



# FY23 Half Year Results Presentation

**PAUL HOUSE, CEO**  
**PAUL EVANS, CFO**

13 FEBRUARY 2023

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**IMDEX is a leading  
global mining-tech company.**

**We are uniquely positioned to enable clients to  
find, define and mine orebodies  
with precision, confidence and at speed.**

# PRESENTATION OVERVIEW

1H23 FINANCIAL & OPERATIONAL HIGHLIGHTS

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FINANCIAL PERFORMANCE

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INDUSTRY & MARKET UPDATE

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GROWTH STRATEGY

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DEVICO & KRUX ANALYTICS OVERVIEW

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FY23 FOCUS AREAS & OUTLOOK

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APPENDICES

# 1H23 Financial Highlights

↑ **18%**

## RECORD REVENUE

Up 14% on a constant currency basis  
Strong activity with an early January start-up  
(1H23 \$198.8m v 1H22 \$167.8m)

↑ **22%**

## NORMALISED EBITDA<sup>1</sup>

Up 11% on a constant currency basis  
(1H23 \$62.8m v 1H22 \$51.5m)

🏆 **32%**

## NORMALISED EBITDA MARGIN<sup>1</sup>

5 consecutive years of pcp growth  
(1H23 31.6% v 1H22 30.7%)

↑ **20%**

## NORMALISED NPAT<sup>2</sup>

Effective tax rate 32.2%  
(1H23 \$29.3m v 1H22 \$24.4m)

**\$32M**

## NET CASH

(1H23 \$32.5m v 1H22 \$30.0m)  
After increased ownership in Datarock (30% to 40.9%) plus  
payment of deferred consideration for Flexidrill and AusSpec

Cash from Operations improved against pcp

**1.5CPS**

## INTERIM DIVIDEND

26% NPAT payout ratio  
(1H23 1.5 cps v 1H22 1.5cps)

# 1H23 Operational Highlights



# 1.56

**LTIFR  
IMPROVED FROM 1.71**

Improved safety engagement as a leading indicator



# 6%

**ROCK KNOWLEDGE  
SENSORS ON HIRE**

Increasing software and IMDEX HUB-IQ™ connected revenue, currently 32% of total revenue



# 11.9

**SUSTAINALYTICS LOW  
RISK ESG RATING^**

Released FY22 Sustainability Report in September 2022

## PEOPLE AND LEADERSHIP

- Closed gender pay gap on a like-for-like basis
- Welcomed Microsoft executive Uwa Airhiavbere as Non-Executive Director
- Welcomed former Chevron and Microsoft executive Wayne Panther as Chief Information Officer

## R&D PRODUCT OUTPUTS

- Released next generation IMDEX ioGAS™ V8
- Commercial prototype IMDEX BLAST DOG™ trials progressing to plan
- Completed first generation MINEPORTAL™ product to support future BLAST DOG™ trials and contracts

## STRATEGIC INVESTMENTS

- Equity raising to partly fund proposed Devico transaction to strengthen IMDEX's market leading position\*
- Signed Heads of Agreement to acquire a 40% interest in Krux Analytic\*
- Increased equity interest in Datarock from 30% to 40.9%
- Spectra analysed with aiSIRIS™ software up 4%

# Financial Performance



# Key Metrics

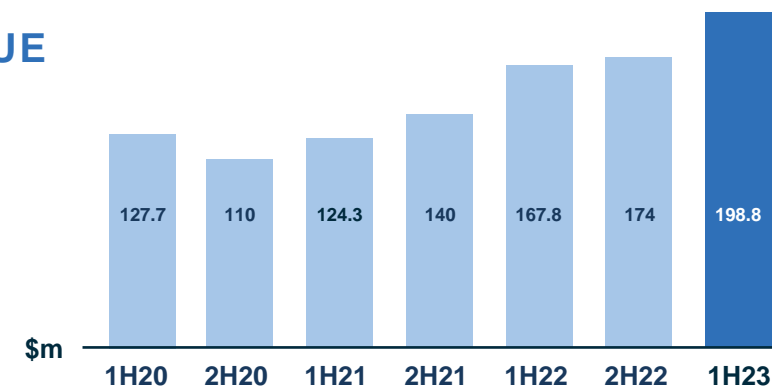
\$m (unless indicated otherwise)	1H23	1H22	VAR%
Revenue	198.8	167.8	18.4
EBITDA	53.4	51.5	3.7
Normalised EBITDA <sup>1</sup>	62.8	51.5	21.9
Normalised EBITDA Margin % <sup>1</sup>	31.6	30.7	0.9
NPBT	33.5	34.9	-3.9
NPAT	22.7	24.4	-6.9
EPS (cents)	5.7	6.2	-8.1
Pre-Tax Operating Cash Flow	56.3	38.5	46.2
Pre-Tax Operating Cash Flow Per Share (cents)	14.2	9.7	46.4
Net Assets (at 31 December)	313.7	274.6	14.2
Net Cash <sup>2</sup> (at 31 December)	32.5	30.0	8.3
Fully Franked Interim Dividend (cents)	1.5	1.5	-
Full Time Employees (at 31 December)	647 <sup>3</sup>	558	15.9

<sup>1</sup> Normalised to exclude exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023. Total legal costs in 1H23 were elevated at \$12.4m (vs. \$1.5m in 1H22) of which \$9.4 million relates to exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023 and have been added back to 1H23 EBITDA (reported) of \$53.4m to arrive at 1H23 EBITDA (normalised) of \$62.8m. 1H22 EBITDA excludes \$2.7m gain on Flexidrill deferred consideration fair value adjustment.

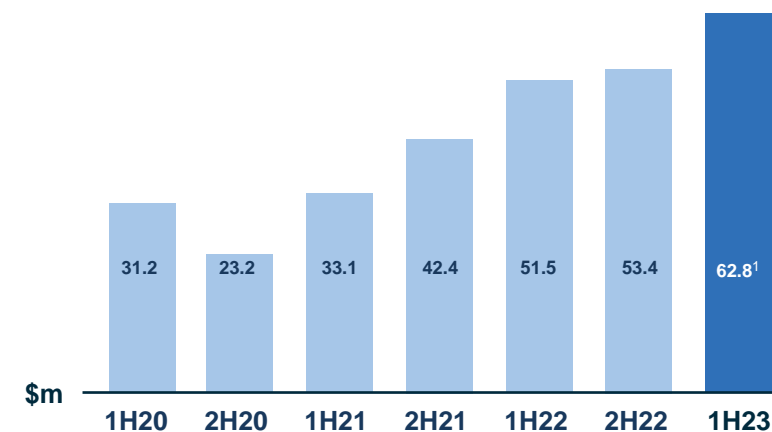
<sup>2</sup> Cash less external borrowings (excluding lease liabilities).

<sup>3</sup> Half of the increase relates to supporting the revenue growth within core operations, the balance related to new IMT business, software development and Digital 2.0.

## REVENUE

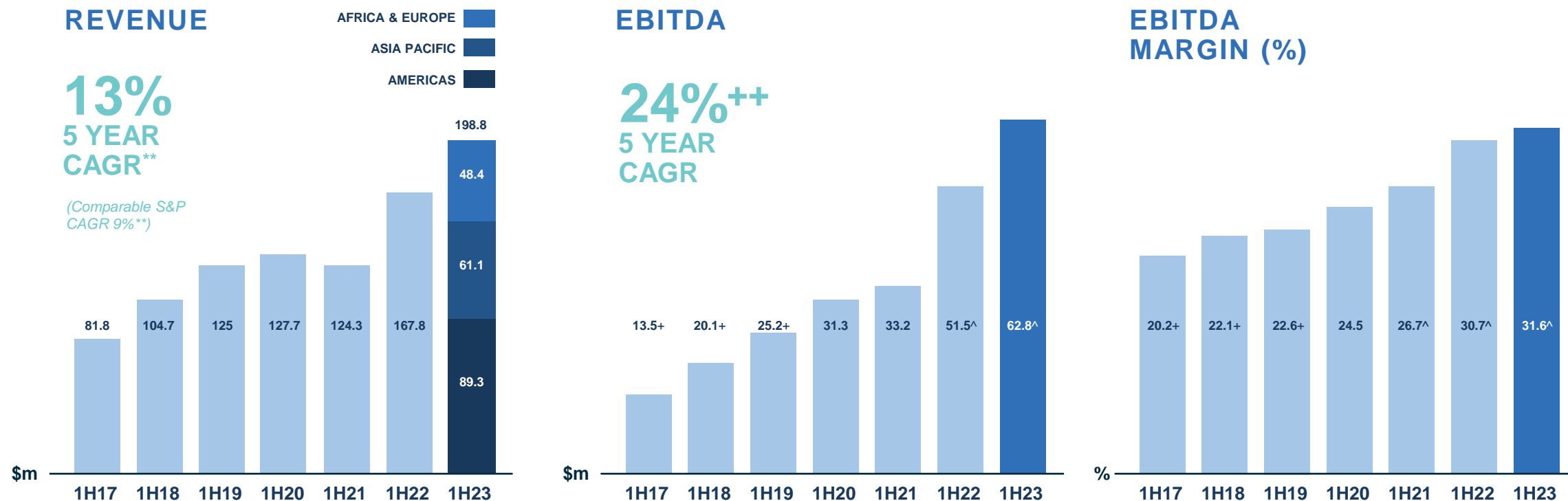


## EBITDA





# Our Strong Financial Platform



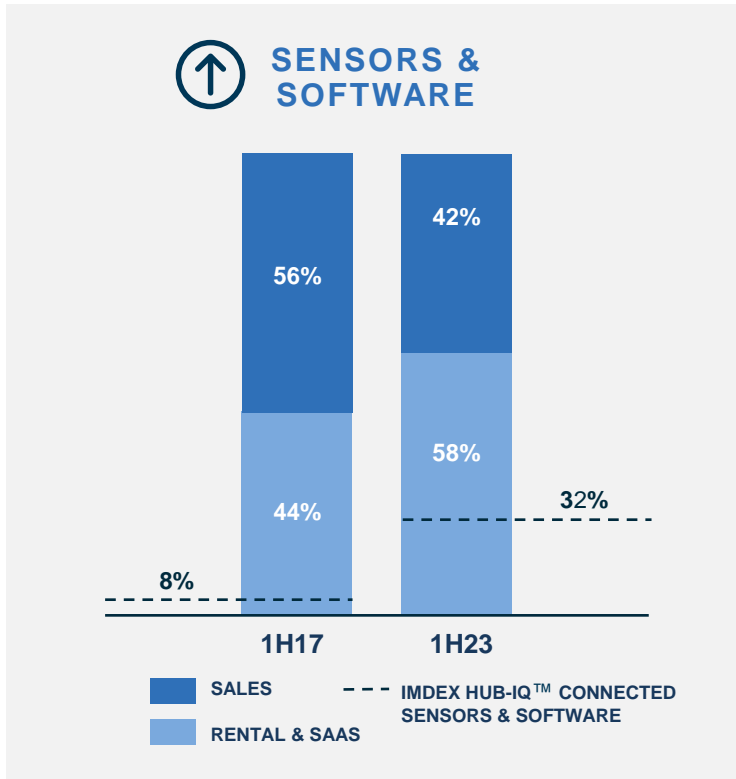
<sup>^</sup> Normalised to exclude exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023. Total legal costs in 1H23 were elevated at \$12.4m (vs. \$1.5m in 1H22) of which \$9.4 million relates to exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023 and have been added back to 1H23 EBITDA (reported) of \$53.4m to arrive at 1H23 EBITDA (normalised) of \$62.8m. 1H22 EBITDA excludes \$2.7m gain on Flexidrill deferred consideration fair value adjustment.

