Investor Presentation
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- Key 2013 Goals
- Strategy to Win
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Year-to-Date Results
FY13 versus FY12 Q1-Q3

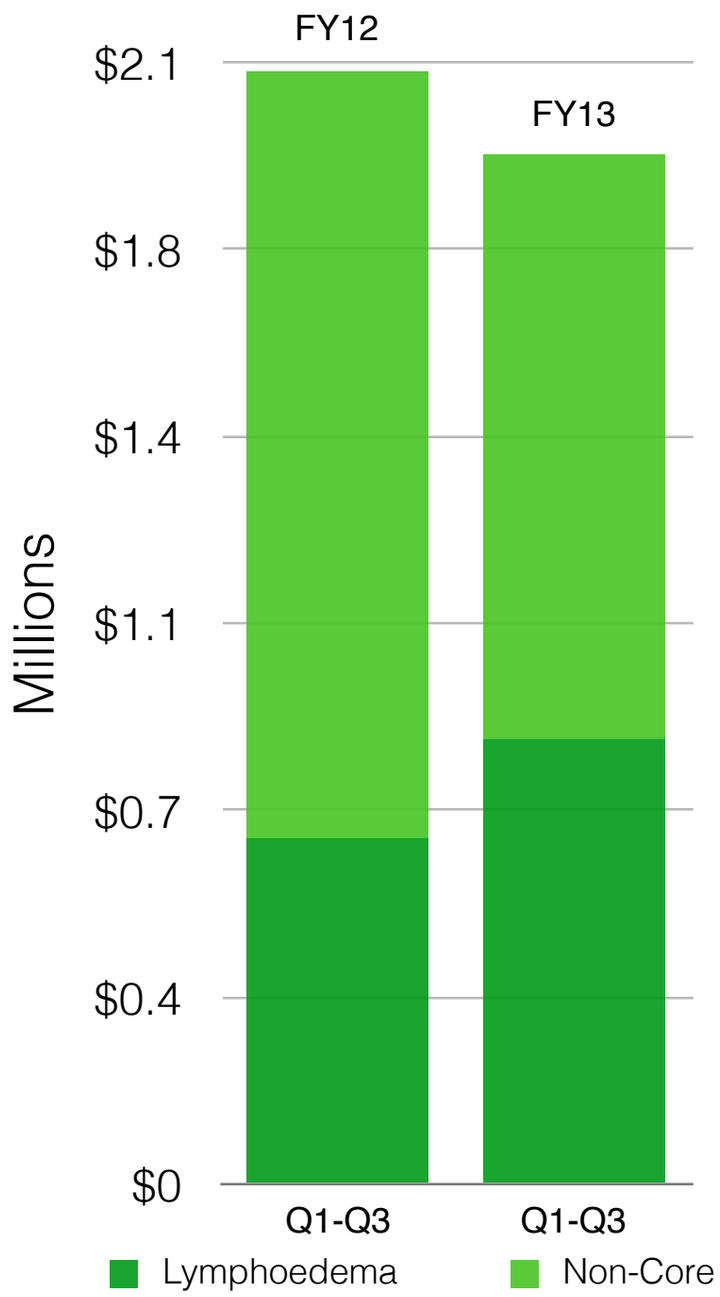
Global Lymphoedema Revenue
Up 29%

Cash Burn
Down 59%*

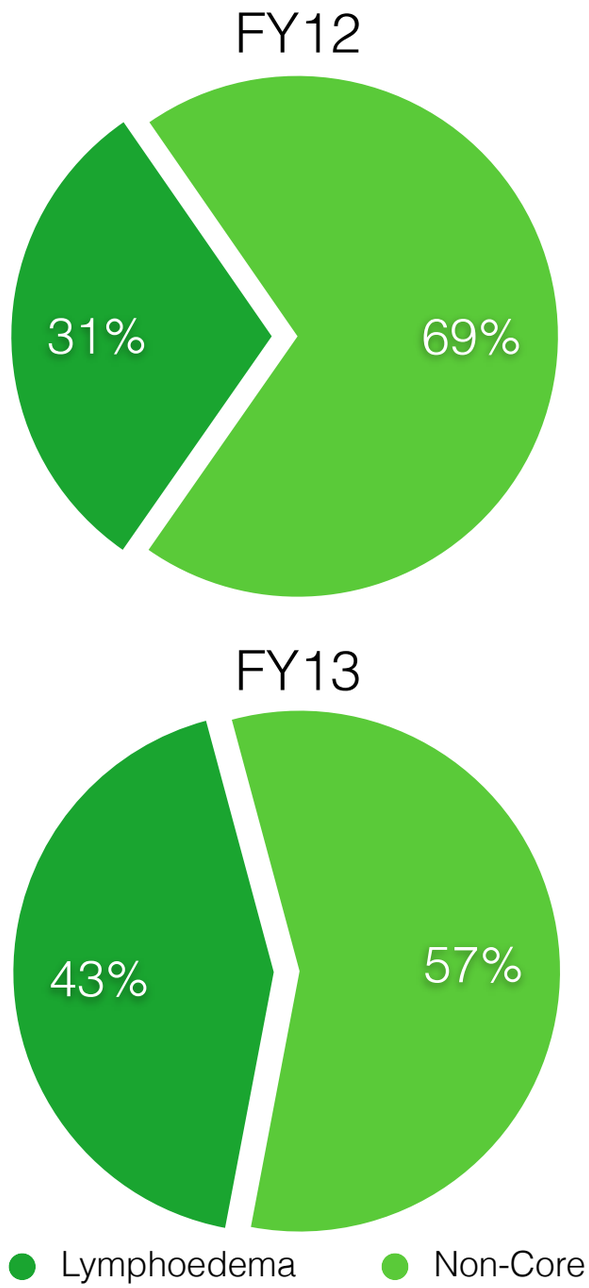
*Versus Q4 FY12 Cash burn minus R&D tax credit

