

9 October 2012



YOUR OPTIONS TO ACQUIRE IMPEDIMED LIMITED SHARES AT \$0.683 PER SHARE EXPIRE ON 22 OCTOBER 2012

We are writing to you as a registered holder of IPO Options in ImpediMed Limited to remind you that the Options will expire at 5:00 p.m. (AEST) on 22 October 2012.

Your Option holding may be exercised in whole or in part by payment of \$0.683 for each Option no later than 22 October 2012. If payment is not received by 5:00 p.m. (AEST) on 22 October 2012, the Options will lapse and all rights under the Options will cease at that time.

Some of the courses of action available to you as a holder of these soon to expire Options are:

- (a) Exercise the Options on or before 22 October 2012 by 5:00 p.m. (AEST);
- (b) Sell your Options. Quotation of the Options will cease at the close of trading 5 business days before 22 October 2012 i.e. on 15 October 2012.
- (c) Do nothing (i.e. allow your Options to expire). If you do not exercise or sell your Options they will expire on 22 October 2012 and your right to subscribe for Ordinary Shares in ImpediMed Limited at \$0.683 per Share will lapse.

There is no obligation on Option Holders to exercise their Options. However, under paragraph 6.1 of Appendix 6A of the Australian Securities Exchange (ASX) Listing Rules, the Company is required to advise Option Holders of the information contained in this Notice.

The market sale price of Ordinary Shares in ImpediMed Limited on ASX was \$0.155 on 5 October 2012 being the last trading day in Brisbane prior to the date of this Notice.

During the three (3) months preceding the date of this Notice:

The highest market sale price of Ordinary Shares on ASX was \$0.29 cents on 10 July 2012; and
The lowest market sale price of Ordinary Shares on ASX was \$0.13 cents on 20 September 2012.

If you wish to exercise your options then you must complete your " Notice of Exercise of Options" form enclosed with this Notice and forward it together with payment of \$0.683 per option exercised to be received no later than 5.00 p.m. (AEST) on 22 October 2012 to the Company's share registry, being:

Link Market Services Limited Level 15, 324 Queen Street, Brisbane QLD 4000

Cheques should be made payable to "ImpediMed Limited" in Australian dollars only and should be crossed "Not Negotiable". If you have any further questions please do not hesitate to contact our Registry on telephone (61) 7 3320 2200, facsimile (61) 7 3228 4999 or email registrars@linkmarketservices.com.au

Yours faithfully,

Stephen Denaro
Company Secretary

(To enable option holders to apply for Securities on exercise of a company issued option)

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Securities in the above mentioned Issuer and

[illegible]

Lodging Participant's Stamp (if Applicable)