\*\* IMDEX uses S&P Market Intelligence global exploration expenditure for nonferrous metals as an industry benchmark for growth

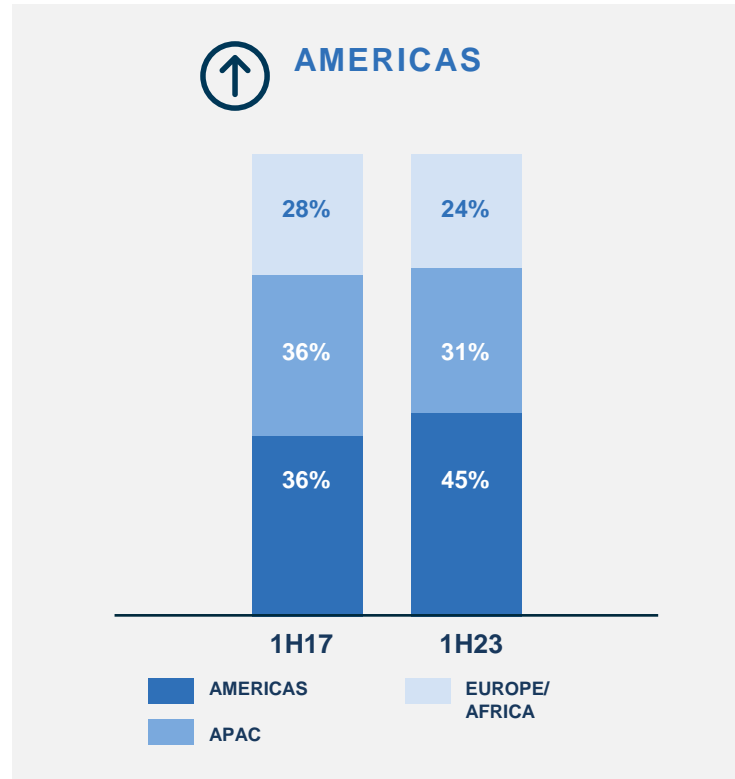
<sup>+</sup> Unadjusted for AASB 16

<sup>++</sup> Notionally adjusted for inclusion of the impact of AASB 16

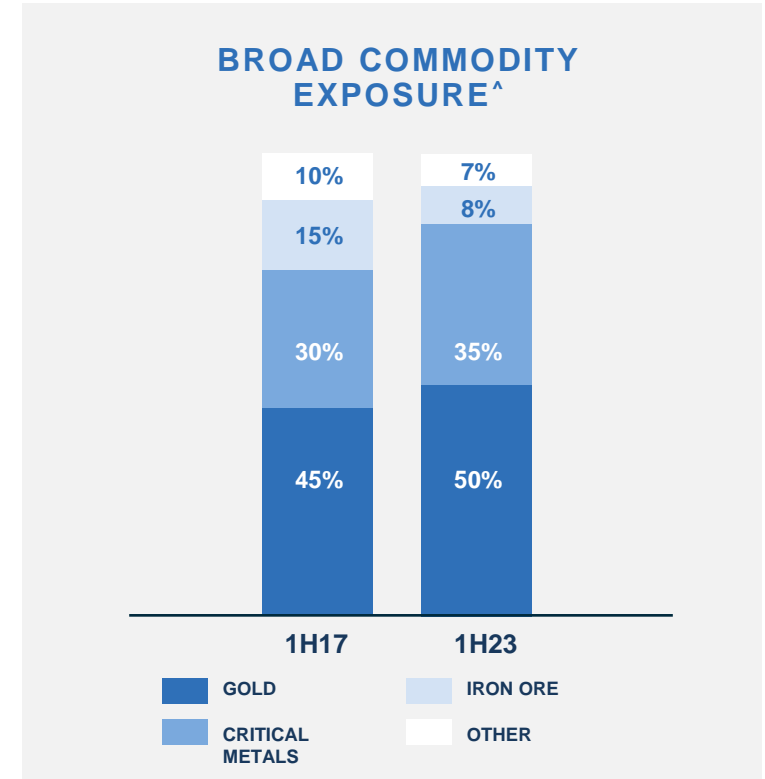
# Our Stronger Revenue Profile



- Increasing revenue from sensors and software
- Higher margins and quality recurring revenue



- Increasing revenue from the Americas
- Americas 5-year revenue CAGR 14.6%

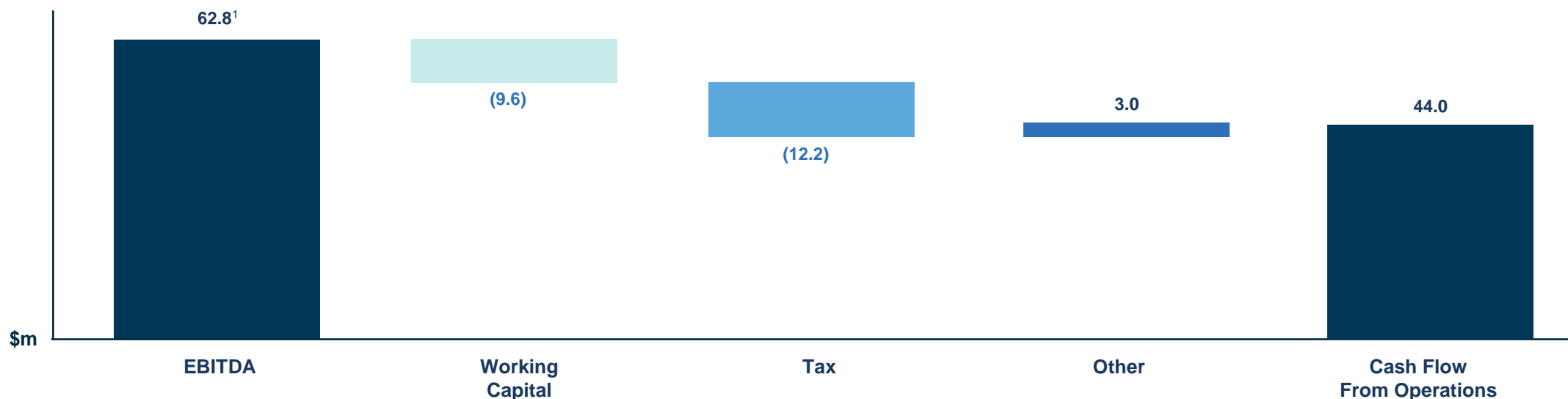


- Product offering is commodity agnostic
- Critical metals are growing at a faster rate – IMDEX is well placed to benefit from necessary supply demand rebalance

<sup>^</sup>Estimates only. IMDEX revenue profile by commodity is broadly in line S&P exploration spend by commodity

# Cash Generation

## EBITDA TO CASH FLOW FROM OPERATIONS



- Working capital investment returned to historical levels
- Additional investment in inventory during FY22 to mitigate supply chain pressures is expected to commence reducing from CY23

<sup>1</sup>Normalised to exclude exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023. Total legal costs in 1H23 were elevated at \$12.4m (vs. \$1.5m in 1H22) of which \$9.4m relates to exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023 and have been added back to 1H23 EBITDA (reported) of \$53.4m to arrive at 1H23 EBITDA (normalised) of \$62.8m. The majority of the \$9.4m relating to exceptional litigation costs remained unpaid at 31 December 2022. 1H22 EBITDA excludes \$2.7m gain on Flexidril deferred consideration fair value adjustment.

# Our Strong Balance Sheet

\$m (unless indicated otherwise)	31 DEC 2022	30 JUNE 2022
Cash	44.9	36.4
Receivables	69.9	73.3
Inventory	62.9	57.1
Fixed Assets <sup>1</sup>	81.1	83.7
Intangibles	99.1	97.8
Investment in an associate <sup>2</sup>	6.2	5.0
Other Assets / deferred tax	44.4	40.3
<b>Total Assets</b>	<b>408.5</b>	<b>393.6</b>
Payables	40.6	34.7
Borrowings	12.3	12.2
Other liabilities and provisions <sup>3</sup>	41.9	49.5
<b>Total Equity</b>	<b>313.7</b>	<b>297.2</b>
ROE <sup>4</sup>	14.9%	16.2%
ROCE <sup>4</sup>	18.3%	19.3%

1. Includes lease assets of \$27.3m in Dec 2022 (\$28.2m June 2022)
2. Increased interest in Datarock Holdings from 30% to 40.91%
3. Includes lease liabilities of \$32.7m in Dec 2022 (\$34.6m June 2022)
4. 31 December 2022 annualised

## 19%\*

NORMALISED RETURN ON EQUITY

## 24%\*

NORMALISED RETURN ON CAPITAL EMPLOYED

## 1.5CPS

INTERIM DIVIDEND IN LINE WITH HISTORICAL 30% NPAT PAYOUT RATIO

CONTINUED INVESTMENT IN LEADING TECHNOLOGIES

*\*Normalised to exclude exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023. Total legal costs in 1H23 were elevated at \$12.4m (\$1.5m in 1H22) of which \$9.4 million relates to exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023 and have been added back to 1H23 EBITDA (reported) of \$53.4m to arrive at 1H23 EBITDA (normalised) of \$62.8m. 1H22 EBITDA excludes \$2.7m gain on Flexidrill deferred consideration fair value adjustment.*

