ImpediMed Limited
ABN 65 089 705 144

Notice of Annual General Meeting

Thursday 30 October 2014
2pm (Brisbane time)
Corrs Chambers Westgarth
Level 42, ONE ONE ONE, 111 Eagle Street
Brisbane, Queensland
Australia
Part 1: Notice of Annual General Meeting

The Annual General Meeting of Members of ImpediMed Limited will be held at the offices of Corrs Chambers Westgarth, Level 42, ONE ONE ONE, 111 Eagle Street, Brisbane, Queensland, Australia on Thursday 30 October 2014 commencing at 2pm (Brisbane time).

The Annual Report is available on our website for viewing if you have elected not to receive a hard copy. Our website address is www.impedimed.com.au

Ordinary business

Item 1 – Annual financial report, Directors’ report and auditor’s report
To receive and consider the annual financial report of the Company, together with the Directors’ report and auditor’s report, for the year ended 30 June 2014.

Item 2 – Remuneration Report
To consider and, if thought fit, to pass the following resolution as an advisory only resolution:

That the Remuneration Report for the year ended 30 June 2014 be adopted.

Item 3 – Election of Directors
To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

a. That James Hazel, a Director retiring by rotation in accordance with the Constitution and being eligible, be re-elected as a Director.

b. That Michael Panaccio, a Director retiring by rotation in accordance with the Constitution and being eligible, be re-elected as a Director.

Special business

Item 4 – Share Issue Mandate
To consider and, if thought fit, to pass the following resolution as a special resolution:

That for the purpose of ASX Listing Rule 7.1A, and for all other purposes, the Company approve the issue of up to 10% of the issued capital of the Company (at the time of the issue), calculated in accordance with the formula in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.
The above resolution has been proposed to satisfy the requirements of ASX Listing Rule 7.1A and the Explanatory Statement sets out the information required by ASX Listing Rule 7.3A.

**Item 5 – Approval of the Employee Incentive Plan**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*That, for all purposes, Members approve:*

a. the Employee Incentive Plan, the terms and conditions of which are summarised in the Explanatory Statement; and

b. the issue of Incentives under the US Sub-Plan, the terms and conditions of which are summarised in the Explanatory Statement.

The above resolution has been proposed to satisfy the requirements of exception 9 of ASX Listing Rule 7.2 and the Explanatory Statement sets out the information required by that rule.

**Voting exclusion statement**

The Company will disregard any votes cast on:

- Item 2 by any member of Key Management Personnel of the Group or any Closely Related Party of such a member;
- Item 4 by:
  - (i) any person (or any associate of a person) who may participate in the proposed issue; or
  - (ii) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if the resolution is passed; and
- Item 5 by:
  - (i) any Director and/or any of their associates; or
  - (ii) proxy by any member of Key Management Personnel of the Group or any Closely Related Party of such a member.

However, the Company need not disregard a vote if it is cast:

- by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- by the person chairing the Meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides, even if the resolution is connected directly or indirectly with the remuneration of Key Management Personnel).

**Please refer to the important information about the appointment of proxies below.**
Other information

Explanatory Statement
The accompanying Explanatory Statement forms part of this Notice and should be read in conjunction with it.

Proxies
Please note that:
(a) a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
(b) a proxy need not be a Member of the Company;
(c) a Member may appoint a body corporate or an individual as its proxy;
(d) a body corporate appointed as a Member’s proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Member’s proxy; and
(e) Members entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Member appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, a certificate of the appointment of corporate representative should be completed and lodged in the manner specified below.

If proxy holders vote on a poll, they must vote all directed proxies as directed. Any directed proxies which are not voted on a poll will automatically default to the chairman of the Meeting, who must vote the proxies as directed.

Proxy forms must be lodged by 2pm (Brisbane time) on 28 October 2014.

Important information concerning proxy votes on Items 2 and 5
The Corporations Act places certain restrictions on the ability of Key Management Personnel (including the chairman of the Meeting) and their Closely Related Parties to vote on Items 2 and 5, including where they are voting as proxy for another Member.

To ensure that your votes are counted, you are encouraged to direct your proxy as to how to vote on Items 2 and 5 by indicating your preference by completing any of the ‘For’, ‘Against’ or ‘Abstain’ boxes on the proxy form.

The chairman of the Meeting intends to vote all undirected proxies in favour of Items 2 and 5.

If you appoint the chairman of the Meeting as your proxy but you do not direct the chairman how to vote in respect of Items 2 and 5, you will be directing the chairman to
vote in favour of Items 2 and 5 and the chairman will vote in this way, even though Items 2 and 5 are connected with the remuneration of Key Management Personnel.

Important note on voting exclusion statement for Item 4

At the date of this notice, the proposed allottees of the securities are not as yet known or identified. For a person’s vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue, shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted.

Corporate representatives

Any:

- corporate Member; or
- corporate proxy appointed by a Member,

which has appointed an individual to act as its corporate representative at the Annual General Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company’s representative. The authority may be sent to the Company or its share registry, Link Market Services Limited, in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative. An Appointment of Corporate Representative form is available by contacting the Company’s share registry, Link Market Services Limited, on +61 1300 554 474.

If you have any queries on how to cast your votes, please call the Company’s share registry, Link Market Services Limited, on +61 1300 554 474.

Voting entitlements

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001, the Board has determined that a person’s entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Members as at 7.00pm (Sydney time) on 28 October 2014. Accordingly, transactions registered after that time will be disregarded in determining Members’ entitlements to attend and vote at the Annual General Meeting.

By order of the Board of Directors

______________________________

Stephen Denaro
Company Secretary
Part 2: Explanatory Statement

1 Introduction

This Explanatory Statement has been prepared for the information of Members in connection with the resolutions to be considered by them at the Annual General Meeting to be held at the offices of Corrs Chambers Westgarth, Level 42, ONE ONE ONE, 111 Eagle Street, Brisbane, Queensland, Australia on Thursday 30 October 2014 commencing at 2pm (Brisbane time).