Revenue Mix Year-to-Date

YTD Global Revenue



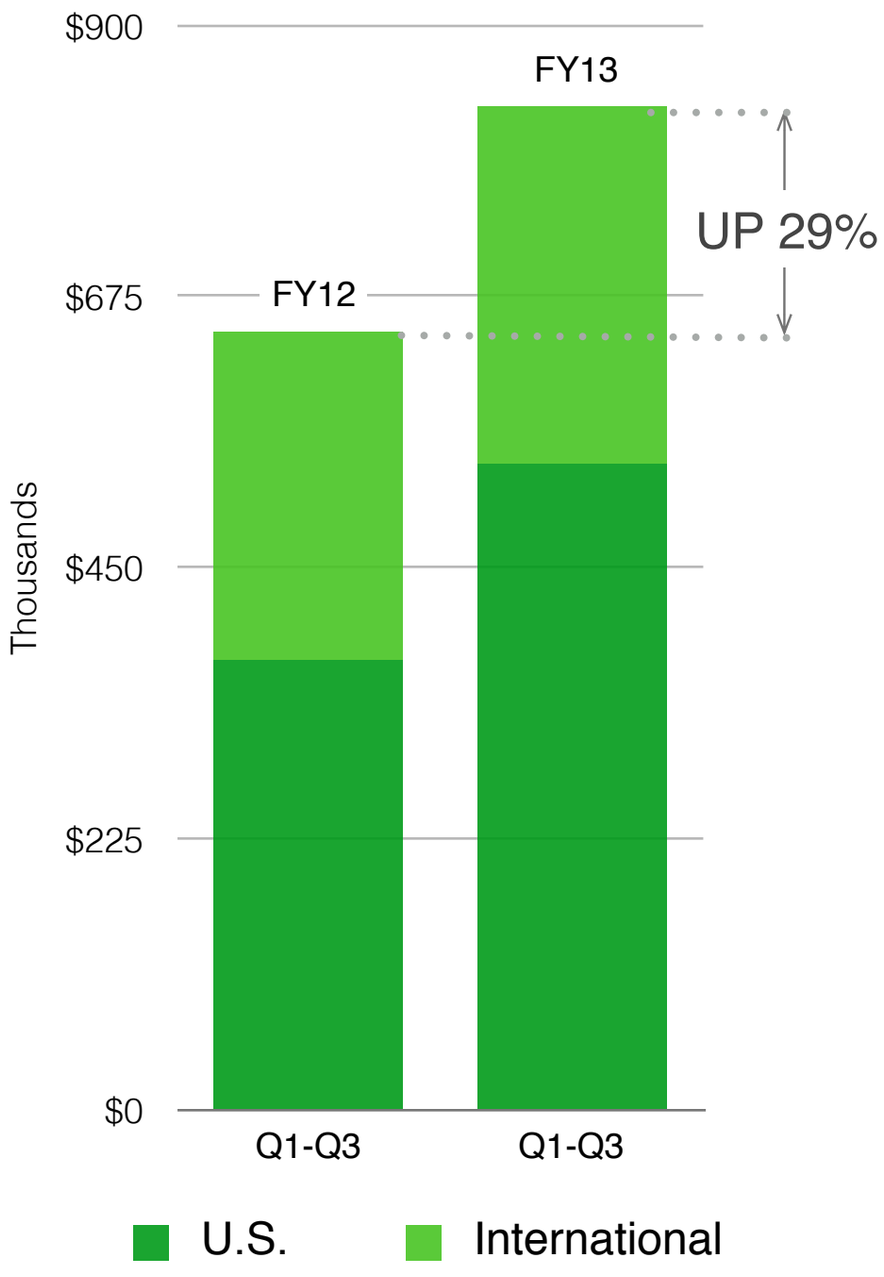
YTD Revenue Mix



- Focusing on the core lymphoedema business is paying off
- Shifting to a higher margin consumable model
- Balanced approach to the non-core businesses