# Market & Industry Update



**IMDEX**

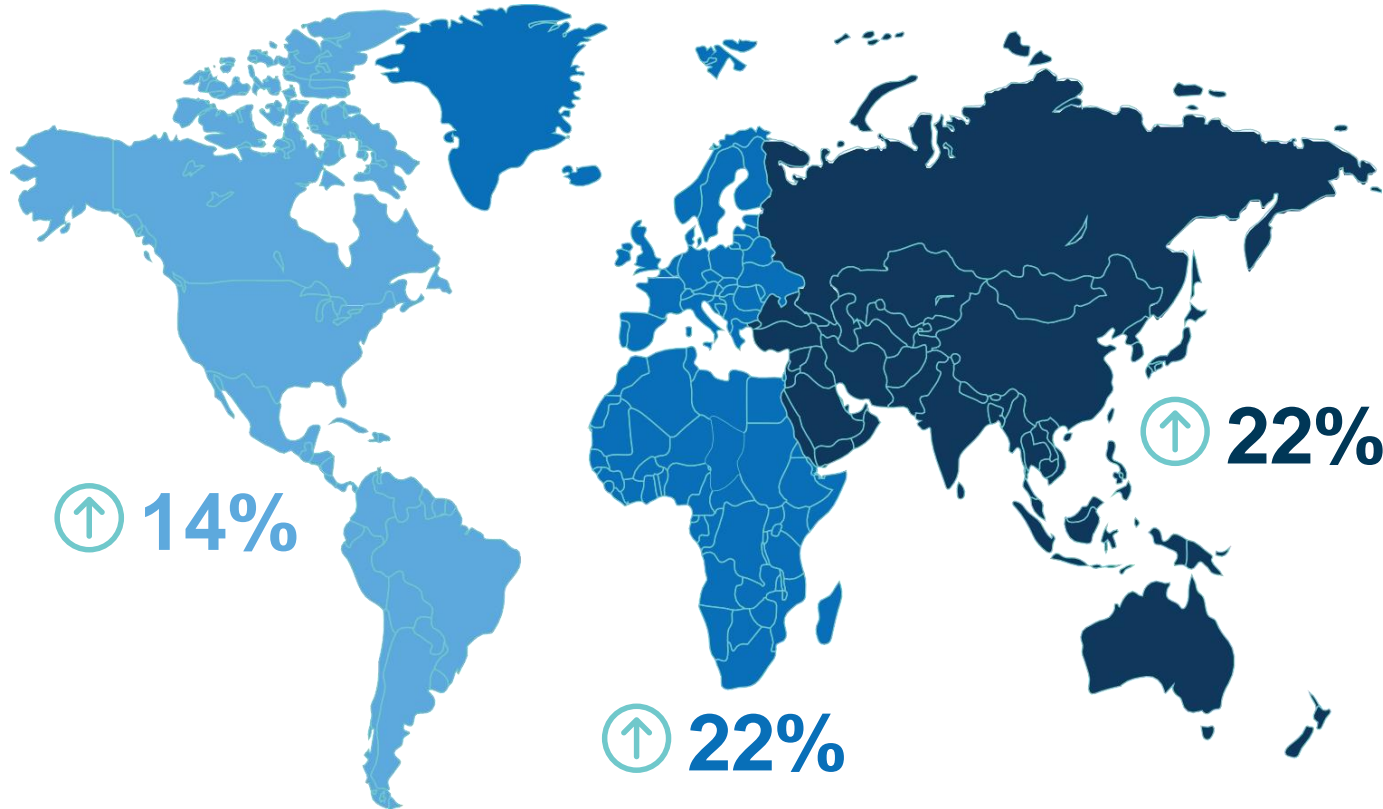
IMDEX



IMDEX

# An Update Around Our Regions

## 1H23 REVENUE GROWTH BY REGION



### NORTH AMERICA

Ongoing or increasing drilling programs planned for CY23. Inflationary pressures easing with resource companies increasingly retendering drilling contracts due to increased rig and labour availability, Activity in Canada consistent with pcp despite volatility in capital raisings, juniors preserving funding and warmer weather delaying some winter drilling during 1H23.

### SOUTH AMERICA

Activity within Brazil, Chile and Argentina remains strong with high rig utilisation. Drilling in Peru impacted by political situation and social unrest, expected to regain traction in 2H23.

### AFRICA

Exploration budgets remain strong in West Africa. Increasing activity in Zambia, Tanzania and southern DRC, with a focus on gold and copper projects.

### EUROPE

Exploration budgets remain strong. Drilling order books committed through to the end of CY23. Rig availability and supply chain pressures easing at start of CY23. Qualified labour remains scarce.

### AUSTRALIA

Exploration budgets remain strong. Inflationary pressures easing with resource companies increasingly retendering drilling contracts due to increased rig and labour availability, Pricing conversations are active, with pressure remaining high in underground environments. Resource companies continue to report a disconnect between pricing increases and productivity.

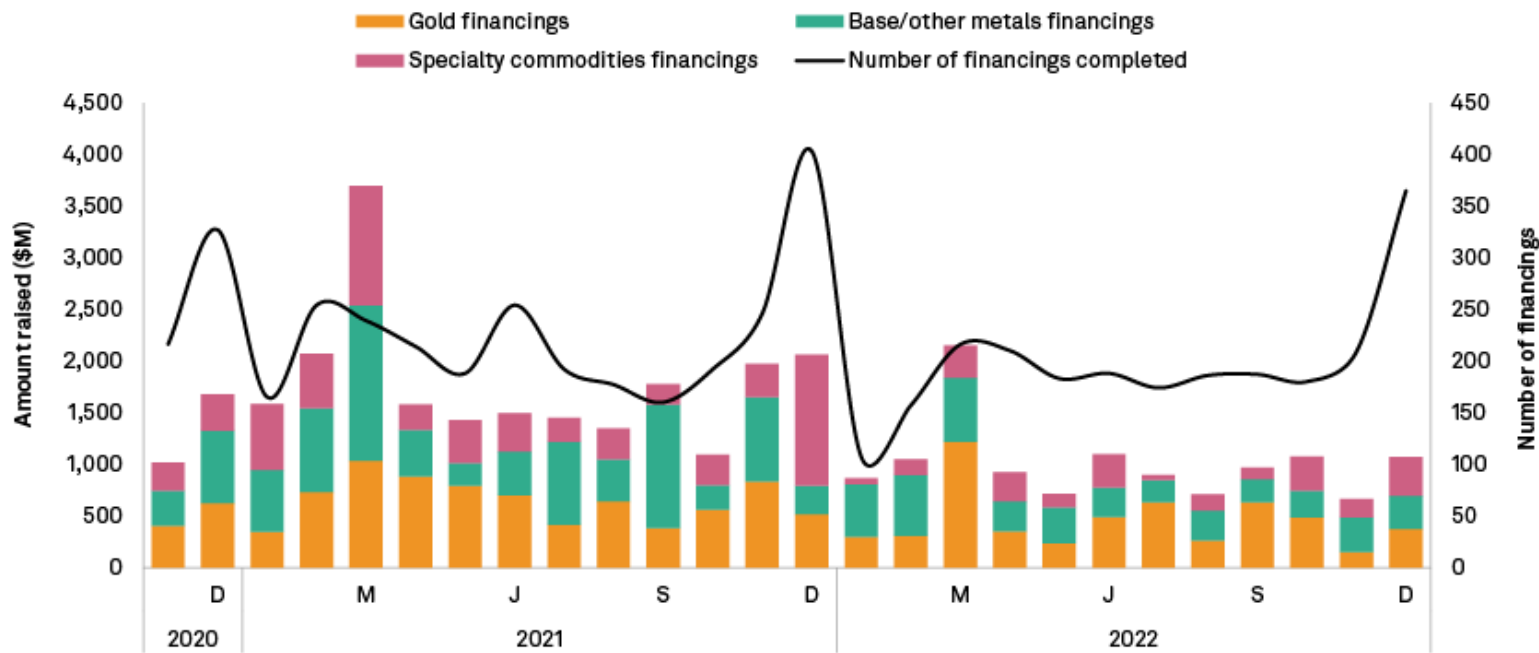
### ASIA

Drilling activity increasing with improved mobility and strong demand in the region.

# Strong Industry Fundamentals

## JUNIOR AND INTERMEDIATE FINANCINGS

NOVEMBER 2020 – DECEMBER 2022



DATA AS OF JAN 5, 2023 SOURCE: S&P GLOBAL MARKET INTELLIGENCE

- Large and mid-cap resource companies all remain well-funded and committed to current programs
- Mining equity raisings were up 29% YOY in Jan 23\*
- Commodity prices remain above levels to support further exploration – strengthening gold and copper prices
- Continued demand and extraction of mineral resources with diminishing reserves
- New discoveries are likely to be at depth resulting in larger drilling campaigns
- Global commitment towards net zero emissions and increasing demand for critical metals
- Increasing demand for secure real-time rock knowledge data and solutions

