20 September 2010

ASX RELEASE

Issue of Performance Shares, Quotation of previously issued Performance Shares, & issue Options

ImpediMed Limited provides herewith an Appendix 3B for the following:

- Issue of 62,584 Ordinary Shares (unquoted); these shares are issued under the Employee Performance Share Plan; and
- Quotation of 125,165 Ordinary Shares; these shares were previously issued under the Employee Performance Share Plan and have been recorded as unquoted Securities by the ASX (ASX Code IPDAW)
- Issue of 120,000 ESOP Options (unquoted) under ESOP Option Grant with an exercise price of A$0.66; expiring 31 December 2015.

The resulting issued Share and Option structure is as follows:

- Quoted Fully Paid Ordinary Shares 135,868,125
- Unquoted Fully Paid Ordinary Shares 208,750
- Quoted Options (IPO Options) 12,478,500
- Unquoted Options 8,317,673

Stephen Denaro
Company Secretary

www.impedimed.com
Appendix 3B

New issue announcement,
application for quotation of additional securities
and agreement

Information or documents not available now must be given to ASX as soon as available. Information and
documents given to ASX become ASX’s property and may be made public.


Name of entity

ImpediMed Limited

ABN

65 089 705 144

We (the entity) give ASX the following information.

Part 1 - All issues
You must complete the relevant sections (attach sheets if there is not enough space).

1. Class of securities issued or to be issued
   - Ordinary fully paid shares (unquoted)
   - ESOP Options (unquoted) under ESOP

2. Number of securities issued or to be issued (if known) or maximum number which may be issued
   - 62,584 Ordinary shares vesting from the 2007 round of grants under the Staff Performance Share Plan (unquoted)
   - 120,000 Options

3. Principal terms of the securities (eg, if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion)
   - Fully Paid Ordinary Shares (unquoted)
   - Options under ESOP Option Grant; Exercise Price is A$0.66; Expire 31 December 2015

+ See chapter 19 for defined terms.

24/10/2005 Appendix 3B Page 1
4 Do the *securities rank equally in all respects from the date of allotment with an existing *class of quoted *securities?

If the additional securities do not rank equally, please state:
- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Shares – rank equally with other restricted unquoted Shares
Options – rank equally with other Options

5 Issue price or consideration

Shares – nil consideration
Options – nil consideration

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

Performance related remuneration

7 Dates of entering *securities into uncertificated holdings or despatch of certificates

20 September 2010

8 Number and *class of all *securities quoted on ASX (including the securities in clause 2 if applicable)

<table>
<thead>
<tr>
<th>Number</th>
<th>*Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>135,868,125</td>
<td>Ordinary Shares</td>
</tr>
<tr>
<td>12,478,500</td>
<td>IPDO Options</td>
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</tbody>
</table>

* See chapter 19 for defined terms.
Appendix 3B
New issue announcement

<table>
<thead>
<tr>
<th>Number</th>
<th>*Class</th>
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<tbody>
<tr>
<td>208,750</td>
<td>Ordinary Shares</td>
</tr>
<tr>
<td>8,317,673</td>
<td>Options</td>
</tr>
</tbody>
</table>

9 Number and *class of all *securities not quoted on ASX (including the securities in clause 2 if applicable)

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Restricted Ordinary Shares and Options are not eligible for dividends

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required? n/a

12 Is the issue renounceable or non-renounceable? n/a

13 Ratio in which the *securities will be offered n/a

14 *Class of *securities to which the offer relates n/a

15 *Record date to determine entitlements n/a

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? n/a

17 Policy for deciding entitlements in relation to fractions n/a

18 Names of countries in which the entity has *security holders who will not be sent new issue documents n/a

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations n/a

+ See chapter 19 for defined terms.
<table>
<thead>
<tr>
<th></th>
<th>Name</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>Names of any underwriters</td>
<td>n/a</td>
</tr>
<tr>
<td>21</td>
<td>Amount of any underwriting fee or commission</td>
<td>n/a</td>
</tr>
<tr>
<td>22</td>
<td>Names of any brokers to the issue</td>
<td>n/a</td>
</tr>
<tr>
<td>23</td>
<td>Fee or commission payable to the broker to the issue</td>
<td>n/a</td>
</tr>
<tr>
<td>24</td>
<td>Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders</td>
<td>n/a</td>
</tr>
<tr>
<td>25</td>
<td>If the issue is contingent on security holders’ approval, the date of the meeting</td>
<td>n/a</td>
</tr>
<tr>
<td>26</td>
<td>Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled</td>
<td>n/a</td>
</tr>
<tr>
<td>27</td>
<td>If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders</td>
<td>n/a</td>
</tr>
<tr>
<td>28</td>
<td>Date rights trading will begin (if applicable)</td>
<td>n/a</td>
</tr>
<tr>
<td>29</td>
<td>Date rights trading will end (if applicable)</td>
<td>n/a</td>
</tr>
<tr>
<td>30</td>
<td>How do security holders sell their entitlements in full through a broker?</td>
<td>n/a</td>
</tr>
<tr>
<td>31</td>
<td>How do security holders sell part of their entitlements through a broker and accept for the balance?</td>
<td>n/a</td>
</tr>
</tbody>
</table>

+ See chapter 19 for defined terms.
### Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>32</strong></td>
<td>How do *security holders dispose of their entitlements (except by sale through a broker)?</td>
</tr>
<tr>
<td></td>
<td>n/a</td>
</tr>
<tr>
<td><strong>33</strong></td>
<td>*Despatch date</td>
</tr>
<tr>
<td></td>
<td>n/a</td>
</tr>
</tbody>
</table>

#### Entities that have ticked box 34(a)

**Additional securities forming a new class of securities**

Tick to indicate you are providing the information or documents:

- [ ] If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders
- [ ] If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories
  - 1 - 1,000
  - 1,001 - 5,000
  - 5,001 - 10,000
  - 10,001 - 100,000
  - 100,001 and over
- [ ] A copy of any trust deed for the additional *securities

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* See chapter 19 for defined terms.
Entities that have ticked box 34(b)

38 Number of securities for which quotation is sought

125,165

39 Class of securities for which quotation is sought

Ordinary Shares

40 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?

Yes, Ordinary Shares

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

Release of Performance shares following vesting

(if issued upon conversion of another security, clearly identify that other security)

42 Number and class of all securities quoted on ASX (including the securities in clause 38)

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</table>

+ See chapter 19 for defined terms.
Quotation agreement

1  *Quotation of our additional *securities is in ASX’s absolute discretion. ASX may quote the *securities on any conditions it decides.

2  We warrant the following to ASX.

   • The issue of the *securities to be quoted complies with the law and is not for an illegal purpose.

   • There is no reason why those *securities should not be granted *quotation.

   • An offer of the *securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

   Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

   • Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any *securities to be quoted and that no-one has any right to return any *securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the *securities be quoted.

   • If we are a trust, we warrant that no person has the right to return the *securities to be quoted under section 1019B of the Corporations Act at the time that we request that the *securities be quoted.

3  We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4  We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before *quotation of the *securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

20 September 2010

Sign here: ............................................................ Date: .........................

(Company secretary)

Stephen Denaro

Print name: ..........................................................

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* See chapter 19 for defined terms.