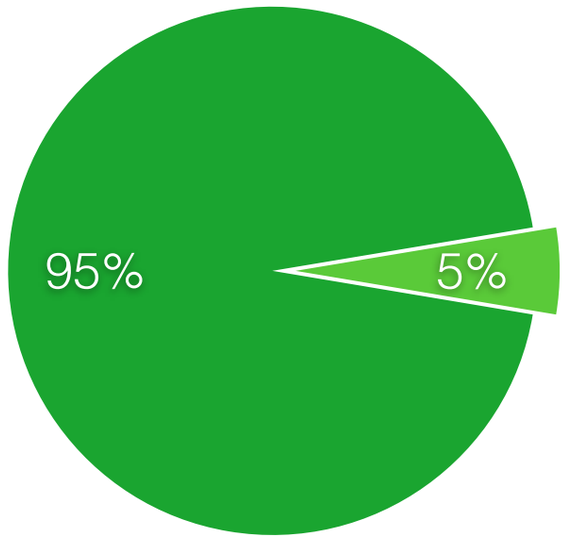
Lymphedema Revenue

Global Lymphoedema Revenue

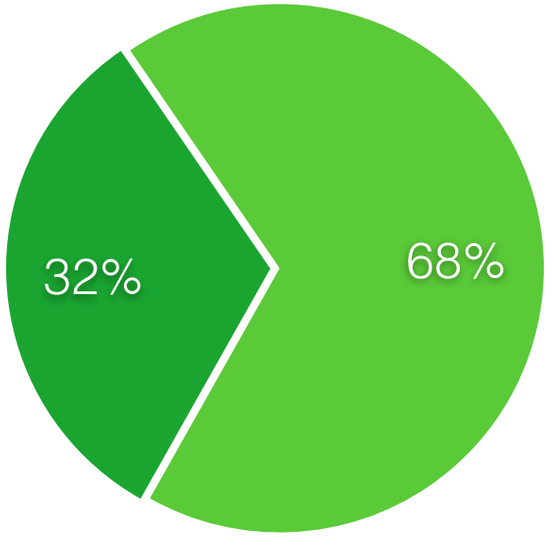


Consumable vs Capital Mix by Geography

U.S.