\*Data as of Jan 23, 2023 source: MST Bloomberg

# Growth Opportunities

**IMDEX**<sup>™</sup>





# Drivers to Deliver Our Strategy

## 1. TECHNOLOGY LEADERSHIP

Targeted R&D to win market share

## 2. EXTENSION INTO MINING PRODUCTION

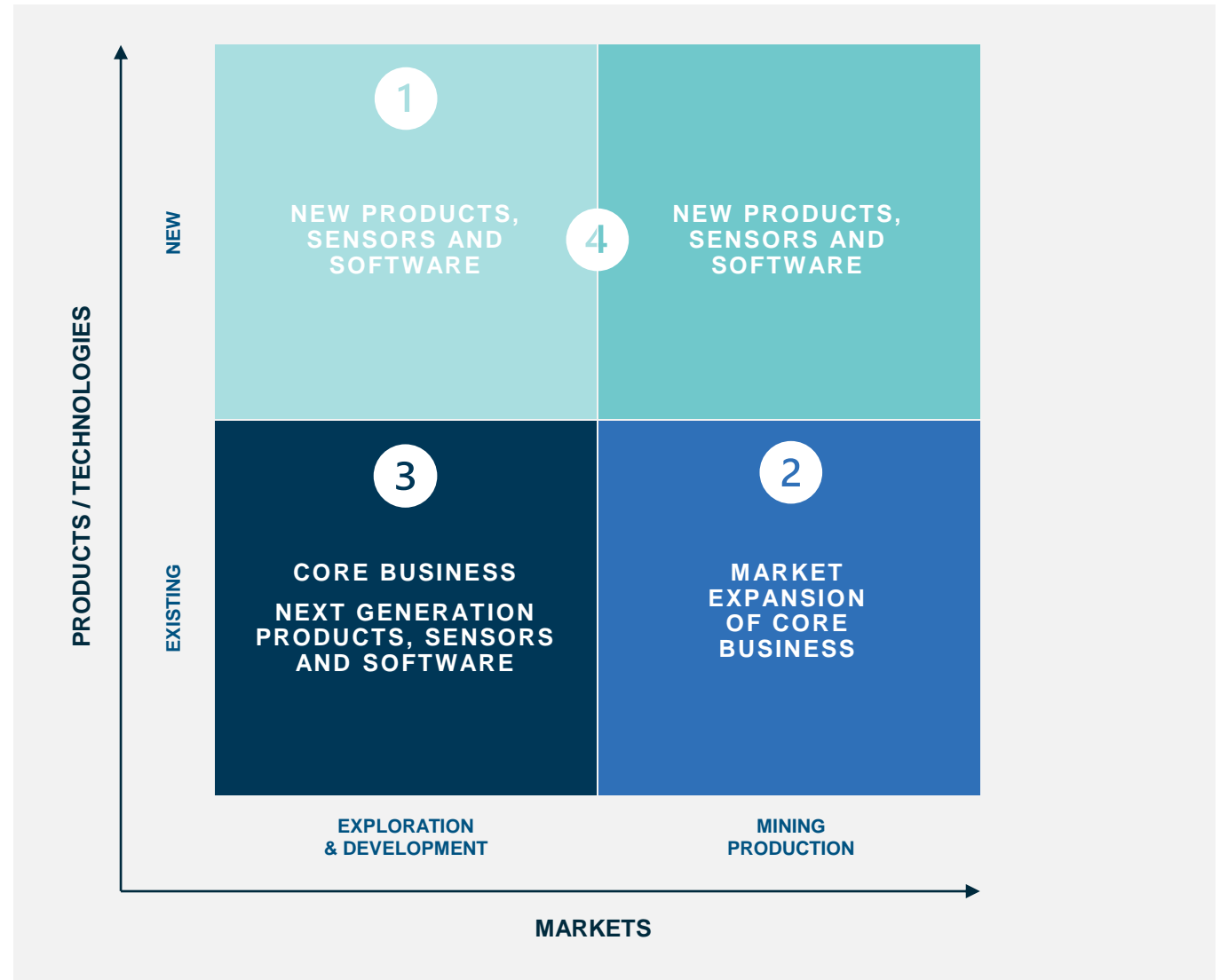
Leverage into this adjacent market where it is the same ore body and the same client and is less subject to cyclical impact

## 3. IMDEX INTEGRATED SOLUTION SALES

Optimised solutions for orebodies to maximise client value and IMDEX revenue

## 4. ON STRATEGY ACQUISITIONS

Emerging or established technologies and software that complement existing revenue



# Proposed Acquisition of Devico and Equity Raising





Devico team at HQ in Norway

“ The IMDEX Board and executive committee rigorously assessed the Proposed Acquisition and its strategic and cultural alignment. We admire the accomplishments of Devico’s founders and leadership team and have been impressed by the quality of its employees, product offering, operations and growth aspirations. ”

– ANTHONY WOOLLES, CHAIRMAN

# Proposed Acquisition Summary

## ACQUISITION OVERVIEW

- IMDEX entered into a binding agreement to acquire 100% of the issued and outstanding shares of Devico for an enterprise value of ~\$324m (NOK2,200m)<sup>1</sup>(the Proposed Acquisition)
- Acquisition price implies a CY22 EV/EBITDA multiple of ~11.2x and EV/EBITA multiple ~12.8x<sup>2</sup>, before synergies
- Completion is expected to occur in late February 2023, subject to satisfaction of conditions <sup>3</sup>

## OVERVIEW OF DEVICO

- A global leader in drill site technology, providing Sensor Technologies (#2 in the market<sup>4</sup>) and Directional Drilling Technologies (#1 in the market<sup>5</sup>)
- HQ in Norway with a leading and highly complementary global network with world class facilities located in a key hub in the European mining market, strong R&D capabilities, a strong reputation as the pioneer of Directional Drilling Technologies and a track record of successfully commercialising technologies
- Majority owned and controlled by the Tokle family (Devico founder), with Salvensen & Thams Invest AS and existing and past employees as minority shareholders

## DEVICO MANAGEMENT REINVESTMENT

- Retention of strong management team with Devico key personnel (KMP)<sup>6</sup> entering into agreements to reinvest a portion of their acquisition proceeds through the subscription of IMDEX shares
- KMP will be eligible for IMDEX's incentive plans and additional vesting shares subject to remaining employed by IMDEX

<sup>1</sup> Exchange rate of NOK to AUD of 6.80 has been applied. <sup>2</sup> Devico CY22 financials shown on a pre-IFRS16 basis, with 10 months of actuals and 2 months of Devico management forecasts. <sup>3</sup> As summarised in the annexure to the ASX announcement dated 19 January 2023. <sup>4</sup> Based on SAM (Serviceable Market), considering the share of active Core Orientation Tools and Gyro Sensors on hire in the market by brand as at October 2022. <sup>5</sup> By revenue, based on customer interviews and survey, expert interviews and market research conducted by McKinsey.



# Proposed Acquisition Summary (cont.)

## SYNERGIES

- Revenue synergies expected to deliver value to IMDEX shareholders, through cross-selling and accelerated R&D development
- Estimated cost efficiencies of ~\$2m per annum (~7% of Devico CY22 EBITDA), arising from consolidation in office locations, supply chains, sourcing, manufacturing, and ability to leverage IMDEX's operating systems across the Devico network

## FUNDING

- \$224m equity raising (before costs), comprising an underwritten \$75m Institutional Placement, a \$146m pro rata accelerated non-renounceable Entitlement Offer and a non-underwritten Conditional Placement<sup>7</sup>, plus a \$120m drawn from a new senior secured term loan
- ~\$185m Institutional Offer received strong support with demand exceeding the Institutional Offer size – take up rate of ~97.3%
- Balance sheet remains conservative –proforma FY22 Net Debt / EBITDA of 0.7x

## EPS ACCRETIVE

- The Acquisition is expected to be EPS accretive from the first full year of ownership, before factoring in any potential synergies<sup>8</sup>

<sup>6</sup>Includes select members such as existing CEO, CFO and COO.<sup>7</sup>The Company is proposing to undertake a non-underwritten Conditional Placement to certain IMDEX directors and management to raise up approximately \$3m (before costs) (subject to shareholder approval) to be used towards transaction costs.<sup>8</sup>Based on Adjusted EPS before amortisation of intangibles and one-off transaction costs.



Image from left to right: IMD Non-executive Director Sally-Anne Layman, IMDEX Chairman Anthony Woolles and IMDEX Michelle Carey, Chief of Product Management and Marketing at Devico HQ in Norway

# Devico's Complementary Product Offering

	Sensor Technologies (~46% of CY22 Revenue <sup>1</sup> )	Directional Drilling Technologies (~54% of CY22 Revenue <sup>1</sup> )
Market	<p><b>#2 supplier globally<sup>2</sup></b>  <b>Market growth rate: 17%<sup>4</sup></b>                      Relatively few players, with IMDEX the only larger player</p>	<p><b>#1 supplier globally<sup>3</sup></b>  <b>Market growth rate: 22%<sup>4</sup></b>                      High barriers to entry driven by significant technology differentiation</p>
Key offerings	<ul style="list-style-type: none"> <li>• <b>Directional navigation:</b> used to monitor position and direction of boreholes</li> <li>• <b>Rig alignment:</b> used for orienting drill rigs</li> <li>• <b>Core orientation:</b> used to survey the in-situ orientation of core samples</li> <li>• <b>Cloud-based software:</b> used for comprehensive data analysis and 3D plotting</li> <li>• <b>Auxiliary products:</b> used to improve the performance of other products</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Directional core drilling technologies:</b> used in conjunction with sensor offering to deliver an end-to-end system for planning, monitoring and steering directional drill holes, both single and with multiple branches incorporating collection of a diamond drill core sample</li> </ul>
Key products	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p><b>DeviGyro</b></p>  </div> <div style="text-align: center;"> <p><b>DeviAligner</b></p>  </div> <div style="text-align: center;"> <p><b>DeviHead</b></p>  </div> </div>	<div style="text-align: center;"> <p><b>DeviDrill</b></p>  </div>
New products	<div style="text-align: center;"> <p><b>DeviStar</b></p>  </div>	<div style="text-align: center;"> <p><b>DeviDrill RSS</b></p>  </div>
Revenue model	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><b>~74%<sup>1</sup></b> Recurring Rental Revenue and Subscription Revenue (SaaS)</p> </div> <div style="width: 45%;"> <p><b>~26%<sup>1</sup></b> Sales and Performance Based Revenue</p> </div> </div>	<p style="text-align: center;"><b>Recurring Rental Revenue / Product as a Service</b></p>
Customer value proposition	<ul style="list-style-type: none"> <li>✓ Increased control of project and progress</li> <li>✓ Increased accuracy of geological models and analyses</li> <li>✓ Reduced total project cost</li> <li>✓ Increased equipment uptime</li> </ul>	<ul style="list-style-type: none"> <li>✓ Reduced operating time</li> <li>✓ Reduced total project cost</li> <li>✓ Reduced number of metres drilled</li> <li>✓ Reduced water consumption and CO<sub>2</sub> emissions</li> <li>✓ Increased certainty of hitting planned target</li> </ul>

