

16 June 2021

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2001

Dear Sir/Madam

Macquarie Emerging Leaders Conference Market Update

Please find attached the Macquarie Emerging Leaders Conference Market Update.

Authorised by



Paul Evans
Company Secretary
Imdex Limited

This has been approved for lodgement by the Board of Directors.

ABOUT IMDEX

IMDEX is a leading global Mining-Tech company, which enables successful and cost-effective operations for drilling contractors and resource companies. The Company develops drilling optimisation products and cloud-connected sensors to provide real-time rock knowledge and quality data. Together they enhance decision making and sustainable operations across the mining value chain – from the drill rig to the core farm and processing plant. www.imdexlimited.com

FURTHER INFORMATION

Kym Clements – IMDEX Investor Relations Officer

Mobile: 0415 181 172 Email: kym.clements@imdexlimited.com

Macquarie Emerging Leaders Conference IMDEX Market Update

JUNE 2021

PAUL HOUSE – CEO
PAUL EVANS – CFO & COMPANY SECRETARY

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IMDEXTM

We are a leading global Mining-Tech company.

We develop drilling optimisation products and cloud-connected sensors to provide real-time rock knowledge and quality data.

Together our solutions enhance decision making and sustainable operations across the mining value chain – from the drill rig to the core shed and processing plant.