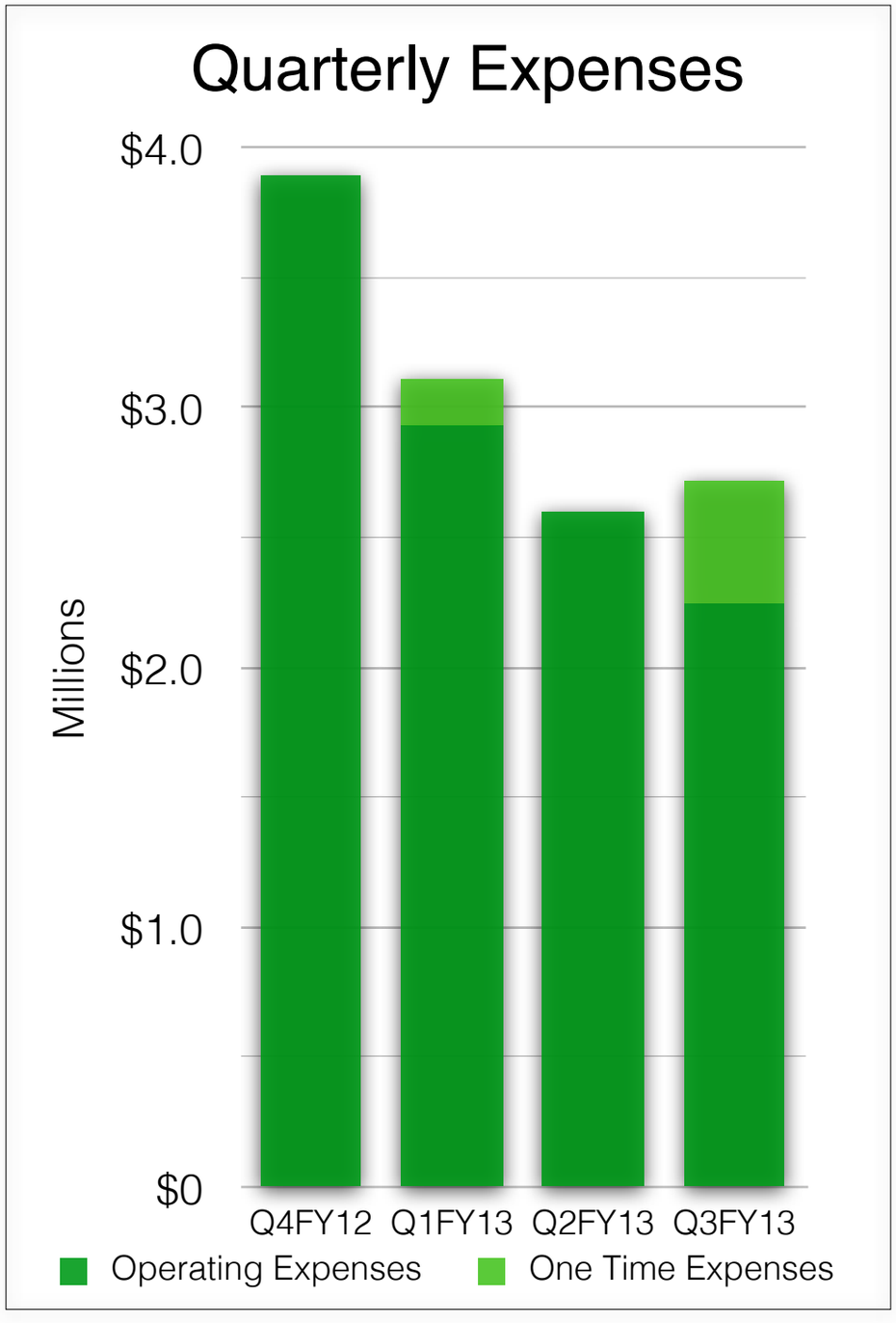


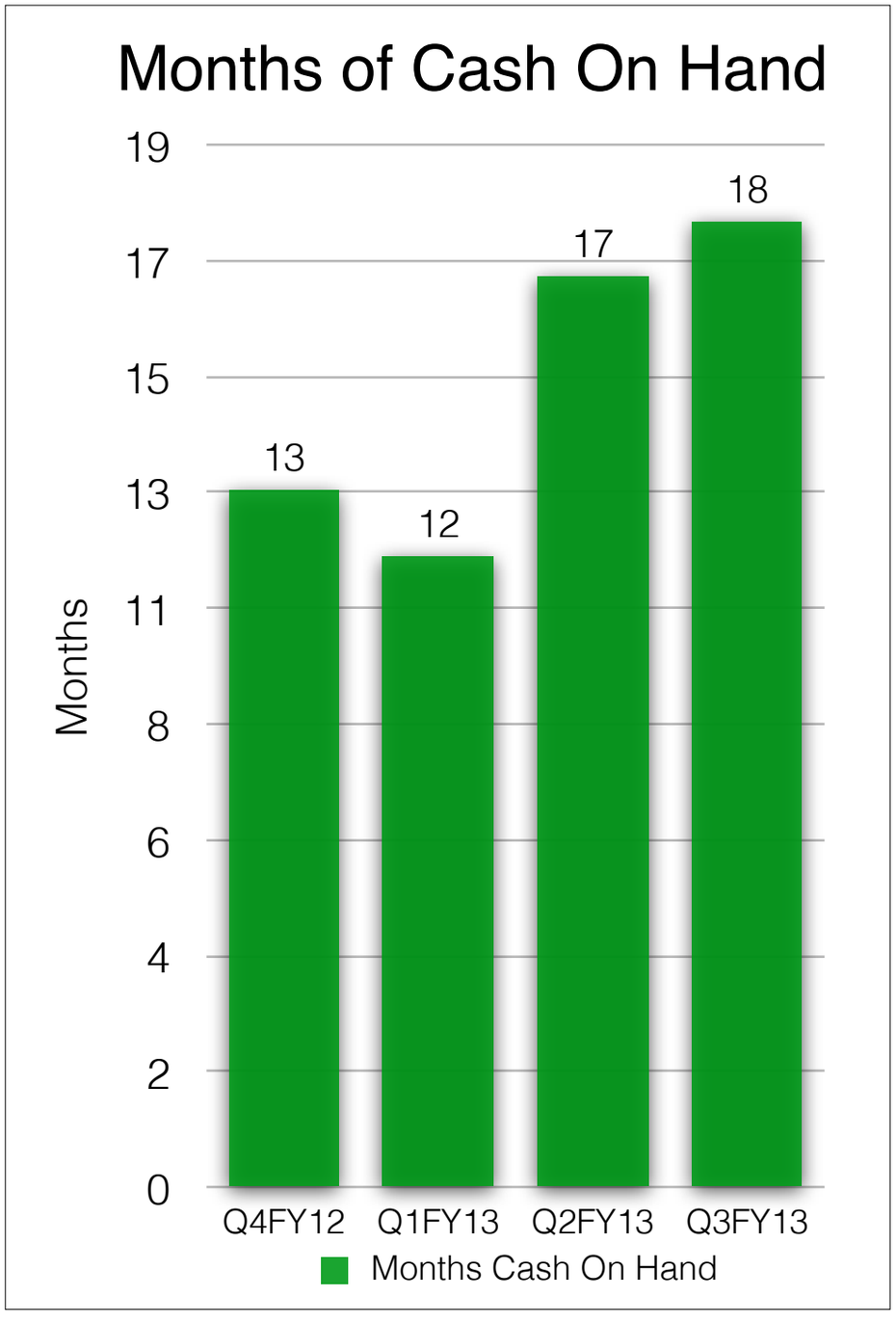
International



- U.S. YTD growth vs prior year +44%
- Driven principally by expansion beyond single surgeon practices
- International YTD growth vs prior year +9%
- Growth driven by 3M partnership

Cash Analysis





- Significantly improving financial position
- Expected cash burn norm will not occur for two more quarters (Q2 FY14)
- Estimated cash burn in Q2 FY14 to be $1.0 - $1.2 million
- Months of cash on hand assumes no revenue growth

	Q4	Q1	Q2	Q3
Cash on Hand	$14.5	$11.4	$9.6	$8.2
Cash Burn per Quarter	$3.4*	$3.0	$1.7	$1.4

* excludes $424k R&D tax credit

Key 2013 Goals

- **Focus building the core lymphoedema revenue**
  - Grow U.S. revenue
  - Convert international business from capital to consumable

- **Reduce quarterly cash burn 30% to 40% by year-end**
  - Instill strong financial discipline
  - Accomplish without negatively impacting core business

Strategy to Win

Reimbursement	• Convert Category III (emerging technology code) to a Category I (procedural code) • Convened Payer Advisory Panel in January to review data and previous submissions • Performed gap analysis of key issues (labeling, clinical data, outcomes data)
Regulatory	• Have FDA clearance, CE Mark, and ARTG (TGA) Listing • One roadblock to reimbursement is the wording in our current labeling that the device is not intended to diagnose or predict lympheodema • Working to have this removed by the regulatory bodies
Clinical	• Our device technology has proven to detect extracellular fluid (ECF) buildup in arms in women and legs in women and men • Data is emerging to demonstrate early detection and early intervention makes a difference • Phase III prospective randomised controlled trial using BIS required to show clinical benefit of early intervention • Organizing scientific panel to assist with the design of Phase III trial

Opportunities

- Monetise non-core assets
- Develop or expand partnership opportunities
- Expand use of our devices for drug/therapeutic clinical trials
- U.S. Healthcare experienced board members

Investment Case for ImpediMed

- Highly experienced executive team