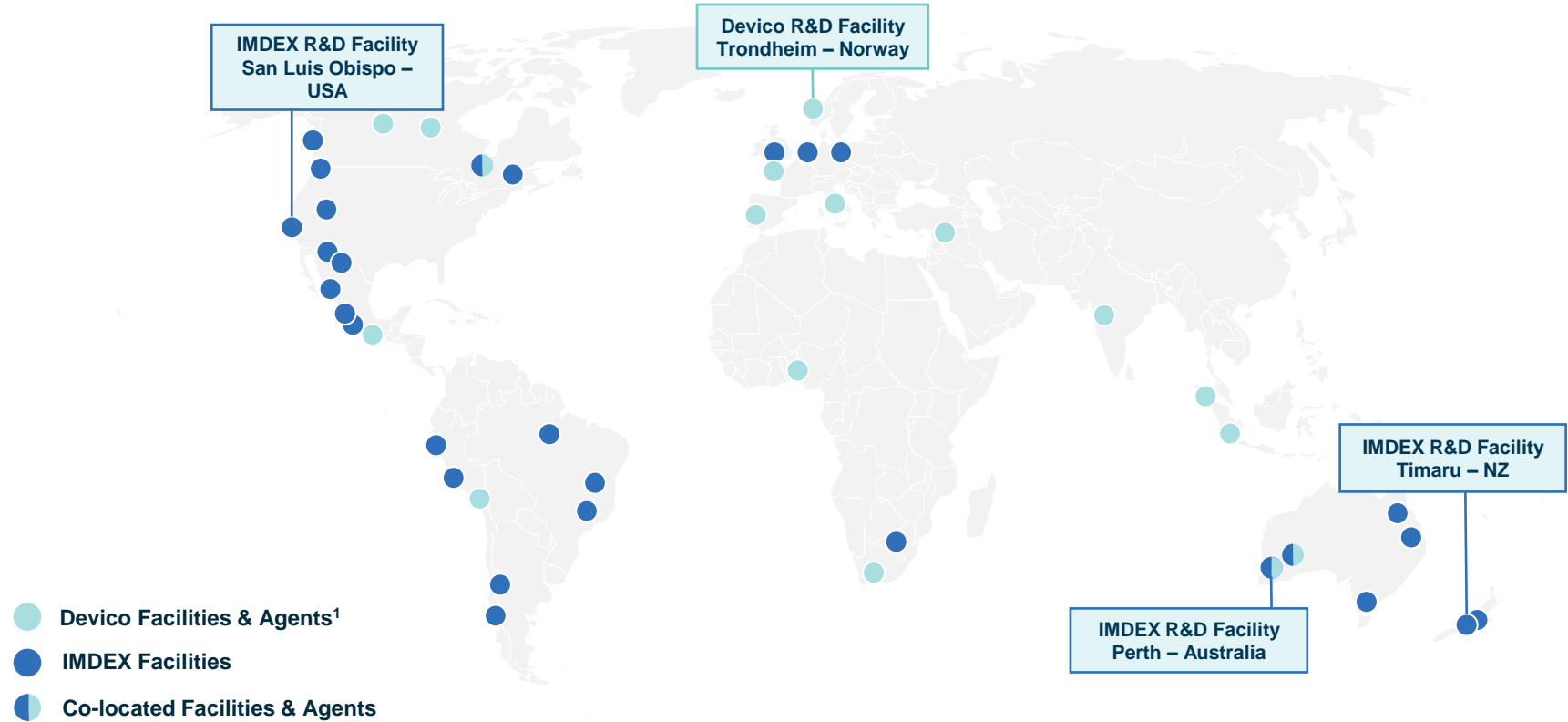


<sup>1</sup> Based on Devico CY22 financials, shown on a pre-IFRS16 basis with 10 months of actuals and 2 months of Devico management forecasts. <sup>2</sup> Based on Serviceable Market (SAM), considering the share of active Core Orientation Tools and Gyro Sensors on hire in the market as at October 2022. <sup>3</sup> By revenue, based on customer interviews and survey, expert interviews and market research conducted by McKinsey. <sup>4</sup> 2021-26 total addressable market CAGR, calculated based on McKinsey, Orbis and S&P estimates.

# Devico's Complementary Global Presence



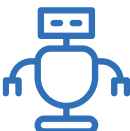

IMDEX is a leading global mining technology company that enables drilling contractors and resource companies to safely find, define and mine orebodies with confidence, precision and at speed.

Devico's products allow mining companies to reach drilling targets faster and with higher accuracy than ever before.



# Devico's Exceptional Financial Profile

## PROVEN GROWTH AND ATTRACTIVE MARGINS

	<b>STRONG TRACK RECORD OF GROWTH</b>	<b>17%</b> <small>3Y REVENUE CAGR<sup>1</sup></small>	<b>33%</b> <small>3Y EBITDA CAGR<sup>1</sup></small>
	<b>BEST IN CLASS MARGINS</b>	<b>~80%</b> <small>GROSS MARGIN<sup>2</sup> CY22 SENSING TECHNOLOGIES</small>	<b>~60%</b> <small>GROSS MARGIN<sup>2</sup> CY22 DIRECTIONAL DRILLING TECHNOLOGIES</small>
	<b>DISCIPLINED R&amp;D SPEND – ALIGNED WITH IMDEX</b>	<b>~A\$5m</b> <small>R&amp;D EXPENSE<sup>3</sup></small>	<b>~8%</b> <small>% SALES R&amp;D<sup>3</sup></small>
	<b>ATTRACTIVE CASHFLOW GENERATION</b>	<b>79%</b> <small>CY22 PRE-TAX FREE CASHFLOW CONVERSION<sup>4</sup></small>	

<b>CY22 KEY FINANCIALS<sup>5</sup></b>
<b>A\$61m</b> <small>REVENUE</small>
<b>A\$29m</b> <small>EBITDA</small> <b>47% EBITDA margin</b>
<b>A\$25m</b> <small>EBITA</small> <b>41% margin</b>



# Acquisition aligned with growth strategy

## 1. TECHNOLOGY LEADERSHIP

Targeted R&D to win market share

- ✓ Devico has world class R&D facilities in Trondheim, which have developed the market leading Directional Drilling Technologies, a portfolio of Sensing Technologies, and will complement IMDEX California and Australian R&D facilities and its portfolio of technologies

## 2. EXTENSION INTO MINING PRODUCTION

Leverage into this adjacent market where it is the same ore body and the same client and is less subject to cyclical impact

- ✓ Devico's portfolio of Directional Drilling and Sensing Technologies are applicable to resource delineation in mining production, and over 50% of the revenues are directly contracted to resource companies

## 3. IMDEX INTEGRATED SOLUTION SALES

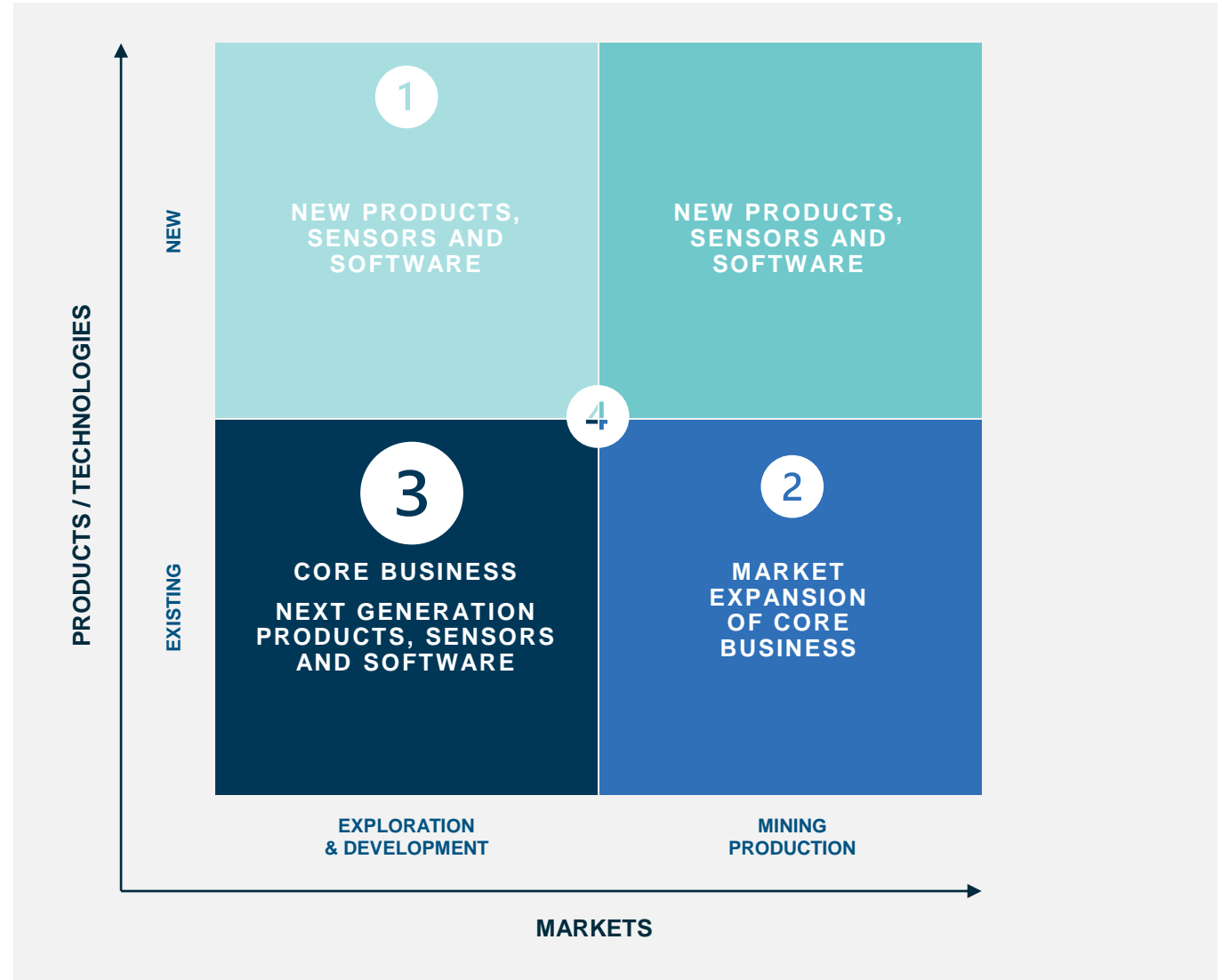
Optimised solutions for orebodies to maximise client value and IMDEX revenue

- ✓ Devico's portfolio expands IMDEX's combined solution offering, and their Directional Drilling service model provides complementary opportunities for IMDEX products including its fluid engineering solutions

## 4. ON STRATEGY ACQUISITIONS

Emerging or established technologies and software that complement existing revenue

- ✓ Devico's combination of market reach, customer network, established product suite and cloud-based technologies are directly complementary to the IMDEX business



