

impedimed

IMPEDIMED LIMITED

ACN 089 705 144

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of shareholders of ImpediMed Limited (the **Company**) will be held at the offices of Johnson Winter & Slattery at Level 29, 111 Eagle Street, Brisbane QLD 4000 on Tuesday 15 March 2016 at 9.00am (AEST) (**Meeting**).

The Explanatory Notes to this Notice provides additional information on the matters to be considered at the Meeting. The Explanatory Notes and the Proxy Form form part of this notice.

BUSINESS OF THE MEETING

Item 1: Ratification and approval of issue of Shares under Tranche 1 of Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the shareholders ratify and approve the prior allotment and issue of 44,062,855 fully paid ordinary shares in the Company at an issue price of \$0.95 per share, on the terms and as outlined in the Explanatory Notes accompanying the Notice convening this meeting."

Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

Item 2: Approval for issue of Shares under Tranche 2 of Placement

To consider and, if thought fit, to pass the following as an ordinary resolution of the Company:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the shareholders approve the allotment and issue of 34,884,513 fully paid ordinary shares in the Company at an issue price of \$0.95 per share, on the terms and as outlined in the Explanatory Notes accompanying the Notice convening this meeting."

Note: A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

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ENTITLEMENT TO VOTE

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company as at 7.00pm (AEST) on Sunday 13 March 2016 (**Entitlement Time**).

This means that if you are not the registered holder of a Share in the Company at the Entitlement Time, you will not be entitled to vote at the Meeting.

VOTING OPTIONS AND PROXIES

If you do not plan to attend the Meeting in person, you are encouraged to complete and return the Proxy Form which accompanies this Notice of General Meeting.

Voting by Proxy

A Shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in place of the Shareholder.

If the Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the Shareholder's votes. If the specified proportion or number of votes exceed that which the Shareholder is entitled to, each proxy may exercise half of the Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a Shareholder of the Company. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific voting exclusions and proxy provisions applying to Items 1 and 2 (see the Explanatory Notes below):

- If a Shareholder has not directed their proxy how to vote, the proxy may vote as the proxy determines, and
- If a Shareholder appoints the Chair of the Meeting as proxy and does not direct the Chair how to vote on an item of business, the Chair will vote in accordance with his/her voting intention as stated in this Notice of Meeting, namely in favour of each of the proposed resolutions set out in the Notice of Meeting.

Proxy Voting by the Chair

The Chair intends to vote all undirected proxies in favour of the resolutions in the Notice of Meeting.

Proxy Forms

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company's share registry, as an original or by facsimile, **no later than 9.00am (AEST) on Sunday 13 March 2016 (Proxy Deadline)**.

Proxy forms may be submitted in one of the following ways:

- (i) **By mail** to Link Market Services Limited using the reply paid envelope or Locked Bag A14, Sydney South NSW 1235. Please allow sufficient time so that it reaches Link Market Services Limited by the Proxy Deadline;
- (ii) **By fax** to Link Market Services Limited on +61 2 9287 0309;
- (iii) **Online** via the Company's Share Registry website at www.linkmarketservices.com.au. Please refer to the Proxy Form for more information; or
- (iv) **By hand delivery** to Link Market Services Limited at Level 12, 680 George Street, Sydney NSW 2000.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

CORPORATE REPRESENTATIVES

Where a shareholding is registered in the name of a corporation, the corporate shareholder may appoint a person to act as its representative to attend the meeting by providing that person with:

- (i) a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (ii) a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

BY ORDER OF THE BOARD



Leanne Ralph
Company Secretary
12 February 2016

Explanatory Notes

Notes on Business

Background

As outlined in the announcement released to the market on 9 February 2016, the Company has received commitments from sophisticated and professional investors to subscribe for 78,947,368 new fully paid ordinary shares (**New Shares**) in the Company at an issue price of A\$0.95 per New Share, raising A\$75 million (**Placement**).

The Placement is to be completed in two tranches. The first tranche (**Tranche 1**) consists of 44,062,855 New Shares which were issued under the Company's 15% placement capacity in accordance with ASX Listing Rule 7.1 and as such, were not subject to the Shareholders' prior approval. These New Shares were issued on or about 16 February 2016.

