



1 April 2010

[Insert name of option holder]

[Insert address of option holder]

ImpediMed Limited

ABN 65 089 705 144

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Dear Optionholder

ImpediMed Limited – notice to optionholders

We wish to advise that on 1 April 2010, ImpediMed Limited (**ImpediMed**) announced a capital raising to raise up to A\$20.1 million, comprising a placement to raise approximately A\$10.0 million from professional and sophisticated investors and a non-renounceable pro rata entitlement offer of ordinary shares in ImpediMed to eligible shareholders to raise up to \$A10.1 million (**Entitlement Offer**).

Further details of the Entitlement Offer are set out in the offer announcements. The offer announcements are available at www.asx.com.au or from ImpediMed's website, www.impedimed.com, for information purposes only.

As an optionholder you are not entitled to participate in the Entitlement Offer. The purpose of this letter is to give you notice of the Record Date.

For you to participate in the Entitlement Offer, you must exercise any options (subject to the terms of the options) and be registered as an eligible shareholder before 7.00pm (Sydney time) on 15 April 2010 (**Record Date**). You should carefully consider your personal circumstances and the offer terms before deciding whether to exercise your options. If you are unsure what action you should take or have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser.

If you do not want to exercise your options and participate in the Entitlement Offer, the exercise price of your options will be reduced in the manner permitted by the ASX Listing Rules applying at the time of the Entitlement Offer. ImpediMed will make an announcement in relation to the reduced exercise price in due course.

Yours faithfully

ImpediMed Limited

A handwritten signature in black ink, appearing to read 'Steve Denaro', written over a horizontal line.

Steve Denaro – Company Secretary