# Proposed Investment KRUX Analytics



# Krux Analytics Investment

## TRANSACTION OVERVIEW

- IMDEX has entered into a Heads of Agreement to acquire a 40% interest in Krux Analytics for \$6.5m cash<sup>1</sup>
- Terms of the proposed investment are being negotiated and are subject to further due diligence, mutual board approvals and customary conditions
- IMDEX will seek a shared risk structure consistent with prior investments
- The parties are expected to finalise and complete the transaction in early April 2023

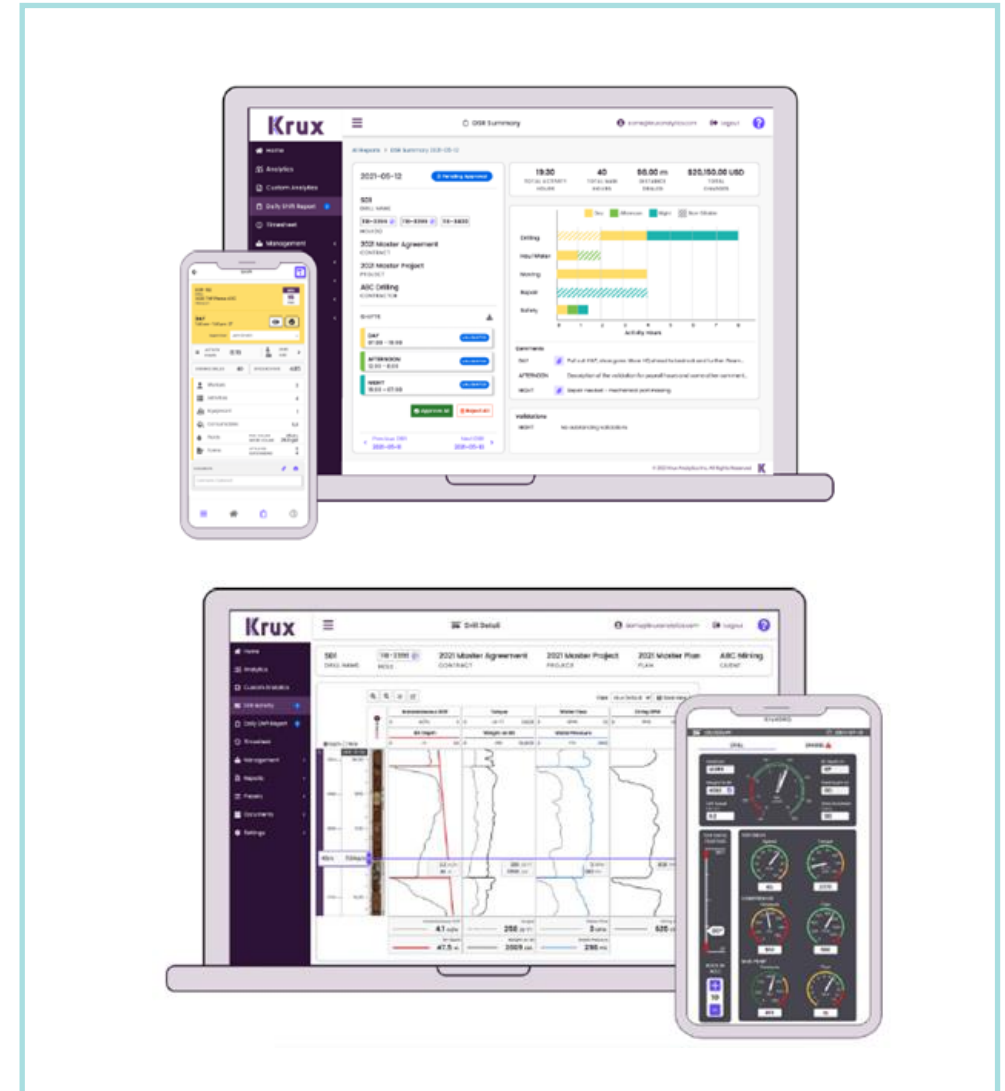
## KRUX OVERVIEW

- Krux develops market leading drilling analytics software, focussing on the collection and analysis of exploration and production drilling data in real time
- HQ in Calgary, Canada with a strong customer base in the north American market
- A high-quality team that has developed and commercialised a robust SaaS business, providing contractors and resource companies the means to digitise their drilling operations and embark on a pathway to advanced data analytics through ingestion of real-time drilling sensor data
- Krux is led and majority owned (47.2%) by Jody Conrad, who built the company following a long career in the oil and gas industry including Pason. Jody saw the potential to bring proven monitoring and capturing drill data concepts to the minerals industry

# Strategic Rationale

## ESTABLISHING IMDEX AS THE #1 PROVIDER IN THE DRILLING ANALYTICS MARKET GLOBALLY

- Enhance IMDEX's drilling data origination and analysis capabilities
- Accelerate the delivery of the Company's next generation IMDEX Mobile™ software and pathway for its Measure While Drilling offering
- Support the digitisation of IMDEX's Drilling Optimisation business
- Gain additional exposure to enterprise customers, particularly in the North American market



# FY23 Focus Areas & Outlook

# FY23 Focus Areas

## PROTECTING AND DEVELOPING OUR PEOPLE

Enhance safety management systems and culture  
Ongoing capability development of our teams

## COMPLETING THE DEVICO TRANSACTION AND COMMENCING INTEGRATION

## COMPLETING THE KRUX TRANSACTION

## INVESTING IN OUR CORE BUSINESS MODEL

Maintaining our disciplined approach to product development

## INVESTING IN DIGITAL 2.0

Optimising our cost base, building scale and further enhancing customer experience



## INVESTING IMT BUSINESS UNIT AND SOFTWARE

Accelerating BLAST DOG™ and MINEPORTAL™

# Positive Outlook

## A STRONG START TO 2H23

Record half year revenue, up 18% on 1H22 and a strong January start-up

Average sensors on hire for January up 2% on pcp

Strong demand for IMDEX product portfolio

Supply chain pressures continuing to ease for IMDEX

## LONG-TERM GROWTH DRIVERS ARE STRONG

Diminishing reserves

Demand heightened by decarbonisation targets

Commodity prices remain above levels to support further exploration

Large and mid-cap resource companies are well funded

Increase in junior financing in late CY22

Nonferrous global exploration budgets remain low

## INDUSTRY TRENDS ARE POSITIVE

Drilling clients are reporting strong order books

Major and mid-cap mining clients are reporting ongoing or expanded exploration budgets

Deeper reserves are resulting in larger and more complex drilling programs

Increasing demand for real-time orebody knowledge

## IMDEX IS POSITIONED TO BENEFIT

Strong growth opportunities in core and mining production markets

Strong development pipeline of technologies

Opportunity to strengthen market leading position with potential Krux investment and Devico transaction

Additional commercial BLAST DOG™ prototypes revenues expected in FY23

Digital 2.0 on track to optimise costs





“We believe mining is essential  
to every aspect of modern life.  
Our opportunity, indeed our responsibility,  
is to change the global minerals  
industry forever.”

– PAUL HOUSE, IMDEX CEO



# Thank you.

For further information, please contact

**Kym Clements**

Investor Relations Officer

[kym.clements@imdexlimited.com](mailto:kym.clements@imdexlimited.com)

## IMDEX™

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# Appendices

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**IMDEX BUSINESS OVERVIEW**

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**PROPOSED DEVICO ACQUISITION  
ADDITIONAL INFORMATION**

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# Our Strong Core Business Model

## A STRONG FINANCIAL PLATFORM

EBITDA margin expansion YOY  
Strong operational cash generation with ability to reinvest  
Net cash position  
People light, capex light

## OUTPERFORMING INDUSTRY GROWTH

5-year revenue CAGR 13%  
5-year EBITDA CAGR 24%\*  
Core business model profitable throughout past industry cycles

## ABILITY TO ACCELERATE ORGANIC GROWTH

Maintain technology leadership  
Extension into adjacent mining production market  
Integrated solution sales including hardware and software

## ESTABLISHED GLOBAL CLIENT NETWORK

An unparalleled global footprint, present on 70% of sites  
66% of top 250 customers have been with IMDEX for >5 years

## MARKET LEADING TECHNOLOGIES

Unique IP and cloud-connected technologies  
Unrivalled integrated product offering  
Commitment to ongoing R&D  
Commodity agnostic

## WORLD-CLASS R&D AND GEOSCIENCE CAPABILITIES

>80 leading mechanical, electrical, chemical and software engineers  
Dedicated IMDEX test sites

## EXPERIENCED AND DIVERSE LEADERSHIP TEAM

Building a high engagement culture with the ability to attract and retain talent

## ENHANCING SUSTAINABLE OPERATIONS

Dedicated Committee driving ESG strategy inside and outside of IMDEX  
Sustainability forms part of disciplined R&D stage gate process



*\*1H23 EBITDA (normalised) is presented to exclude exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023. Total legal costs in 1H23 were elevated at \$12.4m (vs. \$1.5m in 1H22) of which \$9.4 million relates to exceptional litigation costs not expected to recur during the remainder of the financial year ended 30 June 2023 and have been added back to 1H23 EBITDA (reported) of \$53.4m to arrive at 1H23 EBITDA (normalised) of \$62.8m. 1H22 EBITDA excludes \$2.7m gain on Flexidrill deferred consideration fair value adjustment.*

# Our Board of Directors

COMMITTED TO DRIVING SUSTAINABLE GROWTH



**Mr Anthony Wooles**  
Non-Executive Chairman



**Ms Sally-Anne Layman**  
Non-Executive Director



**Mr Ivan Gustavino**  
Non-Executive Director



**Ms Trace Arlaud**  
Non-Executive Director



**Uwa Airhiavbere**  
Non-Executive Director

# Executive Leadership Committee



**Mr Paul House**  
CEO



**Mr Paul Evans**  
CFO



**Mr Shaun Southwell**  
COO



**Ms Michelle Carey**  
Chief of Product Management  
and Marketing



**Mr Wayne Panther**  
Chief Information Officer



**Mr John Hickey**  
CTO



**Ms Kiah Grafton**  
Chief of People



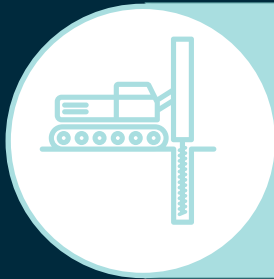
**Mr Michael Tomasz**  
IMDEX General Counsel



**Mr Dave Lawie**  
Chief Geoscientist

# Our Integrated Solutions

## DRILLING OPTIMISATION PRODUCTS



Our Drilling Optimisation suite of products enhance drilling productivity while improving safety and the impact on the environment