- Regulatory clearances/approvals (AU, US, EU)
- Defined clinical pathway to ensure required outcomes are achieved
- Clear reimbursement strategy to ensure payment and coverage
- Strong financial position with 18 months of cash on hand

Breast Cancer Related Lymphoedema

- Breast cancer is the most common malignancy among women
- Early breast cancer detection and improved treatment have increased 5-year survival to almost 97% of women diagnosed with early stages; yet minimal progress on prevention of lymphoedema
- Estimated incidence of lymphoedema ranges from 3–15% for women who have had sentinel lymph node biopsy and up to 49% who undergo axillary lymph node dissection
- Many breast cancer survivors are not aware that lymphoedema is a common complication of cancer treatment until after being diagnosed with clinically evident disease
- Left untreated, protein-rich extracellular lymphoedema fluid leads to fibrotic changes within the tissues and adipose deposition

Factors Impacting Development of Lymphoedema

Lymphoedema secondary to breast cancer treatment is caused by the disruption of the lymphatic system

- Results in accumulation of protein-rich extracellular fluid in the interstitial tissue which presents clinically as swelling of the hand and arm

Risk factors in development of lymphoedema

- Removal of a large number of lymph nodes from the axilla during breast cancer surgery
- Large number of cancerous lymph nodes
- Radiation therapy to the lymph nodes in the axilla
- Overweight - BMI>30
- Post surgery infections

Lymphoedema Staging & Diagnosis

Stage 0 (Subclinical or Latent):

- Excess fluid accumulates and **fibrosis occurs** around the lymphatics, but no oedema is apparent clinically and **fluid accumulation may still be reversible**
- Patient may notice mild tingling, tightness or local heaviness of extremity

Stage 1 (Mild):

- Oedema pits on pressure and is reduced largely or completely by elevation
- **There is no clinical evidence of fibrosis**

Stage 2 (Moderate):

- Visible oedema with pitting
- Hardened, thickened skin with worsening of tissue fibrosis
- **Tissue damage irreversible**

Stage 3 (Severe):