The purpose of this Explanatory Statement is to provide Members with the information known to the Company that the Board considers material to their decision on whether to approve the resolutions in the Notice. This document is important and should be read in conjunction with all of the information contained in this booklet, including the Notice.

Capitalised terms in this Explanatory Statement are defined in the Glossary in Section 4.

2 Ordinary business

Item 1 - Annual financial report and Directors’ and auditor’s reports

The first item of business of the Annual General Meeting is to receive and consider the financial report, together with the Directors’ and auditor’s reports, for the year ended 30 June 2014.

No resolution is required for this item of business. However, as a Member, you may submit a written question to the auditor prior to the Annual General Meeting provided that the question relates to:

- the content of the auditor’s report; or
- the conduct of the audit in relation to the financial report.

All written questions must be received by the Company no later than five business days prior to the meeting.

All questions must be sent to the Company and may not be sent direct to the auditor. The Company will then forward all questions to the auditor.

The auditor will be attending the Annual General Meeting and will answer written questions submitted prior to the meeting.

The auditor will also be available to answer questions from Members relevant to:

- the conduct of the audit;
- the preparation and content of the auditor’s report;
• the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
• the independence of the auditor in relation to the conduct of the audit.

**Item 2 - Remuneration Report**

Members are entitled to vote on the question whether the Remuneration Report contained in the Annual Report is adopted.

Members should note that Item 2 is an "advisory only" resolution which does not bind the Directors or the Company.

However, the Corporations Act provides that if 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive annual general meetings, shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the company’s directors (other than the managing director) who were in office at the date of the approval of the later directors’ report must stand for re-election.

The resolution to approve the remuneration report was passed unanimously on a show of hands at the Company’s 2013 annual general meeting.

Following consideration of the Remuneration Report, the Chair will give Members a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Directors unanimously recommend that Members vote in favour of Item 2.

**Item 3 - Election of Directors**

The third item of business of the Annual General Meeting relates to the election of Directors.

Rule 16.1 of the Constitution provides that at every Annual General Meeting of the Company one third of the Directors must retire from office. If the number of Directors is not a multiple of three, the number of Directors nearest to, but not less than, one third of the Directors must retire from office.

The election of each candidate must be considered and voted on as a separate resolution. Set out below are details of each resolution and of each candidate, together with the recommendation of the Board.

**Re-election of Jim Hazel B. Ec, F Fin, FAICD – non-executive Director**

In accordance with rule 16.1 of the Constitution, Jim Hazel will retire at the Annual General Meeting and being eligible, has offered him for re-election.

Details of Mr Hazel’s experience and qualifications can be found on page 3 of the Annual Report.

The Directors, with Mr Hazel abstaining, recommend that Mr Hazel be re-elected as a Director.
Re-election of Michael Panaccio, PhD, MBA, BSc (Hons) – non-executive Director

In accordance with rule 16.1 of the Constitution, Michael Panaccio will retire at the Annual General Meeting and being eligible, has offered himself for re-election.

Details of Mr Panaccio’s experience and qualifications can be found on page 3 of the Annual Report.

The Directors, with Mr Panaccio abstaining, recommend that Mr Panaccio be re-elected as a Director.

3 Special business

Item 4 – Share Issue Mandate

General

ASX Listing Rule 7.1, subject to certain exceptions (none of which are relevant for the present purposes), requires prior approval of shareholders for an issue of securities if the securities will, when aggregated with all other issues during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.1A provides that eligible entities may seek shareholder approval to issue equity securities up to 10% of the entity’s issued capital at the time of issue or agreement, through placements¹ over a 12 month period after the date that shareholders approve the mandate to issue further securities (Share Issue Mandate).

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of $300 million or less.

As at 11 September 2014, the Company’s market capitalisation was approximately $118 million, based on the closing trading price on that date. The Company is not included in the S&P/ASX300 Index as at the time of the Notice. The Company is therefore an eligible entity for the purposes of ASX Listing Rule 7.1A.

The Share Issue Mandate is in addition to the Company’s 15% placement capacity under ASX Listing Rule 7.1, and can provide the Company with capacity to issue up to 25% (in aggregate) of its issued share capital in any 12 month period.

The ability to issue securities under the Share Issue Mandate is subject to shareholder approval by way of a special resolution. This requires the approval of 75% of the votes cast by Members eligible to vote.

¹ To sophisticated, professional and institutional investors (as those terms are defined in the Corporations Act).
Specific information required by the ASX Listing Rules

For the purposes of ASX Listing Rule 7.3A, the Company advises as follows:

| Minimum issue price | The Company’s equity securities will be issued at an issue price of not less than 75% of the volume weighted average price of the Company’s securities in that class over the 15 trading days immediately before:
|                     | (a) the date on which the price at which the securities are to be issued is agreed; or
|                     | (b) if the securities are not issued within five trading days of the date in paragraph (a) above, the date on which the securities are issued.

| Type of securities that may be issued | Any equity securities issued under the Share Issue Mandate must be in the same class as an existing quoted class of securities of the Company.

| Potential risk of dilution | There is a risk that the:
|                           | (a) market price for equity securities in that class may be significantly lower on the date of the issue than on the date of the approval under ASX Listing Rule 7.1A; and
|                           | (b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.
|                           | See the dilution table below for further information about the potential risk of dilution from the Share Issue Mandate.

| Timing of potential issues | The Company will only issue and allot the securities during the 12 months after the date of the Annual General Meeting. The approval under the Share Issue Mandate Resolution for the issue of equity securities will cease to be valid in the event that holders of the Company’s equity securities approve a transaction involving a significant change to the nature or scale of the Company’s activities\(^2\) or disposal of its main undertaking\(^3\).

| Purpose of potential issues | The Company may seek to issue the equity securities for cash for the following purposes:
|                            | • advancing sales and marketing activities;
|                            | • sponsoring additional post-clearance clinical trials;
|                            | • new product development; and
|                            | • general working capital purposes.

