IMRICOR AGREES TERMS FOR A US$5 MILLION CONVERTIBLE NOTE AND PROVIDES BUSINESS UPDATE

Highlights:

- Imricor has agreed terms with an existing U.S. based security holder, K.A.H.R. Foundation, for the issue of a convertible note to raise US$5 million (**Convertible Note**). The parties are expected to enter formal documentation in respect of the Convertible Note on or before 16 December 2022.

- North Dakota Commerce Department's Innovation Technology Loan Fund (**LIFT**) Committee has approved and advanced Imricor's application to the next stage. If successful, the LIFT funding will enable Imricor to work with the Bank of North Dakota to structure and establish the LIFT loan and access up to US$1.5 million, with highly attractive rates and terms.

- Imricor's Notified Body in Europe (TÜV SÜD) has completed a technical review of Imricor's Vision-MR Diagnostic Catheter, which has resulted in a positive outcome. This was the Company's first device submission made under the new European Medical Device Regulations. The next steps required for the Vision-MR Diagnostic Catheter to be able to be sold to EU clinical customers is passing a Quality Management System audit. The audit is scheduled for Q1, 2023.

11 December 2022 – Minneapolis, MN United States (**12 December 2022** – Melbourne, Australia) – **Imricor Medical Systems, Inc.** (**Company** or **Imricor**) (**ASX: IMR**), the global leader in real-time iCMR cardiac ablation products, is pleased to announce it has agreed terms with an existing substantial shareholder, the K.A.H.R. Foundation, for the issue of a Convertible Note with a maturity of four years and to raise US$5 million.

Key Terms of the Convertible Note

The key terms of the Convertible Note are as follows:

Principal Amount:	A maximum aggregate purchase price of US$5 million, to be advanced in two tranches.
Coupon Rate:	10% per annum, compounded annually.
Maturity Date:	4 years
Conversion:	At the investor's option, at any time from the date that is 36 months after closing and up to the Maturity Date, the investor can require the Company to convert some or all of the outstanding principal on the Convertible Note and the accrued and unpaid interest.
Conversion Price:	Generally 105% of the volume weighted average price of the Company's CHESS Depositary Interests (**CDIs**) for the ten-day period ending on the date prior to entry into formal documentation.
Options granted:	The investor shall receive five-year options to purchase the Company's CDIs in an amount equal to 10% of the total amount invested in each tranche divided by the Conversion Price.

The parties expect to enter into formal documentation in respect of the Convertible Note on or before 16 December 2022, at which time further details in respect of the Convertible Note will be provided.

Imricor Chair, President and CEO Steve Wedan commented, *"Strengthening the balance sheet position of Imricor has been a key focus of our Board and Management. Once completed, this financing initiative will assist Imricor in executing its strategy and moving forward our ventricular tachycardia (VT) trials at pace as well as other strategic initiatives. I look forward to providing further detail once the documentation is finalised this week."*

North Dakota Financing

The Company is pleased to advise the North Dakota Commerce Department's Innovation Technology Loan Fund (LIFT) Committee has approved and advanced Imricor's application to the next stage, which will be a live 30-minute presentation by the Company, scheduled for 21 December 2022.

If the LIFT funding is approved at the December meeting, it will enable Imricor to engage the Bank of North Dakota to structure and establish the LIFT loan and access up to US$1.5 million, with:

- 0% interest and no required payments for the first three years of the loan; and
- 2% interest, with monthly interest payments, for the next two years of the loan.

Further details on the LIFT program can be found here: https://tinyurl.com/y6cdtxn5.

If successful, the LIFT financing will further diversify Imricor's funding sources and increase the Company's financial flexibility. The Company will provide a further update after the December LIFT Committee meeting.

Imricor plans to apply for other economic incentive programs from North Dakota, including the North Dakota Development Fund and Bioscience Innovation Grant.

Diagnostic Catheter Technical Review Complete

The Company is pleased to announce its Notified Body in Europe (TÜV SÜD) has completed a technical review of Imricor's Vision-MR Diagnostic Catheter, which has resulted in a positive outcome.

If the Vision-MR Diagnostic Catheter obtains a successful Quality Management System audit (currently scheduled for Q1, 2023) and is issued the associated certificates, the Vision-MR Diagnostic Catheter can be sold to EU clinical customers.

This was the first device submission Imricor made under the new European Medical Device Regulations.

The Vision-MR Diagnostic Catheter is a simplified, lower-cost version of the Vision-MR Ablation Catheter, which will contribute to increased margins for the Company. Currently, two ablation catheters are sold in a kit for the price of one ablation catheter and one diagnostic catheter.

Mr Wedan commented, *"This was our first submission under the new European Medical Device Regulations (EU-MDR), and we are very pleased to receive a positive review outcome. Our Quality and Regulatory team did a fantastic job navigating the new rules and processes surrounding EU-MDR, and we expect to leverage these learnings for future submissions, including our second-generation Vision-MR Ablation Catheter, which was submitted in July."*

ENDS

Authorised for release by Steve Wedan, Executive Chair, President, and CEO.

Media and Investor Relations Contact:

Simon Hinsley
simon@nwrcommunications.com.au
+61 401 909 653

About Imricor

Imricor Medical Systems, Inc. (ASX:IMR) is a leading developer of innovative MRI-compatible medical devices which can be used to carry out realtime iCMR cardiac ablation procedures. Headquartered in the US, Imricor seeks to make a meaningful impact on patients, healthcare professionals, and healthcare facilities around the world by increasing the success rates and bringing down the overall costs of cardiac ablation procedures.

Imricor's Products

Imricor is a pioneer and leader in developing MRI-compatible products for cardiac catheter ablation procedures, and believes it is the first company in the world to bring commercially viable and safe MRI-compatible products to the cardiac catheter ablation market.

The Vision-MR Ablation Catheter is the Company's prime product offering, specifically designed to work under real-time MRI guidance, with the intent of enabling higher success rates along with a faster and safer treatment compared to conventional procedures using x-ray guided catheters. The Vision-MR Ablation Catheter has been approved in the European Union with an indication for treating type 1 atrial flutter. Imricor intends to seek approval for expanded indications in the future. The Company is also in the early stages of pursuing the required regulatory approvals to place its key products on the market in Australia and the U.S.

The Company has also obtained approval within the EU for the sale of the Advantage-MR EP Recorder/Stimulator System and its consumable product, the Vision-MR Dispersive Electrode.

Imricor sells its capital and consumable products to hospitals and clinics for use in Interventional Cardiac Magnetic Resonance Imaging (iCMR) labs, in which ablation procedures using the Vision-MR Ablation Catheter can be performed. An iCMR lab is an interventional lab that is fitted with MRI equipment for use in cardiac diagnostic and interventional procedures. The installation of iCMR labs is driven primarily by MRI equipment vendors working collaboratively with Imricor. Vendors such as Koninklijke Philips N.V. and Siemens Healthcare GmbH help to target certain sites and support the design and construction of iCMR labs for those sites.

Forward-Looking Statements

This announcement contains or may contain forward-looking statements that are based on the Company's management's beliefs, assumptions and expectations and on information currently available to management. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, EU commercial market acceptance and EU.

sales of our product as well as our expectations with respect to our ability to develop and commercialise new products. Management believes that these forward-looking statements are reasonable when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Imricor does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Imricor may not actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.