- Drilling Fluids
- Solids Removal Units
- Remote Fluid Testing Technologies
- Rig Alignment Technologies
- Drilling Productivity Technologies

**SALES AND PERFORMANCE BASED RENTAL REVENUE**

## ROCK KNOWLEDGE SENSOR



Our best-in-class sensors originate critical data on the four elements of rock knowledge – location, grade, mineralogy and texture

- Downhole Survey Sensors
- Core Orientation Sensors
- Gamma Logging Sensors
- Structural Orientation Sensors
- In-Field Sampling and Analysis

**RECURRING RENTAL REVENUE (PaaS)**

## REAL-TIME DATA AND ANALYTICS



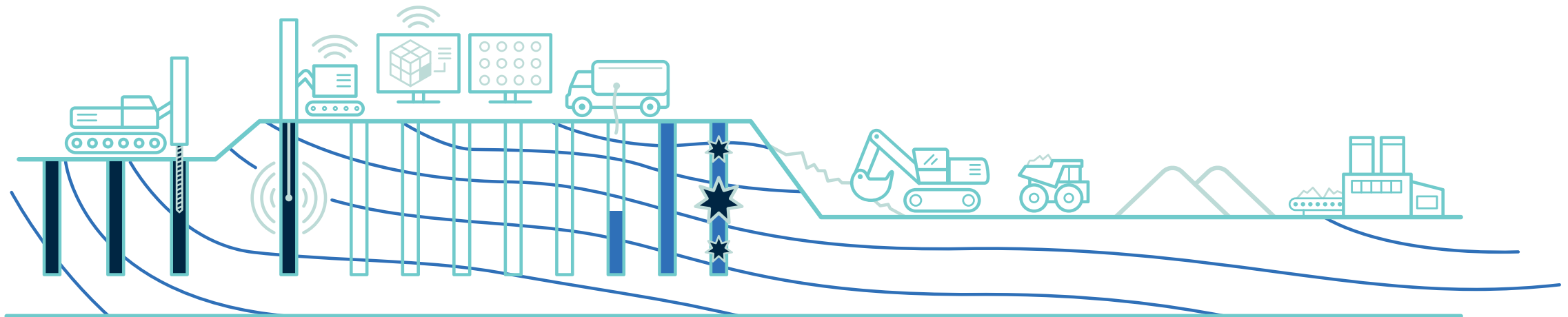
Our cloud platform and market leading geoscience analytical software enrich data and enable real-time decisions to be made further upstream

- Cloud-based Data Collection and Validation Platform (IMDEXHUB-IQ™)
- Advanced reporting software (IMDEX Mobile™)
- Geoscience analytics software (ioGAS™)
- Interpretive mineralogy software (aiSIRIS™)
- 3D visualisation software (MinePortal)
- Image analysis software (Datarock)

**LICENCING AND SUBSCRIPTION REVENUE (SaaS)**

# IMDEX Mining Technologies – Customer Value Offering

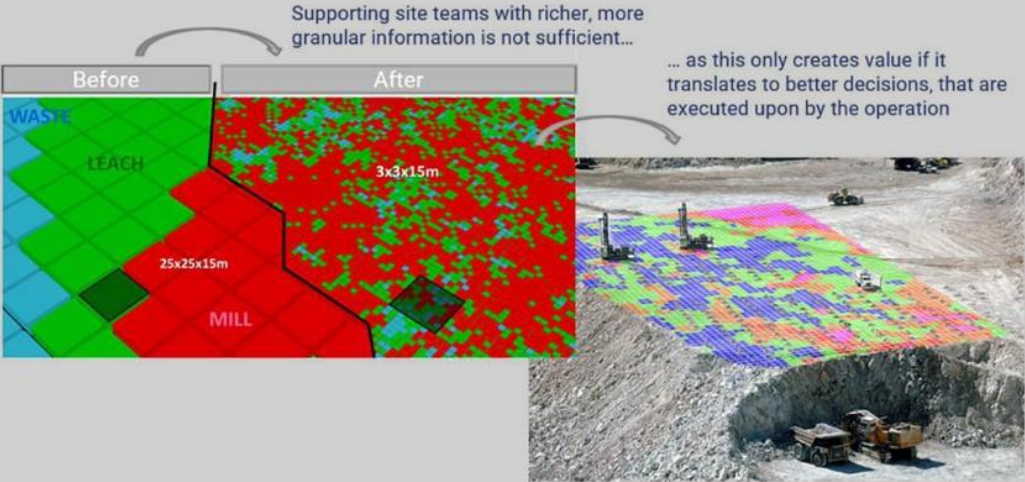
## EXAMPLE DOWNSTREAM BENEFITS FOR IMPROVED RESOURCE STEWARDSHIP



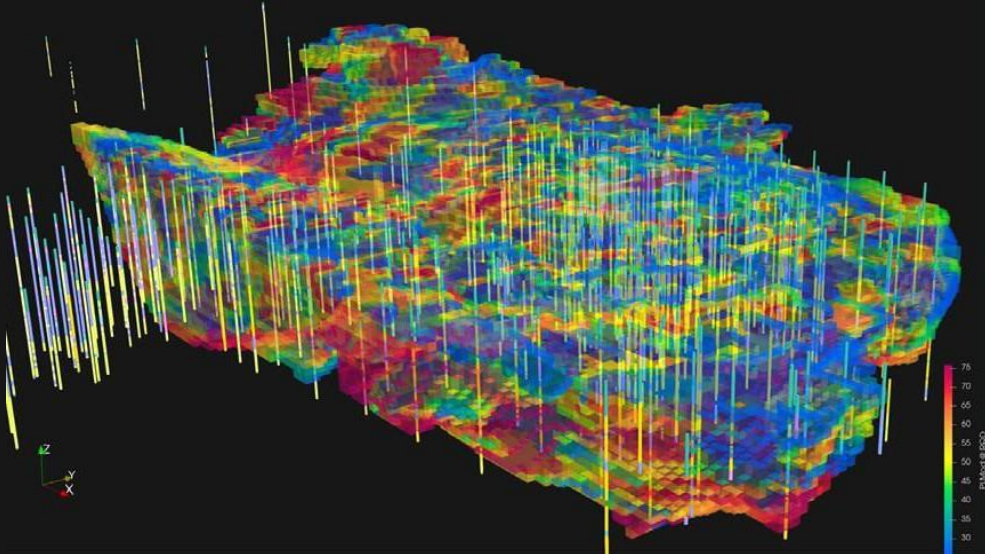
	Drilling	Planning	Blasting	Mining	Stock Piling and Blending	Processing
<b>INDUSTRY CHALLENGE</b>	<ul style="list-style-type: none"> <li>Drill hole stability</li> </ul>	<ul style="list-style-type: none"> <li>Imprecise geology</li> </ul>	<ul style="list-style-type: none"> <li>Sub-optimal blasting outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Fully capturing bulk mining efficiencies</li> <li>Increasingly complex orebodies</li> </ul>	<ul style="list-style-type: none"> <li>Optimal feed blend</li> </ul>	<ul style="list-style-type: none"> <li>Sub-optimal blend / fragmentation</li> <li>Materials impacting throughput</li> </ul>
<b>IMDEX IMT PRODUCTS</b>	<b>BHS™</b>	<b>BLAST DOG™</b>	<b>BLAST DOG™</b> <b>BHS™</b>	<b>BLAST DOG™</b>	<b>BLAST DOG™</b>	<b>BLAST DOG™</b>
<b>POTENTIAL CLIENT BENEFITS*</b>	<ul style="list-style-type: none"> <li>Reduce redrills</li> <li>Improve blasting results</li> </ul>	<ul style="list-style-type: none"> <li>Increased and timely orebody knowledge</li> <li>Improved planning outcomes</li> <li>Better stewardship of resources</li> <li>Safer, autonomous operations</li> </ul>	<ul style="list-style-type: none"> <li>Predictable blasting outcomes including better fragmentation leading to improved dig ability and productivity</li> <li>Ability to better manage vibration, dust, fumes and blasting displacement</li> </ul>	<ul style="list-style-type: none"> <li>Better orebody delineation enabling precision mining</li> <li>Comprehensive and spatially dense Ore Body Knowledge</li> <li>Supporting autonomous mining</li> </ul>	<ul style="list-style-type: none"> <li>Improved / consistent feed stock, minimising dilution and contaminants</li> </ul>	<ul style="list-style-type: none"> <li>Lower power consumption and emissions per tonne processed</li> <li>Increased processing intensity and throughput</li> <li>A more stable process enabling increased recoveries</li> </ul>

# Precision Mining and Our MINEPORTAL™ Software

## GRANULAR DATA TO SUPPORT PRECISION MINING



## MWD VISUALISATION IN MINEPORTAL OVERLAID WITH AUTO BUILT BLOCK-MODEL





# Our Value Proposition

TIMELY  
INFORMATION  
FOR CRITICAL  
DECISION MAKING



## QUALITY DATA

- Industry leading sensors
- QA/QC at point of data collection
- Digital workflows remove risk of human error
- AI and machine learning remove human subjectivity



## REPRESENTIVITY

- Cost effective methods allowing data to be collected for every metre drilled
- Repeatable sensor-based data (IoG)



## TIME SAVINGS

- Actionable information in real-time
- Driller operable instrumentation
- Autonomous operations
- More efficient digital workflows

# ESG Inside and Outside of IMDEX

WE FOCUS ON ESG THROUGH TWO DISTINCT LENSES

## Inside IMDEX

The practices that we can control to ensure we are setting the right targets and continuously improving for our people and our planet.

## Outside IMDEX

Leverage our research and development capabilities to enhance the sustainability of our clients' operations and the communities in which they operate.