\(^2\) ASX Listing Rule 11.1.2.

\(^3\) ASX Listing Rule 11.2.
The potential issues may include issues for non-cash consideration (for example, in lieu of cash payments to consultants or contractors).

| Allocation policy | The Company’s allocation policy will be dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Share Issue Mandate. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:

- the methods of raising funds that are available to the Company;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

The allottees under the Share Issue Mandate have not been determined as at the date of this notice but may include existing substantial holders of equity securities who are not related parties or associates of a related party of the Company. |

| Previous approval | The Company previously sought and obtained a Share Issue Mandate at last year’s annual general meeting on 11 November 2013.

The Company issued 18,110,157 Shares under that capacity on 4 April 2014.

Since obtaining the Share Issue Mandate, the Company has issued a total of 61,544,838 equity securities representing 31% of the total number of equity securities on issue prior to the date of last year’s annual general meeting.

Details of the equity securities the Company has issued in the previous 12 month period are set out in the table over the page: |
<table>
<thead>
<tr>
<th>Date</th>
<th>Type of equity security</th>
<th>Number</th>
<th>Allottees</th>
<th>Price and discount</th>
<th>If cash consideration, use of funds If non-cash consideration, current value of non-cash consideration</th>
</tr>
</thead>
</table>
| 1 May 2014   | Shares                   | 12,051,483 | Shareholders under the Company’s share purchase plan | $0.195 11.4% discount to the Company’s closing price on 25 March | The proceeds were used for:  
- sales and marketing activities;  
- sponsoring post-clearance clinical trials;  
- new product development; and  
- general working capital purposes. |
| 30 April 2014 | Unquoted options¹         | 3,879,691 | Employees under the ESOP                      | No consideration    | The options were issued as an incentive to employees of the Company.  
The aggregate market value of the options as at the date of issue was $445,000. |
| 4 April 2014 | Shares                   | 27,197,108 | Domestic and international investors and sophisticated investors under ASX LR7.1 | $0.195 11.4% discount to the Company’s closing price on 25 March | The proceeds were used for:  
- sales and marketing activities;  
- sponsoring post-clearance clinical trials;  
- new product development; and  
- general working capital purposes. |
| 4 April 2014 | Shares                   | 18,110,156 | Domestic and international investors and sophisticated investors under ASX LR7.1A |                    |                                                                                                  |
| 5 December 2013 | Unquoted options²         | 306,400 | Employees under the ESOP                      | No consideration    | The options were issued as an incentive to employees of the Company.  
The aggregate market value of the options as at the date of issue was $51,000. |

**Notes:**

1. Options issued in accordance with the terms of the ESOP at an exercise price of $0.21, expiring in three tranches:
   a. 1,293,230 expiring on 30 June 2019;
   b. 1,293,230 expiring on 30 June 2020; and
c. 1,293,231 expiring on 30 June 2019.

2. Options issued in accordance with the terms of the ESOP at an exercise price of $0.26, exercisable when the Company’s Share price reaches $0.50 per Share, expiring in three tranches:
   a. 102,133 expiring on 30 June 2019;
   b. 102,133 expiring on 30 June 2020; and
   c. 102,134 expiring on 30 June 2021.

**Dilution table**

The table below shows the potential dilution of holders of Shares on the basis of three different assumed issue prices and numbers of Shares on issue:

<table>
<thead>
<tr>
<th>Issued Share capital</th>
<th>Dilution when compared with the current issued Share capital</th>
<th>Issue of 10% of the enlarged Share capital</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$0.25 per Share (50% decrease in issue price)</td>
</tr>
<tr>
<td>238,672,802</td>
<td>10% dilution</td>
<td>23,867,280 Shares</td>
</tr>
<tr>
<td>Current issued Share capital</td>
<td></td>
<td>Funds raised $5,966,820</td>
</tr>
<tr>
<td>358,009,203</td>
<td>15% dilution</td>
<td>35,800,920 Shares</td>
</tr>
<tr>
<td>50% increase in issued Share capital</td>
<td></td>
<td>Funds raised $8,950,230</td>
</tr>
<tr>
<td>477,345,604</td>
<td>20% dilution</td>
<td>47,734,560 Shares</td>
</tr>
<tr>
<td>100% increase in issued Share capital</td>
<td></td>
<td>Funds raised $11,933,640</td>
</tr>
</tbody>
</table>

The table has been prepared on the following assumptions:

(i) The issue price of $0.50 is based on the closing price of Shares on 11 September 2014 of $0.495 rounded up to the nearest whole cent.

(ii) The current issued share capital has been calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at 11 September 2014.
(iii) The Company issues the maximum number of equity securities available under the Share Issue Mandate.

(iv) No options are exercised or converted into Shares.

(v) The table shows only the effect of issues of the Company’s equity securities under the Share Issue Mandate, not under the Company’s 15% placement capacity.

Directors’ recommendation

The Directors unanimously recommend that Members vote in favour of Item 4.

Item 5 – Approval of issues under the Employee Incentive Plan

Stakeholders and industry participants expect that the Company’s remuneration framework should provide competitive and appropriate remuneration so that the Company can attract and retain skilled employees and motivate them to improve Company performance. The Board believes that the introduction of a new incentive plan under which employees may be eligible to receive Shares, Options or Performance Rights will align the interests of employees with those of the Company and its Members.

The Board has resolved to establish the US Sub-Plan as a means of providing Incentives to employees, consultants and executive or non-executive directors of ImpediMed, Inc.

No further issues will be made under the Company’s existing employee option plans.

ASX Listing Rules requirements

Under ASX Listing Rule 7.1, subject to certain exceptions, a company must not issue more than 15% of the company’s total issued capital without shareholder approval. An exception is provided in ASX Listing Rule 7.2 (exception 9) where holders of ordinary securities approve the issue of securities under an employee incentive scheme as an exception to ASX Listing Rule 7.1.

