

29 July 2011

ASX RELEASE

ASX ANNOUNCEMENT – APPENDIX 4C – QUARTER ENDED 30 June 2011

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ImpediMed Limited (ASX:IPD) (the Group or the Company) is pleased to provide its Appendix 4C quarterly cash flow report (unaudited) for the quarter and year ended 30 June 2011.

ImpediMed CEO, Mr. Greg Brown said, “We are pleased with the Group’s progress during the quarter in advancing key programs for reimbursement and for U.S. physician adoption of L-Dex® medical devices to aid in the clinical assessment of unilateral lymphoedema in females. Significant work during the quarter culminated in the Company expanding its coverage for L-Dex testing”.

The following are some highlights from the quarter:

- The achievement of the first covered lives milestone with the release of 12 million covered lives.
- The achievement of another major milestone with the NAPBC/NLN clinical standard and supporting guidelines for risk reduction strategies for lymphoedema in breast cancer patients. The referenced guidelines support L-Dex testing with conventional techniques.
- At 30 June 2011, L-Dex placements in the U.S. marketplace were 142 devices, up 21 placements from the April 2011 update.
- The independent IMS health economic paper was submitted for publication to a recognised key journal in the Managed Care field.
- Three scientific articles were published around the use/application of bioimpedance spectroscopy devices (U400 L-Dex) in a hospital or clinical environment. In addition, a number of surgeons are authoring publications of clinical data which documents the performance value of L-Dex readings to aid in the clinical assessment of unilateral lymphoedema in female patients. Several articles are approved and in the process of being published in important industry journals.
- ImpediMed finished the year with over 1,200 shareholders and the Company is now included in the S&P/ASX All Ordinaries indices effective late March 2011.

- Initiated the process for Medicare reimbursement in Australia.
- Completed the sustaining engineering required for U400 devices to be sold in Europe with translations to German, Italian, French and Spanish.

Cash Flow Report Commentary

Cash on hand as of 30 June 2011 was \$17.9 million as compared with \$21.0 for the previous quarter ended 31 March 2011. Receipts from customers for the quarter and twelve months ending 30 June 2011 were \$1.0 million and \$3.8 million, respectively.

Net cash used in operations for the quarter was \$2.7 million, representing a nil increase in cash used as compared to the \$2.7 million cash used in the previous quarter ended 31 March 2011 and \$2.2 million for the quarter ended 30 June 2010. The increase in net cash used from the previous quarters relates to an increase in employee salaries and benefit costs, advertising and promotion, professional and consulting fees and other working capital items.

“Insurance coverage continues to be the key driver to our business model, we remain focused on building clinical support and independent medical guidelines to aid in building coverage for reimbursement,” said Mr. Brown.

Greg Brown
CEO

ENDS

For further information contact:

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L-Dex[®] is a trademark of ImpediMed Limited.

The L-Dex scale is a tool to assist in the clinical assessment of lymphoedema by a medical provider. The L-Dex scale is not intended to diagnose or predict lymphoedema of an extremity.

L-Dex[®] values that have an increase of ten (10) L-Dex units from a patient's baseline L-Dex value represent a change of three (3) standard deviations (3SD). This has been demonstrated in a matched normal population to be potentially clinically relevant to the medical provider in aiding in the clinical assessment of unilateral lymphoedema of the arm. For an initial assessment where no measurement history exists, a range representing 3SD either side of a normal population mean is highlighted on the L-Dex scale to aid the medical provider in their clinical assessment. Medical providers need to be aware that a 3SD change can still occur within this range and where possible should utilize changes from baseline of 10 L-Dex units.

About ImpediMed

ImpediMed Ltd. is the world leader in the development and distribution of medical devices employing Bioimpedance Spectroscopy (BIS) technologies for use in the non-invasive clinical assessment and monitoring of fluid status. ImpediMed's primary product range consists of a number of medical devices that aid surgeons, oncologists, therapists and radiation oncologists in the clinical assessment of patients for the potential onset of secondary lymphoedema. Pre-operative clinical assessment in breast cancer survivors, before the onset of symptoms, may prevent the condition from becoming a lifelong management issue and thus improve the quality of life of the cancer survivor. ImpediMed has the first medical device with an FDA clearance in the United States to aid health care professionals, clinically assess secondary lymphoedema of the arm in female breast cancer patients.

For more information, visit. www.impedimed.com.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

ImpediMed Limited

ABN

65 089 705 144

Quarter ended ("current quarter")

30 June 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (twelve months) \$A'000
1.1 Receipts from customers	1,064	3,824
1.2 Payments for		
(a) staff costs	(1,277)	(5,526)
(b) advertising and marketing	(235)	(463)
(c) research and development	(329)	(1,336)
(d) leased assets	(3)	(21)
(e) other working capital	(2,025)	(7,740)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	105	290
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Other (provide details if material)	30	(326)
Net operating cash flows	(2,670)	(11,298)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (twelve months) \$A'000
1.8 Net operating cash flows (carried forward)	(2,670)	(11,298)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	0	0
(b) equity investments	0	0
(c) intellectual property	0	0
(d) physical non-current assets	0	0
(e) other non-current assets	0	0
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	0	0
(b) equity investments	0	0
(c) intellectual property	0	0
(d) physical non-current assets	0	0
(e) other non-current assets	0	0
1.11 Loans to other entities	0	0
1.12 Loans repaid by other entities	0	0
1.13 Other (provide details if material)	0	0
Net investing cash flows	0	0
1.14 Total operating and investing cash flows	(2,670)	(11,298)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	0	14,280
1.16 Proceeds from sale of forfeited shares	0	0
1.17 Proceeds from borrowings	0	0
1.18 Repayment of borrowings	0	0
1.19 Dividends paid	0	0
1.20 Other (provide details if material)	(2)	(836)
Net financing cash flows	(2)	13,444
Net increase (decrease) in cash held	(2,672)	2,146
1.21 Cash at beginning of quarter/year to date	21,040	18,789
1.22 Exchange rate adjustments to item 1.20	(469)	(3,036)
1.23 Cash at end of quarter	17,899	17,899

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	315
1.25	Aggregate amount of loans to the parties included in item 1.11	0

1.26 Explanation necessary for an understanding of the transactions

Item 1.20: Other cash flow movements related to financing activities consists of capital raising costs.
 Item 1.24: Payments to directors consist of Directors' salaries and the Directors' fees for the quarter, including superannuation and payments to a consultant who is related to the CEO. This excludes any amounts that were unpaid as at the end of the quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	---	---
3.2	Credit standby arrangements	---	---

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Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

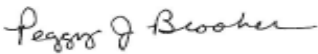
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	2,667	1,480
4.2 Deposits at call	15,232	19,560
4.3 Bank overdraft	0	0
4.4 Other (provide details)	0	0
Total: cash at end of quarter (item 1.23)	17,899	21,040

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  _____ Date: 29 July 2011
(Director/Company secretary)

Print name: Peggy Brooker
Chief Financial Officer

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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