- Visible oedema
- Enlargement of affected extremity

Staging and Diagnosis

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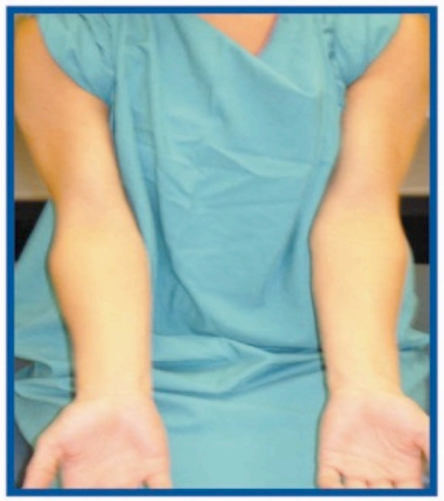
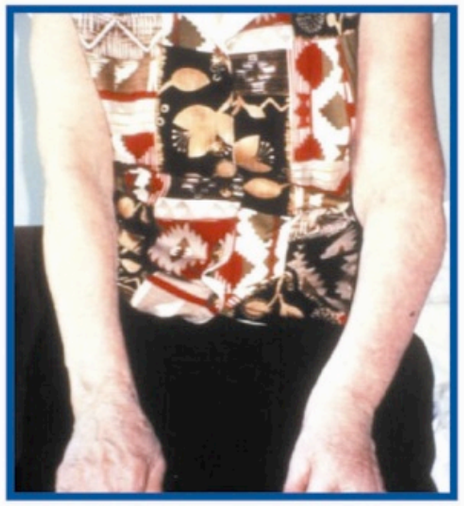
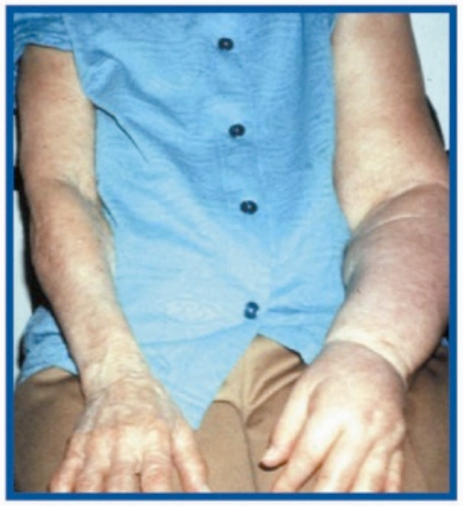


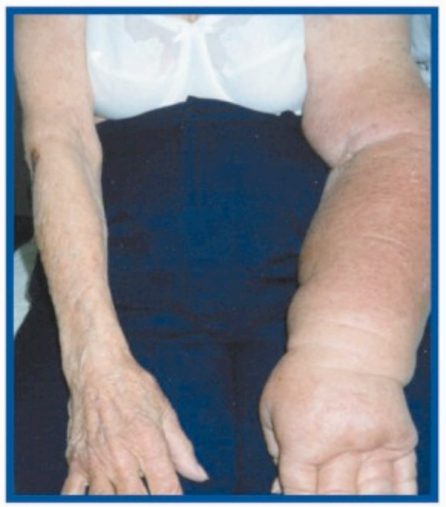
Stage 0 Left Unilateral Arm



Stage I Left Unilateral Arm



Stage II Left Unilateral arm



Stage III Left Unilateral arm

"BIS is a significant leap in technology. It is able to detect lymphoedema at the earliest possible stage of development (stage 0) where treatment is the most effective, and can potentially stabilise or even reverse the early stage lymphoedema."

-Dr. Stanley Rockson,

Stanford University Medical Center, 2013

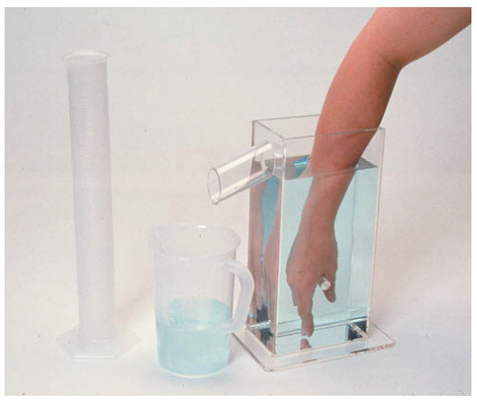
Current Assessment Methods Subjective and Not Readily Used

Tape

- Non-standardised volumetric measure (muscle/fat/bone/fluid)
- Indirect measure with no agreed universal cut off
- Subjective – influenced by tape placement, how tightly it is held and pulled, how old the tape is, measurement to measurement variability
- Time consuming - 20 minutes/reading
- Not practical in clinical practice
- **Cannot detect subclinical lymphoedema**