1H21 RECAP & COMPANY OVERVIEW

Strong Core Business in All Market Conditions



OUTPERFORMING MARKET GROWTH

IMDEX 1H21 4-YEAR REVENUE CAGR
10.7%

COMPARABLE S&P CAGR 4.3% *

SUSTAINABLE GROWTH

ONGOING R&D IN ALL MARKET CONDITIONS

STRATEGIC TECHNOLOGY ACQUISITIONS TO BUILD ON ROCK KNOWLEDGE OFFERING

INDUSTRY COLLABORATION TO ACCELERATE DEVELOPMENT AND NEW PRODUCT INTRODUCTION PROCESS

STRONG COMPETITIVE POSITION

AN UNPARALLELED GLOBAL FOOTPRINT, PRESENT ON 70% OF SITES

UNIQUE IP AND CLOUD-CONNECTED TECHNOLOGIES

UNRIVALLED INTEGRATED PRODUCT OFFERING

EBITDA MARGIN EXPANSION YOY

IMDEX 1H21 4-YEAR EBITDA CAGR **18.2%**

CORE BUSINESS PROFITABLE THROUGHOUT PAST INDUSTRY CYCLES, GFC AND COVID-19

SUSTAINABLE DIVIDEND POLICY

30% NPAT PAYOUT RATIO

STRONG CASH GENERATION

WORLD-CLASS R&D AND GEOSCIENCE CAPABILITIES

60+ LEADING HARDWARE, MECHANICAL, ELECTRICAL, CHEMICAL AND SOFTWARE ENGINEERS

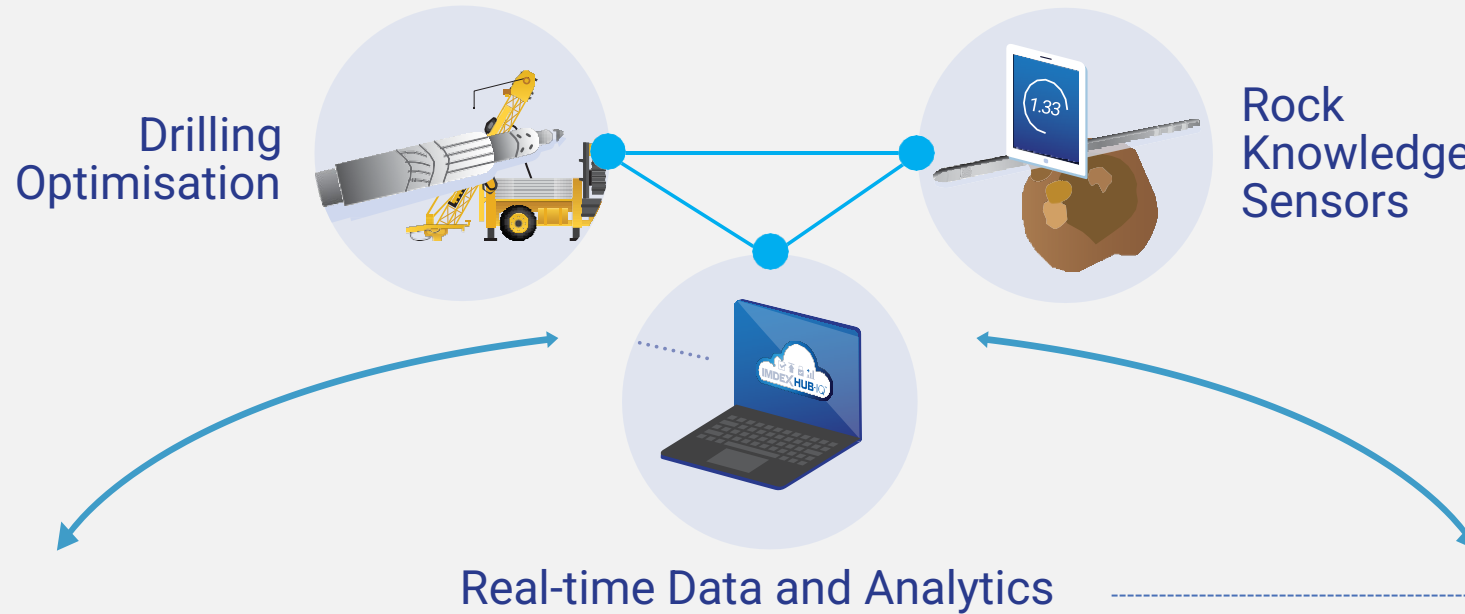
DEDICATED TEST SITES

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

Our Integrated Product Offering

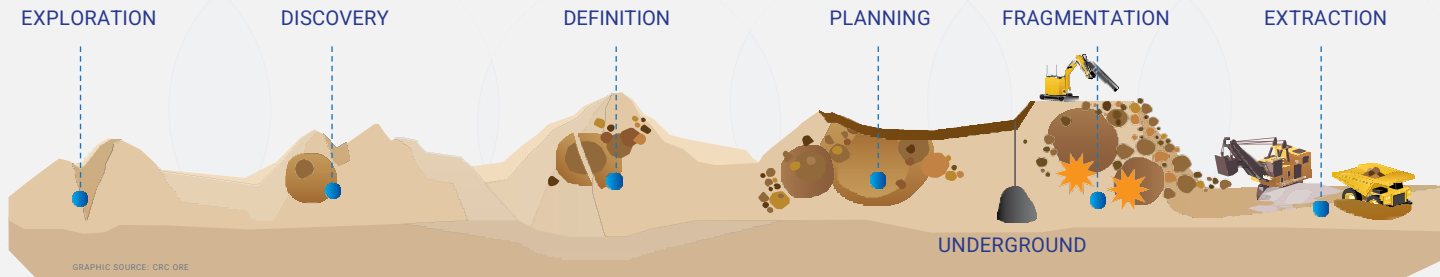


- Drilling productivity and rig alignment technologies
- Automated and remote drilling fluid testing technologies
- Data collection and advanced reporting software



- Downhole survey sensors
- Core orientation and gamma logging technologies
- In-field sampling and analysis technologies

- Secure cloud-based services
- Interpretive software for geological data



EXPLORATION & DEVELOPMENT

Applicable across whole mining value chain

MINING & PRODUCTION

Sustainability – Key Focus Areas



Externally IMDEX has a wide range of solutions that enhance the sustainability of client operations and meet the drive towards decarbonisation

Internally we are committed to enhancing ESG disclosure



Supporting Economic Development

Maximising shareholder value over the short, medium and longer term. Increasing the accessibility of information regarding the Company's ESG related risks and opportunities for all stakeholders.



Driving the sustainability of the global minerals industry

Developing products and technologies that provide additional value to clients' operations, and ensure secure quality data. Collaborating with associations and research partners to enhance the safety and efficiency of mining processes.



Ensuring a safe and inclusive global workplace

Providing a working environment that is safe and supports total wellbeing. Promoting diversity and greater inclusion.