The Company seeks approval of issues under the Employee Incentive Plan in order to preserve its capacity to issue up to 15% of its issued capital without Member approval by allowing the Company to exclude any Incentives or Shares issued on the exercise or vesting of Incentives under the Employee Incentive Plan from the 15% calculation.

Approval for the issue of Incentives under the Employee Incentive Plan is sought by way of an ordinary resolution to satisfy the requirements of ASX Listing Rule 7.2, exception 9. If item 5 is passed, the Company may rely on this exception for issues under the Employee Incentive Plan during the period of three years from the date of the Annual General Meeting.

The Board will not issue Incentives which, once exercised or vested, result in Shares being issued under this Employee Incentive Plan, including any sub-plan, which comprise more in aggregate than 5% of the Company’s issued capital at the issue date. The amount issued under the Company’s existing
plans, assuming all incentives are exercised, is approximately 5.4% of the Company’s issued capital.

**Regulatory information - Australia**

As this is the first time that approval is being sought for the Employee Incentive Plan, no Incentives have been issued under the plan as at the date of this Notice.

As required by Listing Rule 7.2 (exception 9), a summary of the Employee Incentive Plan is set out in the schedule. The full terms of the Employee Incentive Plan are available on the Company’s website: impedimed.com.au/investor-relations/corporate-governance.

**Regulatory information – United States**

A summary of the rules of US Sub-Plan is set out below.

<table>
<thead>
<tr>
<th>Administration</th>
<th>The US Sub-Plan may be administered by the Board or a committee of the Board, which has the discretion to offer awards to any consultant, employee or executive or non-executive director of the Group. The US Sub-Plan is effective for a period of ten years from the date of its adoption by the Board (2 October 2014) (unless terminated earlier by the Board). The Board may amend or terminate the US Sub-Plan at any time and for any reason, subject to obtaining Member approval (if necessary). Any amendment or termination does not affect any awards previously granted under the US Sub-Plan.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan limit</td>
<td>The maximum number of Shares which may be issued under the US Sub-Plan is 15 million Shares. However, as stated earlier, the Board will not issue Incentives under this plan which, once exercised or vested, result in Shares being issued which comprise more than 5% of the Company’s issued capital at the issue date.</td>
</tr>
<tr>
<td>Options</td>
<td>The exercise price of an Option will not be less than the fair market value of a Share on the date of grant of the Option. The determination of “fair market value” under the US Sub-Plan shall in all cases be determined by the Board and in accordance with the Employee Incentive Plan. An Incentive must be granted within ten years after 2 October 2014, being the date of adoption of the US Sub-Plan by the Board.</td>
</tr>
<tr>
<td>US Internal Revenue Code section 422</td>
<td>An Option issued under the US Sub-Plan may be intended to constitute an incentive stock option (ISO) within the meaning of Section 422 of the USA Internal Revenue Code of 1986 as amended (Code). An ISO may not be exercised after ten years of its date of grant. The US Sub-Plan is intended to contain the necessary plan documentation for shareholder approval to allow Options to be issued as ISOs.</td>
</tr>
<tr>
<td>Taxes</td>
<td>Participants must make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations.</td>
</tr>
</tbody>
</table>
Each Option under the US Sub-Plan is intended to be exempt from the requirements of Code Section 409A and shall be interpreted and administered in a manner consistent with such intention.

| General          | The Company’s obligation to issue securities under the US Sub-Plan is subject to any restrictions in the Corporations Act or the ASX Listing Rules. |

The full terms of the US Sub-Plan are provided in the annexure to this Notice. The full terms of the Employee Incentive Plan are available on the Company’s website: impedimed.com.au/investor-relations/corporate-governance.

**Directors’ recommendation**

The Directors unanimously recommend that Members vote in favour of Item 5.
Glossary

In this Explanatory Statement, and in the Notice, the following terms have the following meaning unless the context otherwise requires:

**Annual General Meeting** or **Meeting**
The annual general meeting of the Members convened pursuant to the Notice for the purposes of considering the resolutions set out in the Notice.

**Annual Report**
The annual report of the Company for the year ended 30 June 2014.

**ASX**
ASX Limited, or the securities market operated by it, as the context requires.

**ASX Listing Rules**
The official listing rules of ASX

**Board**
The board of directors of the Company

**Closely Related Party**
In relation to a member of Key Management Personnel:

(a) a spouse or child of the member;

(b) a child of the member’s spouse;

(c) a dependent of the member or of the member’s spouse;

(d) anyone else who is one of the member’s family and may be expected to influence the member, or be influenced by the member, in the member’s dealings with the Company;

(e) a company that the member controls; or

(f) a person described by the Corporations Regulations 2001 (Cth).

**Company or ImpediMed**
ImpediMed Limited.

**Constitution**
The constitution of the Company.

**Corporations Act**
Corporations Act 2001 (Cth).

**Director**
A director of the Company.

**Employee Incentive Plan**
The Employee Incentive Plan to be adopted by the Board on 2 October 2014.

**ESOP**
The Staff Option Plan adopted by the Board on 15 April 2004 and amended on 31 July 2007.

**Group**
The Company and subsidiaries of the Company.

**Incentives**
A Share, an Option or a Performance Right.

**Key Management Personnel**
Those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any Director (whether executive or not).
| **Member** | A holder of Shares. |
| **Notice** | The notice in **Part 1** pursuant to which the Annual General Meeting is convened. |
| **Option** | An option to acquire a Share under the Employee Incentive Plan at the exercise price set out in the employee’s letter of offer. |
| **Performance Right** | A right to acquire or be issued a Share under the Employee Incentive Plan for which the exercise price is zero. |
| **Share Issue Mandate** | The mandate to issue up to 10% of the entity’s issued capital at the time of issue or agreement, through placements over a 12 month period after the date that shareholders approve the mandate to issue further securities. |
| **Share Issue Mandate Resolution** | A resolution under ASX Listing Rule 7.1A to approve a Share Issue Mandate. |
| **Shares** | Fully paid ordinary shares in the Company |
| **US Sub-Plan** | The United States sub-plan of the Employee Incentive Plan to be adopted by the Board on 2 October 2014. |
Schedule
Summary of the terms of the Employee Incentive Plan

