



RELEASE TO AUSTRALIAN SECURITIES EXCHANGE (“ASX”)

FRIDAY, 29 OCTOBER 2010

CONVERTIBLE NOTES

1. The Board of Directors of IMF (Australia) Ltd announces the Company's intention to raise approximately \$39.1m by way of:
 - (a) a non-renounceable, fully underwritten 1 for 10 rights issue of convertible notes at \$1.65 per note to raise \$20.1 million; and
 - (b) a concurrent fully underwritten placement of 11,515,152 convertible notes at \$1.65 to raise \$19.0 million.
2. The term of the notes will be 4 years and interest will be paid at a fixed rate of 10.25%. The Company can elect to redeem the notes at face value after 2 years and upon paying an early redemption fee of 2% per annum for the remaining period of the notes. The Company will provide a fixed and floating charge to secure the monies owed to note holders.
3. Each note may be converted into a IMF fully paid ordinary share at quarterly intervals at an exercise price of \$1.65 per note.
4. The issue will be fully underwritten by Ord Minnett Limited.
5. The funds arising from the issue will enable the Company to aggressively pursue its announced aim of increasing cases under management to its target of \$2 billion.
6. The directors of IMF have indicated their intention to apply for, or take up, \$2.9 million of the notes.
7. All relevant documentation will be lodged today.

A handwritten signature in black ink, appearing to read 'Diane Jones', enclosed within a hand-drawn oval.

Diane Jones
Chief Operating Officer

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