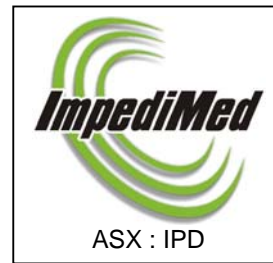


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ASX / MEDIA RELEASE



ImpediMed Completes US Acquisition of XITRON Technologies

Following its successful listing on the Australian Stock Exchange on 24th October 2007, ImpediMed Limited today announced the successful completion of the last step in the acquisition of San Diego, California based XITRON Technologies, Inc (XITRON).

The closing of the acquisition was completed 1st October 2007, but the final step was the funding by ImpediMed of the payment by XITRON Technologies of \$US 1 million consideration to Fresenius Medical Care, Inc (Fresenius) to amend 2001 and 2003 agreements licensing XITRON's 1991 patent to Fresenius.

Under a 5th July 2007 agreement between XITRON and Fresenius it was agreed that Fresenius would return the rights to the patent for markets other than dialysis and extracorporeal therapies. The final step was ImpediMed completing its IPO to fund the license payment. This payment was made on 24 October following the successful admission of ImpediMed as an ASX listed company which completed its IPO capital raising process.

"This event marks a significant milestone for ImpediMed." said CEO, Greg Brown.

"XITRON gives ImpediMed a self supporting US logistics and service base with the management capability to provide the necessary service and support to ImpediMed's experienced and capable US sales and marketing team. The timing could not have been better, coinciding with the scale up of our US market presence. The net result is efficiency in building infrastructure and capability. Existing XITRON revenues will largely cover any additional overheads," Mr Brown added.

On the intellectual property front, the 1991 XITRON patent becomes Patent Family # 17 for the ImpediMed group, and adds one of the early patents in the Bioimpedance Spectroscopy arena to the group's IP.

Mr Brown continued "ImpediMed was excited by the excellent relationship XITRON has with Fresenius Medical Care, Inc (the world's largest dialysis company).

XITRON manufactures Fresenius' Dry Weight Monitor, which is in late stage pre-market preparations and regulatory clearance processes, and is a companion device targeted for use by Fresenius with its dialysis equipment to estimate dry weight in patients undergoing dialysis."

XITRON's business is summarised in ImpediMed's prospectus, which is available at www.impedimed.com . It includes a small self contained division known for its family of test and measurement equipment, including electrical, phase angle and bioimpedance testers. XITRON will retain its corporate identity as a wholly owned subsidiary of ImpediMed, given its brand recognition as a respected supplier in power test and measurement.

"The acquisition adds significant depth to ImpediMed's US organisation", added Mr Brown.

"As disclosed in ImpediMed's prospectus, the XITRON Power Test and Measurement business remains under the solid leadership of Dennis Schlaht, continuing the progress he has made in driving business improvements in that business as Vice President XITRON Power Test & Measurement."

Mr Brown said ImpediMed was also pleased to announce the appointment of XITRON director Stephen Smith to join ImpediMed's US management team as Vice President of Operations.

"Since the closing of the acquisition we have been in negotiation with Mr Smith, who was a non-executive director at XITRON, and we are pleased to announce that he has accepted an executive position in ImpediMed's US team."

ImpediMed Chairman, Mel Bridges said "The ImpediMed board was delighted to have executives of the calibre of Mr Schlaht and Mr Smith adding fire-power to our US leadership team.

"Mr Smith and Schlaht bring extensive operational management and leadership capabilities, to support the US Sales and Marketing team lead by deeply experienced medical industry executive Jack Butler (ex-NASDAQ listed Digene Corporation), at a critical time when the scale up in the US market is beginning," added Mr Bridges.

Mr Smith was previously with NASDAQ listed semiconductor company AMCC from 1999 to 2005, joining as VP Business Development and rising to Senior Vice President and CFO in April 2003.

Mr Smith said, "the XITRON team could not be more excited to be able to bring its skills and capabilities to bear on the exciting market opportunity that ImpediMed's lymphoedema business represents."

"For my part to have responsibility for building ImpediMed's US operations team in support of this market will be immensely satisfying", Mr Smith added.

The XITRON facility in San Diego will serve as ImpediMed's primary US office, and is well suited in respect of time zones and travel for dealing with ImpediMed's corporate office in Brisbane Australia.

Upfront consideration under the acquisition agreement for the XITRON shares was payable by the issue of ImpediMed ordinary shares, based on a deemed share price of \$1.30 (Australian). ImpediMed issued 2,041,318 ordinary shares in consideration of the share acquisition on 1 October 2007.

As outlined in ImpediMed's prospectus there are four further potential milestone payments, which aligns the interests of ImpediMed shareholders and the XITRON shareholders, most of whom are staff. These payments, if earned by achievement of the milestones, will also be payable in ImpediMed shares with the value tied to \$1.30 and potential share quantities already determined. The terms of the agreement are unchanged from those outlined in the prospectus in section 13.1, which is available at www.impedimed.com.

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• **About ImpediMed Limited:**

ImpediMed Limited was incorporated in 1999 by The University of Queensland's main technology commercialisation company, UniQuest Pty Ltd. The Brisbane-based company began operations in 2000 to commercialise technology developed by researchers from the University of Queensland and the Queensland University of Technology.

ImpediMed Limited develops and globally markets medical device systems for use in non-invasive screening and monitoring of human disorders and diseases.

ImpediMed's primary product range consists of a number of medical devices that enable the early detection and monitoring of secondary lymphoedema in cancer survivors before the onset of symptoms that are detectable using the most commonly used clinical technique.

ImpediMed has the only medical device with an FDA clearance in the United States for the clinical assessment by Health Care Providers of secondary lymphoedema in the arm. This device is targeted to be launched internationally before the end of the year.

www.impedimed.com