<table>
<thead>
<tr>
<th>Plan overview</th>
<th>The Board may, in its absolute discretion, offer to issue Incentives as part of its long term incentive strategy to an Eligible Employee under the Employee Incentive Plan, and such offer may be accepted by the Eligible Employee.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible Employees and Participants</td>
<td>Any permanent full time or part time employee of Group is eligible to participate in the Employee Incentive Plan and to be offered Incentives if he or she satisfies the criteria or other performance conditions that the Board determines from time to time. Once an Eligible Employee accepts an offer they will become a Participant.</td>
</tr>
<tr>
<td>Plan limit</td>
<td>The Company must not issue Incentives if the maximum number of Shares issued or which may be issued under this Employee Incentive Plan (including any sub-plan) on exercise or vesting of Incentives would exceed 5% of the Company’s total issued share capital at the time of the proposed issue.</td>
</tr>
<tr>
<td>Vesting Condition</td>
<td>The Board will determine whether any performance hurdles or other conditions (including as to time) will be required to be met (Vesting Conditions) before the Incentives which have been issued under the Plan can vest. Performance Rights will automatically vest on the business day after the relevant Vesting Conditions have all been satisfied, at which time the Company must issue Shares.</td>
</tr>
<tr>
<td>Issue price</td>
<td>Unless otherwise determined by the Board, Incentives will be issued for nil consideration under the Employee Incentive Plan on the basis that they represent valid consideration for the Eligible Employee’s performance as an employee.</td>
</tr>
<tr>
<td>Exercise price</td>
<td>The exercise price for Incentives is as determined by the Board at the time of issue. An Option will generally have a cash exercise price of greater than nil and a Performance Right will have an exercise price of nil.</td>
</tr>
<tr>
<td>Exercise period</td>
<td>The terms for exercise, including the exercise period, are stated in the offer letter. Any vested Incentives must not be exercised during a closed period prescribed in the Company’s Trading Policy.</td>
</tr>
</tbody>
</table>
| Lapse | Once on issue, Incentives will lapse on the first to occur of:  
  - the stated expiry date;  
  - a Participant failing to meet the stated vesting conditions within the prescribed period;  
  - a Participant ceasing to be employed by the Group due to resignation or retirement:  
    - for vested Options, 30 days after the date of cessation of employment (or such longer period as the Board determines); and  
    - for unvested Incentives, the date of cessation of employment (or such longer period as the Board determines);  
  - a Participant ceasing to be employed by the Group due to redundancy, or the Participant’s death, permanent illness or |
permanent physical or mental incapacity:
- for vested Options, six months after the date of cessation of employment (or such longer period as the Board determines); and
- for unvested Incentives, the date of cessation of employment (or such longer period as the Board determines);

- a Participant ceasing to be employed by the Group for any other reason:
  - for vested Options, 30 days after the date of cessation of employment (or such longer period as the Board determines); and
  - for unvested Incentives, the date of cessation of employment (or such longer period as the Board determines); and

- a determination by the Board that causes the Incentive to be forfeited (eg fraud by the Participant).

**Rights and restrictions of Incentives**

- Incentives are not entitled to receive a dividend. Any Shares issued upon vesting of Incentives are only entitled to dividends if they are issued on or before the relevant dividend entitlement date;
- Shares issued under the Employee Incentive Plan rank equally in all respects with other Shares on issue;
- In the event of a reconstruction of the Company (consolidation, subdivision, reduction, cancellation or return), the terms of any outstanding Incentives will be amended by the Board to the extent necessary to comply with the ASX Listing Rules at the time of reconstruction;
- Any bonus issue of securities by way of capitalisation of profits or share capital account, will confer on each Incentive the right:
  - to receive on exercise or vesting of those Incentives, not only an allotment of one Share for each of the Incentives exercised or vested but also an allotment of the additional Shares and/or other securities the Participant would have received had the Participant participated in that bonus issue as a holder of Shares of a number equal to the Shares that would have been allotted to the Participant had they exercised those Incentives or the Incentives had vested immediately before the date of the bonus issue; and
  - to have profits, reserves or share premium account, as the case may be, applied in paying up in full those additional Shares and/or other securities;
- Subject to a reconstruction or bonus issue, Incentives do not carry the right to participate in any new issue of securities including pro-rata issues;
- The Participant must comply with the Company’s Trading Policy and the Constitution in respect of any Shares that may be issued under the Employee Incentive Plan;
- Subject to law, any restriction in a Participant’s offer letter and the Company’s Trading Policy, there will be no restrictions on the sale, transfer or disposal of Shares once issued.
<table>
<thead>
<tr>
<th>Assignability</th>
<th>An Employee cannot sell, assign, transfer or otherwise dispose of an Incentive except to his or her Associate.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>The Employee Incentive Plan is administered by the Board, which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation.</td>
</tr>
</tbody>
</table>
| Change of control | If, in the opinion of the Board, a Change of Control Event has occurred, or is likely to occur, the Board may declare an Incentive to be free of any Vesting Conditions. Incentives which are so declared may, subject to any other rule, be exercised at any time on or before the relevant expiry date and in any number.  
**Change of Control** means where:  
- a takeover bid is made and a person obtains voting power (as that term is defined in the Corporations Act) of more than 50% and the takeover bid has become unconditional;  
- a court has sanctioned a compromise or arrangement (other than for the purpose of, or in connection with, a scheme for the reconstruction of the Company); or  
- any other transaction which the Board determines will result in a change in control of the Company. |
| Amendments | Subject to the ASX Listing Rules, the Board may amend the Employee Incentive Plan at any time, but may not do so in a way which reduces the rights of Participant’s existing rights without their consent, unless the amendment is to comply with the law, to correct an error or similar.  
The Board may also formulate (and subsequently amend) various sets of special terms to apply to persons employed, resident in or who are citizens of countries other than Australia. Each set of special terms are to be restricted in their application to those persons employed, resident in or who are citizens of the foreign country or countries specified by the Board. |
| Termination and suspension | The Employee Incentive Plan may be terminated or suspended at any time by resolution of the Board but any such suspension or termination will not affect nor prejudice rights of any Participant holding Incentives at that time. |
IMPEDED LIMITED EMPLOYEE INCENTIVE PLAN ("PLAN")

