

Wednesday, 06 September 2006

COMPANY ANNOUNCEMENT

OPERATIONS UPDATE

IM Medical Limited ("IM Medical") is pleased to update the market on its current operational performance since undertaking its last equity placement. The performance for the last three completed months to August 2006 is as follows:

Month	Volume of completed billable procedures
June 2006	: 460 billable procedures
July 2006	: 761 billable procedures
August 2006	: 1,297 billable procedures

These results translate to very pleasing percentage gains with July being 65% ahead of June and August being 182% ahead of June.

The current rates of growth are substantial and are being derived from the Victorian market place. Directors believe that additional organic growth is achievable from the Victorian market whilst management is also preparing for selected interstate start ups, initially in conjunction with existing Victorian clients who either have interstate operations or are part of national medical groups.

The market will be kept further informed.

For further information, please contact Laurie Williams on **(03) 9804 5298**.

About IM Medical:

IM Medical is a company operating in the life sciences sector. In September 2004 the Company completed the acquisition of Intelliheart Pty Ltd, a company commercialising the Intelliheart System. This System enables the early diagnosis of an individual's risk of developing cardiovascular disease. For more information see www.immedical.com.au or call the Company on telephone 03 9804 5298.