The second tranche (**Tranche 2**) is to consist of the issue of 34,884,513 New Shares and is subject to Shareholder approval at this Meeting.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a Company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

Item 1 seeks shareholder ratification and approval under ASX Listing Rule 7.4 for the issue by the Company of 44,062,855 New Shares under Tranche 1. If Item 1 is approved, the Company's 15% placement capacity under ASX Listing Rule 7.1 will be refreshed from the date of the Meeting.

Item 2 seeks shareholder approval under ASX Listing Rule 7.1 for the issue 34,884,513 New Shares under Tranche 2.

ITEM 1 – Ratification and approval of the issue of Shares under Tranche 1

Ratification by Shareholders of the Company for Tranche 1 of the Placement, being 44,062,855 New Shares, is now sought pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

Specific Disclosure of Information

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the New Shares issued under Tranche 1:

- (a) The total number of New Shares issued by the Company under Tranche 1 was 44,062,855;
- (b) The New Shares were issued at \$0.95 per New Share;

- (c) The New Shares have been issued on the same terms as, and will rank equally in all respects with, the Company's existing Shares on issue;
- (d) The New Shares were issued and allotted to new and existing sophisticated and professional investors, none of whom are related parties of the Company;
- (e) The funds raised from the Placement will be primarily used by the Company to:
- expand sales and marketing activities for L-Dex®;
 - allow for balance sheet flexibility and working capital expansion to drive additional L-Dex growth in both the US and international markets;
 - pursue the Chronic Heart Failure (**CHF**) business, including by completing the 510(k) process and conducting and completing a clinical trial in CHF to position the Company with clinical data in support of a future product launch in CHF; and
 - provide for balance sheet strength in the context of high levels of commercial and corporate inquiry being generated by the Company; and
- (f) A voting exclusion statement is included below.

Voting Exclusion Statement

The Company will disregard any votes cast on the resolution in Item 1 by a person who participated in the issue of the New Shares under Tranche 1 of the Placement and any associate of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this resolution.

ITEM 2 – Approval for issue of Shares under Tranche 2

Item 2 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of Shares under Tranche 2 of the Placement, being 34,884,513 New Shares.

Specific Disclosure of Information

ASX Listing Rule 7.3 requires that the following information be provided to Shareholders in relation to the proposed issue of New Shares under Tranche 2:

- (a) The maximum number of New Shares to be issued is 34,884,513;
- (b) The New Shares will be issued as soon as practicable after the date of the Meeting but no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and will be issued in full (not progressively).
- (c) The New Shares will be issued at \$0.95 per New Share;
- (d) The New Shares will be issued on the same terms as, and will rank equally in all respects with the Company's existing Shares on issue;
- (e) The New Shares will be issued and allotted to new and existing sophisticated and professional investors, none of whom are related parties of the Company;
- (f) See section (e) of Item 1 for the intended use of funds; and
- (g) A voting exclusion statement is included below.

Voting Exclusion Statement

The Company will disregard any votes cast on the resolution in Item 2 by any person who may participate in the proposed issue of New Shares under Tranche 2 of the Placement and a person who might obtain a benefit, except solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this resolution.

Chair's Voting Intention

The Chair of the Meeting intends to vote all available undirected proxies in favour of all resolutions.

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GLOSSARY

\$ means Australian Dollars

AEST means Australian Eastern Standard Time as observed in Brisbane, Australia.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules means the Listing Rules of the ASX.

Board means the current board of directors of the Company.

CHF means Chronic Heart Failure.

Company means ImpediMed Limited (ACN 089 705 144).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Notes means the Explanatory Notes accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Items means the resolutions set out in the Notice, or any one of them, as the context requires.

New Shares means new Shares.

Notice or **Notice of Meeting** or **Notice of General Meaning** means this notice of general meaning and the explanatory notes accompanying the Notice and the Proxy Form.

Placement has the meaning set out in Background.

Proxy Form means the proxy form accompanying the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Tranche 1 means the first tranche of the Placement comprising 44,062,855 New Shares.

Tranche 2 means the second tranche of the Placement comprising 34,884,513 New Shares.

US means the United States of America.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

ImpediMed Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of ImpediMed Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **9:00am (AEST) on Tuesday, 15 March 2016 at Johnson Winter & Slattery at Level 29, 111 Eagle Street, Brisbane QLD 4000** (the Meeting) and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*
1 Ratification and approval of issue of Shares under Tranche 1 of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval for issue of Shares under Tranche 2 of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

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HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am (AEST) on Sunday, 13 March 2016**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

ImpediMed Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**