APPENDIX A – Adopted by Board on 22 September 2014

Additional Terms of Incentives Issued to USA Employees

In accordance with Plan Rule 13.1(b), if an Incentive (referred to in this Appendix A as an “USA Incentive”) is issued under the Plan to a Participant who is a resident or citizen of the United States of America ("USA") or the USA Incentive is otherwise subject to USA federal or state laws, then the following provisions in this Appendix A shall also apply to such USA Incentive to the extent applicable. Notwithstanding anything to the contrary, to the extent necessary to comply with USA federal and/or state laws, the terms of this Appendix A shall prevail and govern if there is a conflict with any other terms in the Plan. All terms not otherwise defined in this Appendix A shall have the meaning elsewhere provided to them in the Plan. Any Shares acquired pursuant to an USA Incentive shall be subject to all Group policies, restrictions on transfer, rights of first refusal or repurchase, and compliance with applicable laws, in each case as determined by the Company.
1. Share Limits and Adjustments, Fair Market Value, Term, and Amendment. Subject to adjustment as provided below in this Section 1, the maximum aggregate number of Shares that are issued under this Appendix A cannot exceed 15,000,000 Shares (the "Appendix A Share Limit"). Subject to adjustment as provided below in this Section 1, the maximum aggregate number of Shares that are issued under this Appendix A pursuant to the exercise of ISOs granted under the Plan shall not exceed 15,000,000 Shares (the "ISO Limit").

In the event of a stock split, reverse stock split, stock dividend, recapitalization, combination, reclassification or other distribution of the Company's securities without the receipt of consideration by the Company, then there shall be a proportionate adjustment to (i) the number of Shares purchasable or issuable under the USA Incentives and (ii) the Exercise Prices of the USA Incentives and (iii) the Appendix A Share Limit and ISO Limit. If USA Incentives are forfeited or are terminated for any reason (including the Company's repurchase of unvested Shares), then the forfeited/terminated/repurhased Shares underlying such USA Incentives shall not be counted toward the Share Limit. If exercised USA Incentives are settled in Shares, then only the number of Shares (if any) actually issued in settlement of such USA Incentives shall be counted against the Share Limit. If a Participant pays the Exercise Price by Net Exercise or by surrendering previously owned Shares (or by stock attestation) and/or, as permitted by the Board, pays any withholding tax obligation with respect to an USA Incentive by Net Exercise or by electing to have Shares withheld or surrendering previously owned Shares (or by stock attestation), the surrendered Shares and the Shares withheld to pay taxes shall not be counted toward the Share Limit.

The determination of "fair market value" under this Appendix A shall in all cases be determined by the Board and in accordance with the Plan. An USA Incentive must be granted within ten years after the earlier of the date of adoption of this Appendix A by the Board or approval of this Appendix A by Company Shareholders. The Board may amend or terminate the Appendix A at any time and for any reason. No USA Incentives shall be granted under the Appendix A after its termination. An amendment of the Appendix A shall be subject to the approval of the Company's Shareholders only to the extent required by applicable laws, regulations or rules. In addition, no such amendment or termination shall be made which would materially impair the rights of any Participant, without such Participant's written consent, under any then-outstanding USA Incentive.

2. Incentive Stock Options. An USA Incentive shall be intended to constitute an incentive stock option ("ISO") within the meaning of Section 422 of the USA Internal Revenue Code of 1986 as amended ("Code") if, and only if, (i) the granting resolutions and applicable documentation affirmatively state that such USA Incentive is intended to be an ISO and (ii) all ISO requirements are satisfied. In all other instances, each USA Incentive that is an Option shall be (or shall become after grant) a nonstatutory stock option under USA tax laws.

The Plan, including the Appendix A Share Limit, ISO Limit and this Appendix A, must be approved by Company Shareholders in accordance with Code Section 422 within twelve months of the Board's adoption of the Plan and this Appendix A or else no USA Incentives may qualify as ISOs.

The following provisions of this Section 2 are applicable to an USA Incentive only if such USA Incentive is an Option that is intended to be an ISO:

a. An USA Incentive may not be exercised after the expiration of ten years from its date of grant and its Exercise Price must not be less than the fair market value of a Share on the date of grant of such USA Incentive. An USA Incentive may not be transferable except to the extent permitted by will or by the laws of descent and distribution and the USA Incentive may only be exercised during the lifetime of the Participant by such Participant. In addition, to the extent that all or part of an USA Incentive exceeds the annual $100,000 limitation rule of section 422(d) of the Code, such USA Incentive or the lesser excess part will be treated as a nonstatutory stock option.

