



15 December 2009

ASX RELEASE

Xitron – Former Employee Action

ImpediMed Limited and its wholly owned subsidiary, Xitron Technologies Inc., have been served with a US civil action by James R Matthie, a former employee and founder of Xitron. The action relates to an agreement made by Xitron in 2001, before ImpediMed purchased the company, and referred to in the ImpediMed annual accounts.

The Company believes the claims made by Mr. Matthie are without merit, that it is in a strong position to defend the action successfully and intends to do so vigorously. The Company believes that the legal expenses and management resources required to defend this action will not impact its ability to implement its business plan and to meet its current milestone targets.

A handwritten signature in black ink, appearing to read "S. Denaro", is positioned above the typed name of the signatory.

Stephen Denaro
Company Secretary

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