Water Displacement

- Non-standardised volumetric measure (muscle/fat/bone/fluid)
- Indirect measure with no agreed universal cut off
- Subjective – influenced by how deep the arm is placed each time, needs to be consistent in fill volumes, wide operator to operator variation
- Infection risk and not practical for routine use
- **Cannot detect subclinical lymphoedema**



Current Assessment Methods Subjective and Not Readily Used

Perometry

- Uses infrared light beams to measure the outline of the limb which can then be used to calculate limb volume
- Standardises volumetric measure
- Standardised cut off for early detection
- Still an indirect measure of volume
- Not practical; limited U.S. placements
- Not FDA cleared
- Not portable

Barriers to Physicians Clinically Assessing Patients

Traditional methods are not practical, not easily reproducible and/or not sensitive to early disease

- Diagnosis delayed until visible swelling is present (Stage 1 or later)
- Lymphoedema is often irreversible by the time swelling is apparent – late Stage 1 or Stage 2

Problem extends beyond physician practice

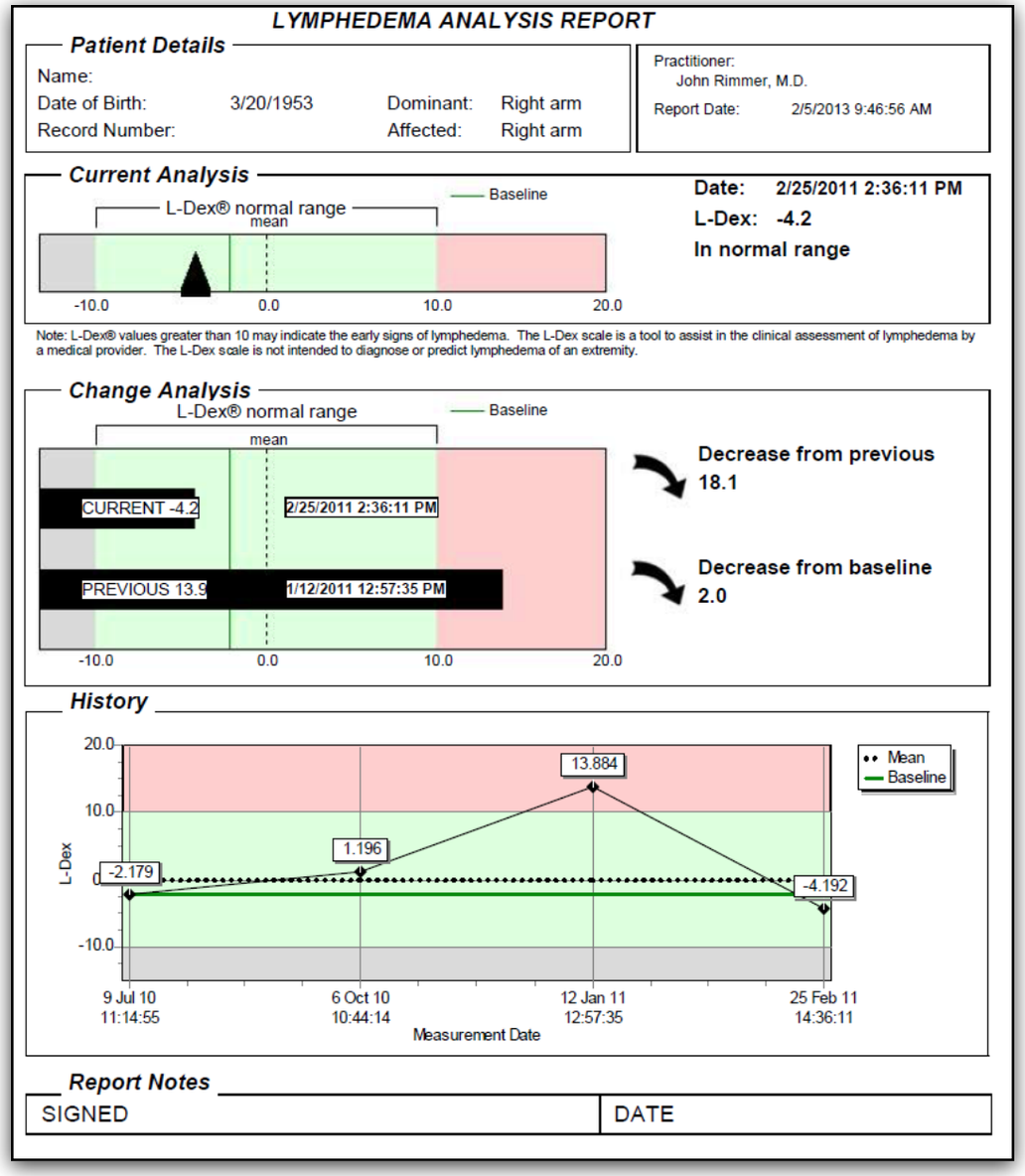
- Patients see different providers at various stages of their care
- Access to resources varies rural to metro, institution-to-institution
- Lack of standardisation and objectivity of methods