# Our ESG Objectives and Focus Areas

## OUR OBJECTIVES

## MATERIAL TOPICS

## IMDEX LEAD

Drive the Sustainability of the Global Minerals Industry	<b>Innovation</b>	Technology Solutions, Thought Leadership & Associations	<b>Michelle Carey</b> Chief of Product Management & Marketing
Ensure a Safe and Inclusive Global Workplace	<b>People</b>	Health, Safety & Wellbeing, Diversity, Inclusion & Cross Culture, People & Culture	<b>Kiah Grafton</b> Chief of People
Contribute to a Low Emissions Future	<b>Environment</b>	Climate Resilience, Operational Emissions, Water & Effluents, Land Disturbance & Rehabilitation	<b>Shaun Southwell</b> Chief Operating Officer
Support Economic Development and Our Local Communities	<b>Society</b>	Sustainable Earnings Growth Local Support & Engagement	<b>Paul Evans</b> Chief Financial Officer
Uphold Ethical and Sustainable Business Practices	<b>Governance</b>	Corporate Governance & Risk Human Rights & Modern Slavery Privacy & Data Security	<b>Michael Tomasz</b> General Counsel & Co. Secretary



Forever curious



We go beyond



Together we thrive



We're global game changers

# IMDEX Values

## Forever curious.



We believe in shaping the future of mining through the relentless pursuit of technologies and services that question the status quo, address our customers' challenges and set new benchmarks for what can be achieved in our industry.

We listen to our people and customers to develop new technologies.

We step up and challenge the status quo.

We give our people the space to be curious and create.

We are informed by industry trends to be open to new ideas.

## We go beyond.



We are passionate about creating positive customer experiences that deliver successful outcomes for our customers now and into the future. We achieve this by working in partnership with our customers, actively listening to their needs and delivering genuine value through efficient solutions.

We optimise our customers' experience.

We place our customers' needs first and foremost, delivering on our promises.

We encourage customer ownership and involvement.

We create value for our customers through collaboration and innovation.

## Together we thrive.



We are a global team of diverse and talented people, who empower each other to be our best selves. We harness our strengths by combining our knowledge across boundaries in a positive and accountable workplace.

We hold each other accountable and take ownership for our actions.

We advocate for the safety and wellbeing of our people in everything we do.

We recognise and acknowledge each other's successes.

We back each other as a united team, by sharing learnings and expertise between departments and across borders.

## We're global game changers.



Our rich global experience and diverse thinking drives all development within IMDEX. It enables us to solve unique problems for global customers reducing environmental and social impacts to shape a better global industry. We reduce the environmental impact of our activities to shape a better global industry.

We embrace flexible thinking for the benefit of our people, customers and the societies in which we operate.

We serve our customers globally by leveraging our diverse teams and enabling inclusive decision making.

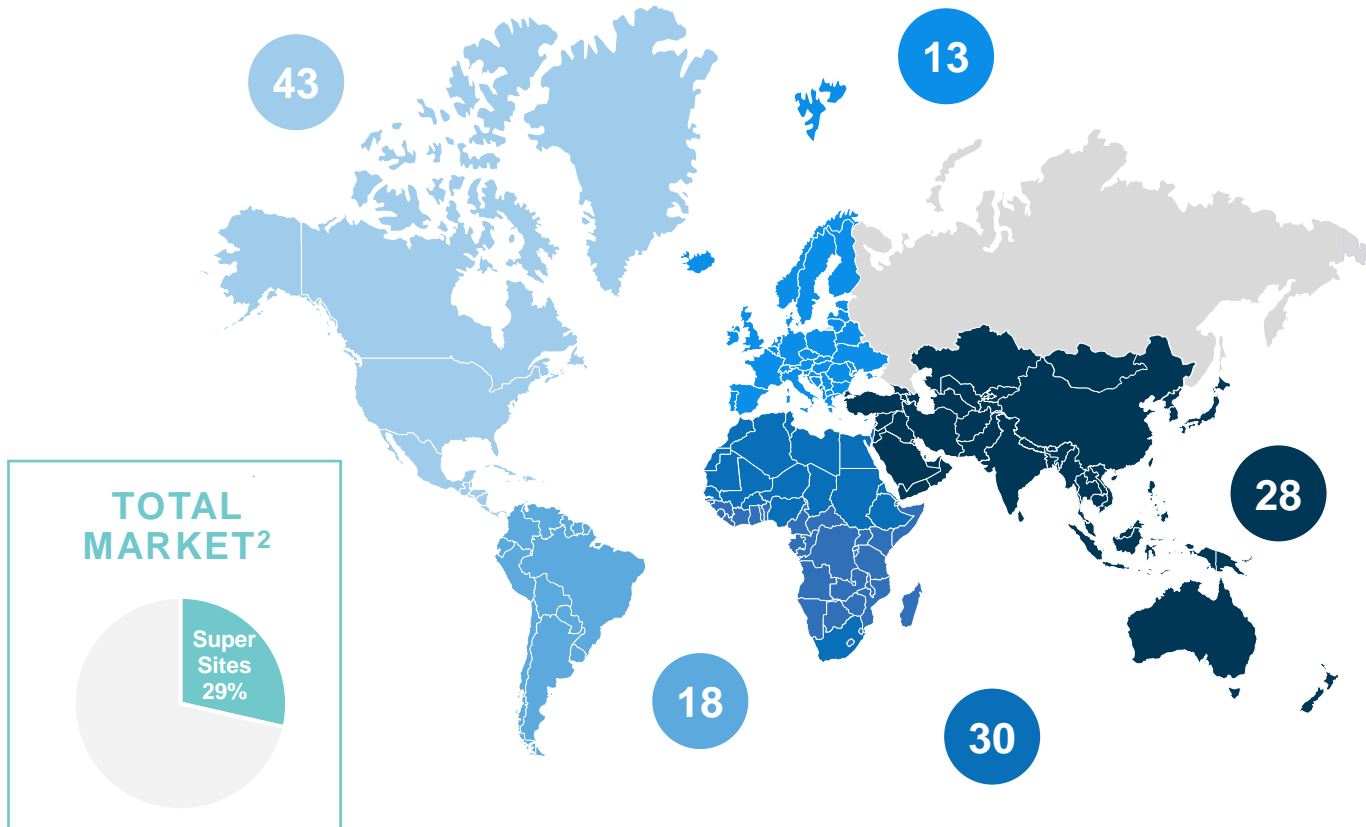
We connect our expertise to customers to add values.

# Devico Proposed Transaction Additional Information

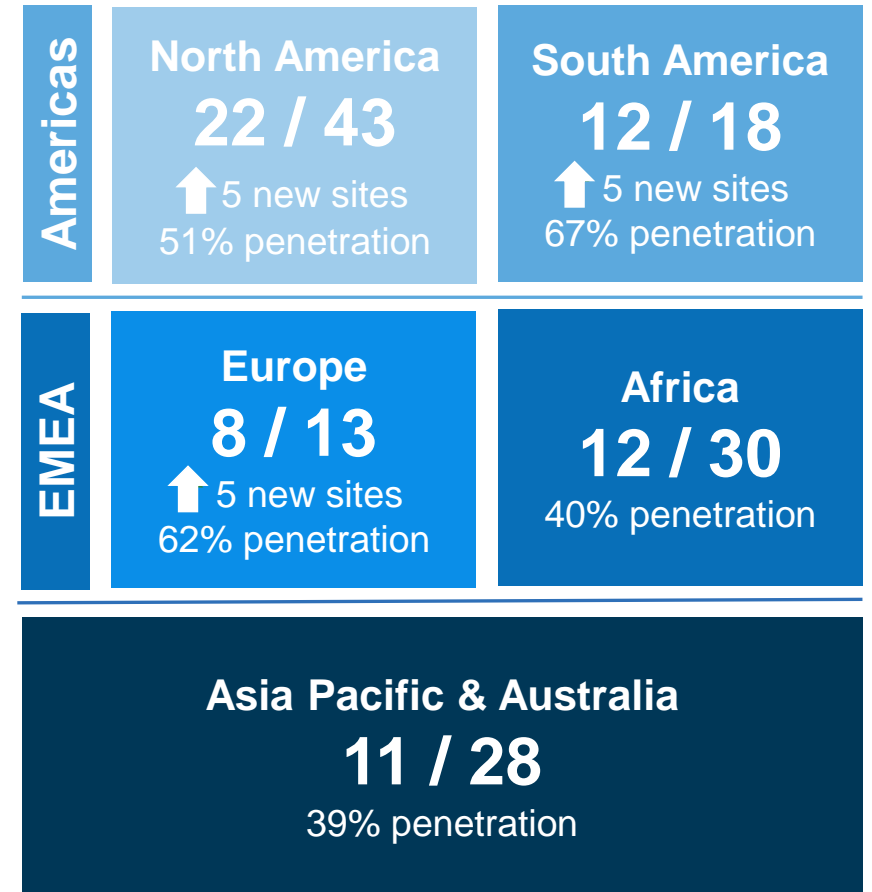
# Proposed Devico Acquisition

## Extended market presence in key mining regions globally

### GLOBAL IDENTIFIED SUPER SITES<sup>1</sup>



### COMBINED PRESENCE ON SUPER SITES<sup>1</sup>



<sup>1</sup> Super Sites are defined as operations with 5 or more drills on site and represent coring rigs only. <sup>2</sup> Super Sites represent 1,000 of approximately 3,500 identified coring rigs globally.

# Proposed Devico Acquisition increases IMDEX's exposure to key industry megatrends

## KEY INDUSTRY TRENDS

Global mining megatrends will drive increasing use of sophisticated technologies to unlock value from orebodies globally

Increasing depth of deposits is expected to drive demand for Directional Drilling Technologies, leading to higher penetration and increased share of total metres drilled

Advanced Sensor Technologies allow drillers and resource companies to optimise their drilling campaigns and drive cost efficiencies on site

Drilling activity is expected to continue given the favourable commodity outlook, in particular for critical metals, and growing exploration budgets for both juniors and large cap miners

## MARKET GROWTH OUTLOOK

↑ 17%

FORECAST ST MARKET  
CAGR (2021-2026)<sup>1</sup>

↑ 22%

FORECAST DDT MARKET  
CAGR (2021-2026)<sup>1</sup>

<sup>1</sup> 2021-26 total addressable market CAGR, calculated based on McKinsey, Orbis and S&P estimates.

# Compelling Strategic Rationale

## STRENGTHENS IMDEX CORE MINING-TECH LEADERSHIP

- Through a combination of market, client, product and cloud technology leadership

## EXPANSION OF MINE SITE PRESENCE GLOBALLY

- Including a strong presence in Europe, and greater alignment direct with resource companies in Directional Drilling Technology

## HIGHLY COMPLEMENTARY PRODUCT SUITE

- Enhances the IMDEX product technology stack and integrated solutions offering

## HIGHLY STRATEGIC COMBINATION WITH STRONG SYNERGIES

- Expanded product suite and client footprint offers cross-selling opportunities for IMDEX integrated solutions. Combined operating network, and expanded R&D capability presents opportunities leveraging IMDEX's digital transformation systems

