29 May 2012

ASX RELEASE

ASX ANNOUNCEMENT – COMPLETION OF RETAIL ENTITLEMENT OFFER

Brisbane, Australia – On 3 May 2012, ImpediMed Limited (**ASX:IPD**) (**ImpediMed** or the **Company**) announced the details of a 1 for 4 pro-rata accelerated non-renounceable entitlement offer of ordinary shares in ImpediMed consisting of an offer to institutional and sophisticated shareholders (**Institutional Entitlement Offer**) and an offer to eligible retail shareholders (**Retail Entitlement Offer**).

ImpediMed is pleased to announce that applications were received under the Retail Entitlement Offer for 2,412,096 ordinary shares at A$0.35 per ordinary shares to raise approximately A$0.8 million.

The total amount raised under the Institutional Entitlement Offer and the Retail Entitlement Offer is approximately A$8.7 million (before costs).

All shareholders who submitted valid applications for their entitlements and for additional shares will receive 100% of their applications.

Settlement of the Retail Entitlement Offer and of the second tranche of the Institutional Entitlement Offer is expected to occur on 31 May 2012, as a result of which the number of ordinary shares in the Company will increase to 181,314,055 (including 180,000 restricted shares).

Post the Retail Entitlement Offer, the Company's pro-forma net cash position (after costs of the offer) at 31 March 2012, would have been approximately A$17.4 million.

It is currently anticipated that:

- allotment of New Shares will occur on 1 June 2012;
- normal trading of New Shares will commence on 4 June 2012; and
- holding statements for New Shares will be dispatched by 4 June 2012.

Shareholders who applied for shares under the Retail Entitlement Offer and want to trade these shares before receiving their holding statements should confirm their allocation before doing so.

Yours faithfully
IMPEDIMED LIMITED

Steve Denaro - Company Secretary

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L-Dex® is a trademark of ImpediMed Limited.

The L-Dex scale is a tool to assist in the clinical assessment of unilateral lymphoedema of 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.

Important Notice

This announcement is not an offer or an invitation to acquire securities. In particular this release does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, for the amount or benefit of, any U.S. Person. This announcement may not be released or distributed in the United States or to any U.S. Person. Any securities described in this announcement have not been and will not be registered under the U.S. Securities Act or the securities laws of any other jurisdiction, and may not be offered or sold in the United States, or to, or for the account or benefit of, any U.S. Person.