b. The Participant must be a common-law employee of the Company (or of its parent corporation or subsidiary corporation within the meaning of Code Section 424(e) and 424(f), respectively) on the USA Incentive's date of grant. If a Participant owns more
than ten percent (10%) of the total combined voting power of all classes of outstanding stock of the Company (and its parent corporation and subsidiary corporations) then the USA Incentive shall not qualify as an ISO unless the requirements set forth in Code Section 422(c)(5), providing for a minimum Exercise Price of at least 110% of the Share fair market value on the date of grant and a maximum Exercise Period of five years after the date of grant, are all satisfied. If the Participant ceases to be an employee of the Company (or a subsidiary corporation or parent corporation of Company), the USA Incentive (even if it was an ISO as of the date of the Participant’s termination of employment) will be treated as a nonstatutory stock option on the day after the date that is three (3) months after the Participant ceased to be an employee of the Company (and any subsidiary corporation or any parent corporation) including without limitation even if the Participant continues to provide service in a non-employee capacity to any one or more of such entities after his/her employment has terminated. For income tax purposes, if the Participant goes on a leave of absence from work and such leave period exceeds three (3) months and the Participant’s right to reemployment is not provided either by statute or by contract, then such USA Incentive will be treated as a nonstatutory stock option if the exercise of such USA Incentive occurs after the expiration of six (6) months from the commencement of such leave of absence. The Company determines which leaves count for this purpose (along with determining the effect of a leave of absence on vesting of USA Incentives), and when employment and service terminates for all purposes under USA Incentives.

c. If the Participant sells or otherwise disposes of any of the Shares acquired pursuant to the exercise of an USA Incentive that is an ISO on or before the later of (i) the date that is two years after the USA Incentive’s date of grant or (ii) the date that is one year after the applicable exercise of the USA Incentive, then the Participant shall within ten days of any and all such sales or dispositions provide the Company with written notice of such transactions including without limitation the date of each disposition, the number of Shares that the Participant disposed of in each transaction and their fair market value on the date of such disposition. Certain decisions, amendments, interpretations and actions by the Company and certain actions by the Participant may cause an USA Incentive to cease to qualify as an ISO and by accepting an USA Incentive, the Participant agrees in advance to any such disqualifying action taken by either the Participant or the Company.

3. Taxes.

a. Each Participant shall make arrangements satisfactory to the Company for the fulfillment of any tax withholding obligations that arise in connection with his/her USA Incentive. The Company shall not be required to issue any Shares or make any payment to a Participant until such obligations are satisfied and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to a Participant. Each Participant shall be solely liable and responsible for any taxes that are imposed on Participant as a result of any USA Incentive grant, exercise, settlement, and/or disposition of Shares acquired pursuant to such USA Incentive.

b. Each USA Incentive is intended to be exempt from the requirements of Code Section 409A and shall be interpreted and administered in a manner consistent with such intention. Therefore, among other things, the Exercise Price of an USA Incentive that is an Option shall not be less than the fair market value of a Share on the USA Incentive’s date of grant. Additionally, if the timing of payments provided under an USA Incentive is based on or triggered by a Plan Change of Control Event then, to extent necessary to avoid violating Code Section 409A, a Plan Change in Control Event must also constitute a “change in control event” within the meaning of Code Section 409A. In the event that any USA Incentive is determined by the Company to be subject to the requirements of Code Section 409A, the Board shall have the discretionary authority (but not the affirmative obligation) to take such actions and to make such changes to the USA Incentive or this Appendix A as the Board deems necessary (and without needing to obtain any Participant consent) to comply with such requirements (including without limitation, after the date of grant, increasing the Exercise Price of an Option to
equal what was the fair market value of a Share on the Option's date of grant). However, in no event whatsoever shall the Company or Board or any Group company be liable for any additional tax, interest or penalties that may be imposed on Participant by Code Section 409A or for any damages for failing to comply with Code Section 409A.

c. To the extent provided for by the Board when it approves the grant of an USA Incentive, such grant or any vesting, exercise, or settlement, may not constitute a parachute payment within the meaning of Code Section 280G such that there would be an imposition of golden parachute excise taxes under Code Section 4999 and/or the loss of a tax deduction for the Company (or a Group company) under Code Section 280G. The Board and the Company shall have the authority to ensure that this requirement is satisfied including without limitation by reducing the amount of compensation otherwise to be provided with respect to an USA Incentive and/or other compensation that would otherwise be provided to a Participant so that there are no Code Section 280G parachute payments.

4. **Cashless Exercise and Net Exercise.** One or more of the following provisions shall be applicable to an USA Incentive to the extent affirmatively provided by the Board in the Board’s sole discretion.

a. Payment for all or a part of the Exercise Price may be made through “Cashless Exercise”. “Cashless Exercise” means, to the extent permitted by applicable law and in accordance with any procedures established by the Board, an arrangement whereby payment of some or all of the aggregate Exercise Price may be made all or in part by delivery of an irrevocable direction to a securities broker to sell Shares and to deliver all or part of the sale proceeds to the Company. Cashless Exercise may also be utilized to satisfy the Participant’s tax withholding obligations as provided below. No fractional Shares will be created as a result of a Cashless Exercise.

b. Payment for all or a part of the Exercise Price may be made through “Net Exercise”. “Net Exercise” means, to the extent permitted by applicable law and in accordance with any procedures established by the Board, an arrangement pursuant to which the number of Shares issued to the Participant in connection with the Participant’s exercise of an USA Incentive will be reduced by the Company’s retention of a portion of such Shares. Upon such a net exercise of an USA Incentive, the Participant will receive a net number of Shares that is equal to (i) the number of Shares as to which the USA Incentive is being exercised minus (ii) the quotient (rounded down to the nearest whole number) of the aggregate Exercise Price of the Shares being exercised divided by the fair market value of a Share on the USA Incentive’s exercise date. The number of Shares covered by clause (ii) will be retained by the Company and not delivered to the Participant. No fractional Shares will be created as a result of a Net Exercise and the Participant must contemporaneously pay for any portion of the aggregate Exercise Price that is not covered by the Shares retained by the Company under clause (ii). The number of Shares delivered to the Participant may be further reduced if Net Exercise is utilized to satisfy applicable tax withholding obligations as provided below.

c. The Board may also, in its discretion, permit or require Participant to satisfy withholding tax payment obligations related to an USA Incentive through Net Exercise or Cashless Exercise. The number of Shares that are withheld from the USA Incentive pursuant to this section may also be limited by the Board, to the extent necessary, to avoid liability-classification of the USA Incentive (or other adverse accounting treatment) under applicable USA financial accounting rules including without limitation by requiring that no amount may be withheld which is in excess of minimum statutory withholding rates.

