

ImpediMed Limited

Surviving cancer without compromising lifestyle

October 2008 AGM business update

healthy

lifestyle

Targeting Multiple Fluid Status Markets

Lymphedema markets

- Breast cancer focused
- 4000-5000 breast surgeons
- Also oncologists, therapists

Current Target Markets

Medical Hydration market

- Fluid status device – assist DW
- FDA denovo denied
- RRI studies for Hy-Dex



Future

Lymphedema markets

- Pelvic cancers

Edema markets

- Venous insufficiency

Key milestones and updates

- Publications this year – JCO, Lymphology (on BIS), Cancer publication on early detection benefit (Perometer)
- Xitron acquisition completed and new San Diego office base for operations
- Regulatory U400 filed in March 2008 and clearance in October 2008
- Reimbursement – Miscellaneous code being covered
 - Market analysis report completed
 - Doctors are using miscellaneous code and being covered
 - Miscellaneous codes can be lost overnight – serious implications
 - ImpediMed filing category one code in July 2009 for December 2010
- European distribution
 - Separating from the EDN agreement– key markets were not being covered
 - Progressing both European wide and country specific arrangements
- Northern Ireland guidelines and progress with trust hospitals
- Japan Distribution
 - Second largest market and progressing distribution options

Key milestones and updates

- Changing business model
 - L-Dex agreements – longer term impact
 - Initially moving away from sale of instruments
- Know your L-Dex Campaign & Media coverage
 - Houston, Dallas, San Diego, Chicago, Tucson
 - New York Times, LA Times, TV media
- Increasing direct US sales team – USD impact both on revenues and costs
 - California, Dallas, Chicago, Philly, Florida, Boston
 - Wanting NY and DC representatives and more technical support
- Activist Support
 - NPAF
 - Surgeon education initiatives, CMS and RUC support
 - Federal law update
 - reimbursement hotline
 - Susan Koman “Race for the Cure”
 - Avon Foundation – 80 reference hospital mailing
- Metagenics Contract

Reimbursement - Women's Health and Cancer Rights Act of 1998 Requires Coverage for Lymphedema Care

COVERAGE OF LYMPHEDEMA TREATMENT (HR 4328 (Public Law 105-277))

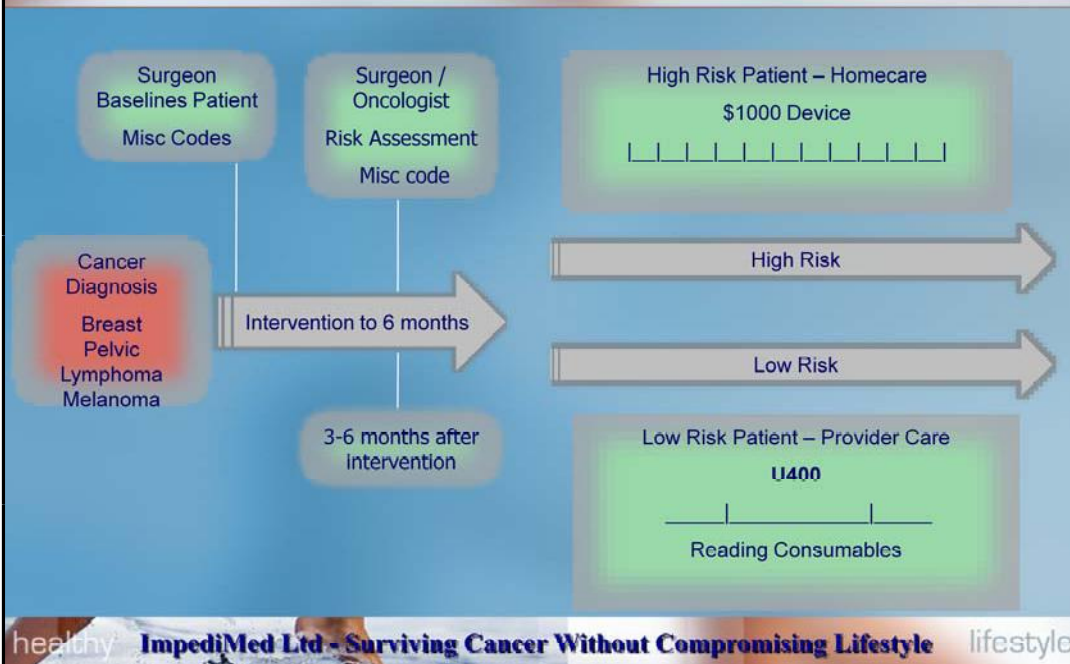
- Required coverage for reconstructive surgery following mastectomies, SEC. 713:
 - Payers must provide a mastectomy patient, coverage for "prostheses and physical complications of mastectomy, including lymphedemas"
 - The payer may not deny patient eligibility or limit reimbursement of an attending provider
 - These provisions do not block any State laws or ERISA
- In addition to this federal law, there are now 22 state laws with similar requirements

Reimbursement Category 1 Code Submission July 09

Requirements for submission – progressing well

- US peer reviewed data – on early detection and benefit of early detection
- U400 FDA clearance in place
- Placing U400 from July 2009 to support submission requirements – targeting 150 accounts
- Use of miscellaneous codes supports CPT application
- Lobbying support from Society Coding & Reimbursement Committees
- RUC process – CMS role for setting payment

Proposed New Clinical Paradigm Pre-emptive Care



Commercial and Regulatory Status Uni-lateral Arm

L-Dex XCA



- First **FDA cleared** medical device for the clinical assessment for uni-lateral lymphedema of the arm
- Single low frequency – patented
- Uni-lateral arm only – control limb
- Distribution models for home
- Longer term homecare product

Commercial and Regulatory Status Uni-lateral Arm

L-Dex U400



- BIS Device
- Development complete
- Targeting the clinical assessment for uni-lateral lymphedema of the arm
- Uni-Leg submission target FY09
- FDA submission filed March 08, clearance October 08
- Over 10 years of peer reviewed science since 1996 built on BIS

Moving to Beta version Unilateral and bilateral arms and legs



Results Financial Year 2008

	FY2008	FY2007
Sales	2.213M	1.195M
Revenue	2.994M	1.418M
EBITDA	(7.639M)	(6.628M)
NPAT	(9.754M)	(10.126M)

- Sales up 92.9% versus FY2007
- Increased operating loss a reflection of investments in creating a market for L-Dex products in the key United States market.