refund application monies of \$104,760 (representing 145,500 Shares) received from unsuccessful applicants under the Public Offer.

10 As a result of the close of the Offer:

- 2,889,436 Series A1 Convertible Preference Shares converted automatically into 5,763,108 Shares; and
- 3,257,544 Series A2 Convertible Preference Shares converted automatically into 5,201,403 Shares.

11 The due diligence committee established in respect of the Prospectus has not advised the Company:

- of any new circumstance that has arisen since 11 September 2007 that would have been required by the Corporations Act to be included in the Prospectus if it had arisen before the Prospectus was lodged with ASIC;
- that it has become aware of any misleading or deceptive statement in the Prospectus; or
- of any omission in the Prospectus of information required by the Corporations Act, that is materially adverse from the point of view of an investor.

12 The Company has received from the registrar, Link Market Services Limited, a list of proposed allocations of Shares and IPO Options to applicants under the Public Offer, and the Managing Director has initialled that list for the purposes of identification (**Allotment List**).

Having noted the above facts, **resolved** that:

1 49,915,588 Shares and 12,500,000 IPO Options be issued;

- 2 13,600,000 Shares and 6,800,000 IPO Options be allotted to applicants under the Public Offer in accordance with the Allotment List;
- 3 19,915,588 Shares be allotted to the holders of Series 3 Convertible Notes in accordance with their terms of issue;
- 4 11,400,000 Shares and 5,700,000 IPO Options be allotted to the holders of Series 4 Convertible Notes in accordance with their terms of issue;
- 5 each allotment of Shares referred to in paragraphs 2, 3 and 4 above be entered in the register of members of the Company;
- 6 each allotment of IPO Options referred to in paragraphs 2 and 4 above be entered in the register of option holders of the Company;
- 7 any Director or the Company Secretary be authorised to sign such documents and to carry out such tasks and actions as they consider to be reasonably necessary or desirable to comply with the conditions precedent to the Company's admission to the official listed of ASX Limited (**ASX**) and the official quotation of Shares and IPO Options, as set out in the letter from ASX dated 9 October 2007 to Stephanie Daveson of Corrs Chambers Westgarth (**Listing Conditions**); and
- 8 Link Market Services Limited, the Company's registrar, be directed on behalf of the Company, to:
 - despatch holding statements to successful applicants;
 - refund excess application monies to unsuccessful applicants; and
 - do such other things as are necessary for the Company to comply with the Listing Conditions.

Having noted the above facts, **resolved** that (Greg Brown abstaining):

- 9 1,000,000 options to subscribe for Shares be issued in accordance with the terms on which they were offered, and that these options be allotted to Greg Brown.

Resolutions confirmed:



Mel Bridges

Dated 17th Oct 2007



Greg Brown

Dated 17th Oct 2007




Martin Kriewaldt

Dated 17th Oct 2007



Cherrell Hirst

Dated 17th Oct 2007



Michael Panaccio

Dated 17th Oct 2007



James Hazel

Dated 17th Oct 2007