

IM MEDICAL LIMITED

ABN 47 009 436 908

14th September 2004

IM Medical Signs Up First New Clinics

IM Medical Limited (ASX Code: IMI) is pleased to announce that it has entered into a Memorandum of Understanding with a Melbourne-based group of primary healthcare medical clinics to install and operate the Intelliheart Diagnostic System in, initially, two of their clinics. On 10th September shareholders approved the acquisition of IntelliHeart Pty Ltd, which already has two clinics established utilising the IntelliHeart System. IM Medical also announced on Friday that it had closed the agreed private placement of \$2.5 million heavily oversubscribed.

Richard Revelins, Executive Chairman of IM Medical, commented "Considering we only formally acquired the IntelliHeart business a matter of days ago it is most encouraging that we are able to announce the signing of an agreement with two new clinics in such a short timeframe. The Intelliheart System up-skills GPs and other healthcare professionals in the detection, monitoring and treatment of cardiovascular disease. As more medical professionals are introduced to the concept the Company believes it will gain increasing commercial momentum."

On behalf of the Board

A handwritten signature in black ink, appearing to read "Richard Revelins".

Richard Revelins
Executive Chairman

About the IntelliHeart System

Cardiovascular disease ("CVD") is the leading cause of death in most developed countries. The IntelliHeart Sytem enables the assessment of an individual's risk of developing CVD years before symptoms of the disease become apparent. Each risk element is graphically stratified and the absolute and relative risk of developing CVD within 10 years numerically scored. This enables intervention to take place before the disease becomes life-threatening.

For further information please visit www.intelliheart.com.au or speak to Dr. Jack Minas, Executive Director of IM Medical Limited on 0419 717448.