

**1 November 2017**

**ASX Announcement**

**– Annual General Meeting –  
Chairman’s Address**

**Melbourne, 1 November 2017.** The Directors of IM Medical Limited are pleased to welcome shareholders to this year’s AGM and to present a summary of the Company’s progress.

As we have stated frequently, our goal has always been to secure an acquisition that is likely to give this Company the best opportunity to develop a business that is going to be able to produce meaningful returns into the future.

We were pleased to confirm the proposed acquisition of Babylon Operations Pty Ltd in late September.

Babylon CEO Michael Shelby registered the company in February 2017. Michael, an oil and gas executive with international experience who most recently had held management responsibility for growing the oil and gas service business of Resource Equipment Ltd (ASX: RQL) from inception until RQL was acquired by Pump Services, LLC by way of cash on market takeover offer completed in 2015.

Babylon is a speciality equipment and service provider to the expanding resources maintenance sector. It focuses in two areas, specialised equipment rental for the oil & gas and mining sectors and diesel engine services, with a focus on repair and maintenance of large diesel engines.

Since commencing operations in May 2017, Babylon has made rapid progress and is now an established provider of diesel engine services and specialised services for the oil and gas and mining sectors for pump, engine and component rebuilds. Babylon has also commenced rental operations.

Babylon’s strategy to pursue growth opportunities and expand its market presence includes:

- acquiring rental fleet in order to have fleet ready for hire to meet market opportunities;
- leveraging existing customers and historical business networks to expand services as new rental assets are acquired;
- further developing marketing tools and expanding sales and business development beyond first order from existing networks; and

- commencing sales activities outside the Western Australian market for both diesel maintenance and rental opportunities.

Our view is that following the recent resource sector construction boom, that this opportunity provides IMI with an attractive entry point to enter the specialised resource asset management and maintenance sector.

Completion of the Acquisition remains subject to satisfaction of conditions precedent, including:

- (a) IMI shareholder approval;
- (b) IMI achieving firm commitments for the minimum subscription under the IMI capital raising which has now been underwritten; and
- (c) IMI receiving confirmation from the ASX that its securities will be-requoted on ASX on terms and conditions acceptable to the parties to the Acquisition.

Shareholders have received their Notice of Meeting to provide additional details and we look forward to receiving shareholder approvals for the Acquisition, share consolidation, associated capital raising and other requirements in relation to reinstatement to trading on the ASX.

We thank you for your continuing support.

Nigel Blaze  
Chairman