BIS is Not Just “Bioimpedance”

Designed for Professional Medical Use

- Not a consumer product – requires training and expertise to place electrodes
- Requires physician interpretation, diagnosis and selection of treatment option
- Built to ISO 13485 medical standard
- FDA cleared
- Reference ranges have been validated in three studies of breast cancer patients
- Unlike consumer body composition bioimpedance devices, BIS is based on direct measurement of fluid in the patient rather than predictive equations and algorithms

Patient L-Dex Analysis Report



Provides

- Patient Demographics
- Current L-Dex result

Change Analysis Helps Physician Compare

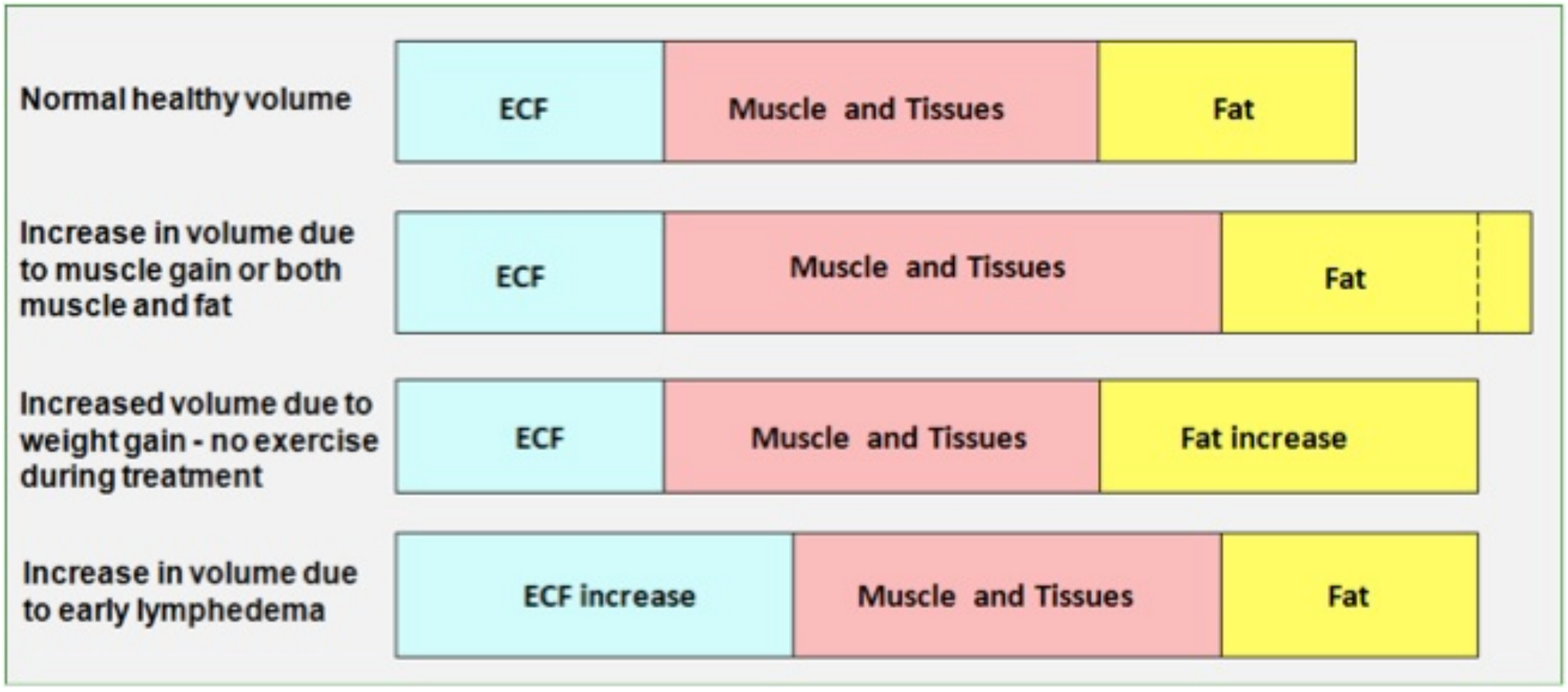
- Today's result
- Patient's previous result
- Patient's baseline value
- Ensures early detection & treatment

Graphic History

- Visualise build up of ECF
- Monitor response to treatment

L-Dex requires the clinical judgment of the physician for medical decision making

Factors Influencing Limb Volume



Tape and water displacement can't discriminate between changes in ECF, muscle or fat. BIS detects only changes in ECF.

L-Dex increases as ECF increases.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