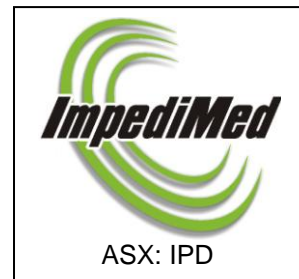


Thursday, 24 May 2012



Australian Securities Exchange Announcement

HEALTH ECONOMIC PUBLICATION SUPPORTS PROSPECTIVE MODEL IN LYMPHOEDEMA MANAGEMENT

Brisbane, Australia – **ImpediMed Limited** (ASX: IPD), (“the **Company** or **ImpediMed**”), announced today a newly published study supports the positive health economics of early detection and treatment of secondary lymphedema in breast cancer patients. The new publication compares the financial impact based on the clinical outcomes of a theoretical population of one (1) million covered lives in the United States and compares the new prospective management model with today’s reactive model of care. The evidence-based analysis finds that early detection and treatment of breast cancer-related lymphedema has the potential to offer health insurance providers significant savings over today’s standard of care.

The article, “Economic Evidence of BIS-Aided Assessment of Post-Breast Cancer Lymphedema in the United States”, appears in the May issue of the American Journal of Managed Care (AJMC). AJMC is a peer-reviewed journal. Written by members of Health Economics and Outcomes Research division of IMS Health, Incorporated, the publication represents the output of an extensively detailed model commissioned by ImpediMed in order to assess the health economic impact of L-Dex® U400 testing. The model is available to US payers to assist in their evaluation of the implementation of a prospective model of care for the management of post breast cancer lymphedema using BIS.

IMS Senior Consultant, Pinar Bilir, MS, said of their findings, “The savings identified by the model are primarily due to the reduction of the more costly interventions required to treat lymphedema when it is found at the more advanced stages associated with conventional assessment methods. Additional savings result from the higher specificity of bioimpedance spectroscopy, leading to fewer non-lymphedema patients being treated unnecessarily.”

Jack Butler, ImpediMed’s Senior Vice President of North American Managed Care added, “Compared to self assessment and waiting for visible signs of swelling, the IMS model shows, using a prospective model of care, on a population of 1 million covered lives, at an L-Dex reading price of \$300, and an efficacy score of 80%; the saving would be \$3.1m US dollars over three years. Additionally, quality of life for these breast cancer survivors would be improved”.

ImpediMed CEO, Greg Brown, said, “The IMS model allows us to customize the analysis for a health insurance company based on an extensive number of variables depending on their specific coverage policies, historic costs and the demographics of the population they cover. A number of non-economic benefits of interest to insurance companies –such as Quality Adjusted Life Years, and Lost Workdays – can also be predicted based on the model.”

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ENDS

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L-Dex[®] is a trademark of ImpediMed Limited.

The L-Dex[®] scale is a tool to aid in the clinical assessment of unilateral lymphoedema of the arm and leg in women and the leg in men by a medical provider. The L-Dex scale is not intended to diagnose or predict lymphoedema of an extremity.

About ImpediMed

ImpediMed Ltd. is the world leader in the development and distribution of medical devices employing Bioimpedance Spectroscopy (BIS) technologies for use in the non-invasive clinical assessment and monitoring of fluid status. ImpediMed's primary product range consists of a number of medical devices that aid surgeons, oncologists, therapists and radiation oncologists in the clinical assessment of patients for the potential onset of secondary lymphoedema. Pre-operative clinical assessment in breast cancer survivors, before the onset of symptoms, may prevent the condition from becoming a lifelong management issue and thus improve the quality of life of the cancer survivor. ImpediMed has the first medical device with an FDA clearance in the United States to aid health care professionals, clinically assess secondary lymphoedema of the arm in female breast cancer patients and leg in women and men.

For more information, visit: www.impedimed.com.au