5. **California Securities Laws.** To the extent necessary to comply with the state of California Corporate Securities Law of 1968 as amended, the following terms listed in this Section 5 below shall apply if a Participant is a “California Participant”. For purposes of this Section 5, a
Participant is a California Participant if the applicable USA Incentive was granted in reliance on California Corporations Code section 25102(o).

a. The maximum Exercise Period for an USA Incentive that is an Option may not exceed 120 months from the USA Incentive’s date of grant. An USA Incentive may not be transferable except to the extent permitted by will, by the laws of descent and distribution or as permitted by Rule 701 of the USA Securities Act of 1933, as amended.

b. If termination of the Participant’s employment was for reasons other than due to death or Disability or Plan Rule 6(f), the Participant shall have at least 30 days after the date of such termination to exercise any of the vested portion of his/her USA Incentives (but in no event later than the expiration of the term of the USA Incentive established by the Board as of the date of grant). If termination of the Participant’s employment was due to his/her death or Disability, the Participant shall have at least six months after the date of such termination to exercise any vested portion of his/her USA Incentives (but in no event later than the expiration of the term of the USA Incentive established by the Board as of the date of grant). For purposes of this Appendix A, “Disability” shall mean a Total and Permanent Disability as defined by Code Section 22(e)(3).

c. The Plan and this Appendix A must be approved by Company Shareholders in accordance with California Code of Regulations Title 10 Sections 260.140.41(g) and Section 260.140.42(e) within twelve months of the initial granting of any USA Incentive in the state of California or else all such USA Incentives granted to California Participants must be rescinded. Notwithstanding the foregoing, for so long as the Company is a “foreign private issuer” as defined by Rule 3b-4 of the USA Securities Exchange Act of 1934 and the aggregate number of persons in California granted USA Incentives (or other Company options or securities) does not exceed 35, then the foregoing shareholder approval requirement is not applicable as permitted by California Code of Regulations Title 10 Sections 260.140.41(g) and Section 260.140.42(e).

d. Grants of USA Incentives must be issued in compliance with Rule 701 of the USA Securities Act of 1933 as amended.

To record the adoption of the Appendix A by the Board, the Company has caused its duly authorized officer to execute this Appendix A on behalf of the Company.

IMPEDIMED LIMITED

______________________________
Stephen Denaro
Company Secretary
**PROXY FORM**

I/We being a member(s) of ImpediMed Limited and entitled to attend and vote hereby appoint:

<table>
<thead>
<tr>
<th>STEP 1</th>
<th>APPOINT A PROXY</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ] the Chairman of the Meeting (mark box)</td>
<td>OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy.</td>
</tr>
</tbody>
</table>

Failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to vote on my/our behalf (including in accordance with the directions set out below or, if no directions have been given, to vote as the proxy sees fit, to the extent permitted by the law) at the Annual General Meeting of the Company to be held at 2:00pm on Thursday, 30 October 2014 at the Corrs Chambers Westgarth, Level 42, ONE ONE ONE, 111 Eagle Street, Brisbane, Queensland, Australia (the Meeting) and at any postponement or adjournment of the Meeting.

I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an X

<table>
<thead>
<tr>
<th>STEP 2</th>
<th>VOTING DIRECTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resolution 2</strong> Remuneration Report</td>
<td>For</td>
</tr>
<tr>
<td><strong>Resolution 3a</strong> Re - Election of James Hazel as a Director</td>
<td>For</td>
</tr>
<tr>
<td><strong>Resolution 3b</strong> Re - Election of Michael Panaccio as a Director</td>
<td>For</td>
</tr>
<tr>
<td><strong>Resolution 4</strong> Share Issue Mandate</td>
<td>For</td>
</tr>
<tr>
<td><strong>Resolution 5</strong> Approval of the Employee Incentive Plan</td>
<td>For</td>
</tr>
</tbody>
</table>

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

<table>
<thead>
<tr>
<th>STEP 3</th>
<th>SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED</th>
</tr>
</thead>
</table>

Shareholder 1 (Individual) | Joint Shareholder 2 (Individual) | Joint Shareholder 3 (Individual) |
Sole Director and Sole Company Secretary | Director/Company Secretary (Delete one) | Director |

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder’s attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company’s constitution and the Corporations Act 2001 (Cth).
HOW TO COMPLETE THIS PROXY FORM

Your Name and Address
This is your name and address as it appears on the Company’s share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note: you cannot change ownership of your shares using this form.

Appointment of a Proxy
If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the Meeting.

Votes on Items of Business – Proxy Appointment
You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on an item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy
You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company’s share registry or you may copy this form and return them both together.

To appoint a second proxy you must:
(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
(b) return both forms together.

Signing Instructions
You must sign this form as follows in the spaces provided:
Individual: where the holding is in one name, the holder must sign.
Joint Holding: where the holding is in more than one name, either shareholder may sign.
Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives
If a representative of the corporation is to attend the Meeting the appropriate “Certificate of Appointment of Corporate Representative” should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company’s share registry or online at www.linkmarketservices.com.au.

Lodgement of a Proxy Form
This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 2:00pm on Tuesday, 28 October 2014, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE www.linkmarketservices.com.au
Login to the Link website using the holding details as shown on the Proxy Form. Select ‘Voting’ and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their “Holder Identifier” (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

by mail: ImpediMed Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia

by fax: +61 2 9287 0309

by hand: delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

If you would like to attend and vote at the Annual General Meeting, please bring this form with you. This will assist in registering your attendance.