

5 April 2017

Dale Allen
Australian Securities Exchange
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

By email: Dale.Allen@asx.com.au

Dear Dale

IM Medical Limited – Appendix 3Y for Nigel Blaze

We refer to your letter dated 3 April 2017 in relation to the Appendix 3Y that IM Medical Limited (**Company**) lodged with ASX on 31 March 2017 to notify of a change of interest of director Nigel Blaze.

We respond to the questions contained in your letter as follows:

1. Please explain why the Appendix 3Y was lodged late

Mr Blaze acquired 1,650,000 shares in the Company as a trustee of the St Andrews Superannuation Fund on 9 July 2014. Mr Blaze inadvertently omitted to advise the Company of this acquisition and it has only recently come to the Company's attention.

The Appendix 3Y was lodged by the Company promptly after it became aware of the change to Mr Blaze's interest in the Company.

2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A

Each director joining the Company enters into a formal agreement with the Company under which each director agrees to provide the Company with sufficient timely information to enable compliance with the Listing Rules.

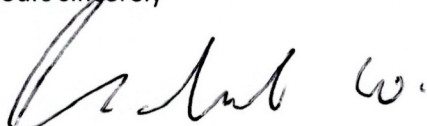
The Company has a Securities Trading Policy which is provided to each director on joining the Company and is reviewed annually by the Board. The Securities Trading Policy sets out the director's obligations with respect to the Listing Rules, including Listing Rule 3.19A and the director's obligation to notify the Company of any changes in their interests.

In addition, directors' interests is a standing item on the Company's Board meeting agenda and directors are reminded of the obligation at each meeting.

3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

The Company believes the above arrangements are adequate and are being sufficiently enforced in relation to compliance with Listing Rule 3.19B.

Yours sincerely



Richard Wadley
Company Secretary and Director
IM Medical Limited



3 April 2017

Mr Richard Wadley
IM Medical Ltd
Level 40, 140 William Street
Melbourne VIC 3000

By email: rwadley@icloud.com

Dear Mr Wadley

IM Medical Ltd (the "Company")

We refer to the following:

The Company's announcement lodged with ASX Ltd ("ASX") on 31 March 2017 regarding a change of director's interest notice for Nigel Blaze ("Appendix 3Y").

Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times:*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.*



Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

As the Appendix 3Y indicates that a change in Nigel Blaze's notifiable interests occurred on 9 July 2014 the Appendix 3Y should have been lodged with the ASX by 16 July 2014. As the Appendix 3Y was lodged on 31 March 2017 it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to dale.allen@asx.com.au. It should not be sent to ASX Market Announcements.

A response is requested as soon as possible and, in any event, not later than **3:00 pm WST on Wednesday, 5 April 2017**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.



Yours sincerely,

[sent electronically without signature]

Dale Allen
Senior Adviser, Listings Compliance (Perth)