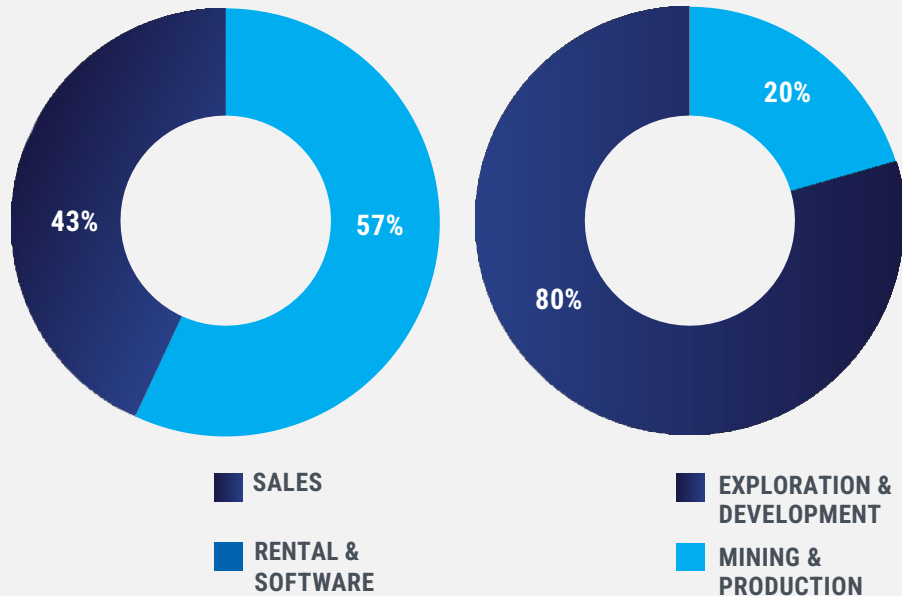
Upholding ethical and sustainable business practices

Conducting its business in a manner that is ethical, values-driven and in compliance with the laws in all countries of operation. Ensuring its activities and the organisations IMDEX works with are ethical and do not harm people or the environment.

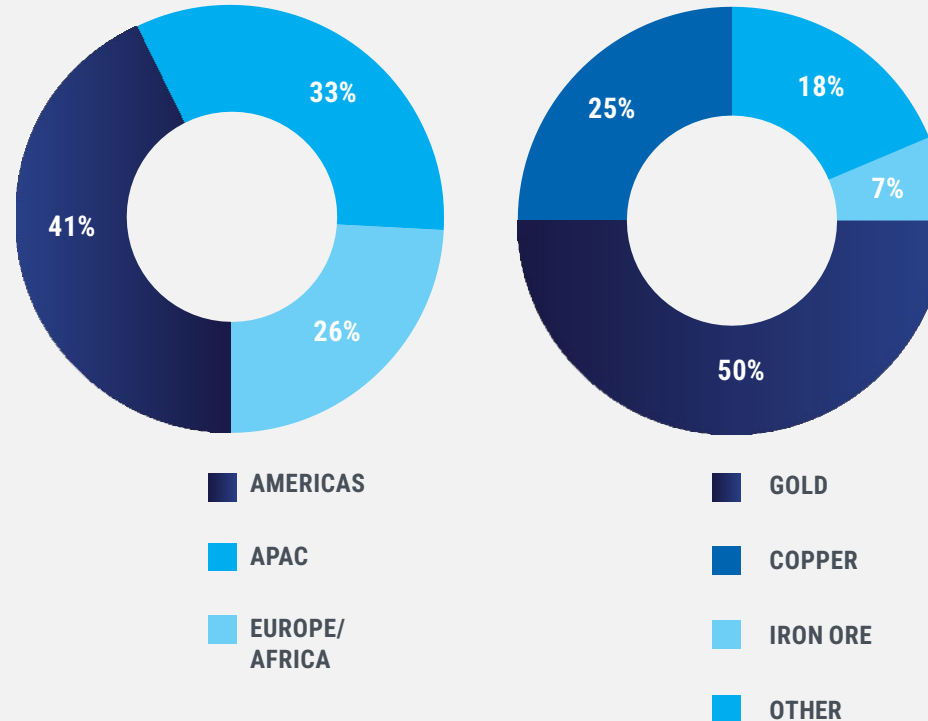
A Stronger Business Profile



AVERAGE REVENUE PROFILE



BROAD COMMODITY EXPOSURE



DIRECTLY SUPPORTING MAJOR MINING COMPANIES AND DRILLING CONTRACTORS GLOBALLY

- Increasing recurring rental and SAAS revenue – higher margins
- IMDEXHUB-IQ™ connected clients up 25% on 1H20
- Increasing revenue from resource companies and the mining and production phase – less cyclical

2H21 MARKET, INDUSTRY & COMPANY UPDATE

Market Update and the Impact of COVID-19



EVOLUTION OF COVID-19 GOVERNMENT MANDATED RESTRICTIONS ON MINING REGIONS



KEY OPPORTUNITIES

- Acceleration of positive industry structural change
- New efficient ways of working - beneficial for the long-term
- Increasing demand for IMDEXHUB-IQ™ cloud-based technologies and software
- Solutions to support clients to work remotely, efficiently, securely and safely - key components of IMDEX's value proposition

UPDATED KEY RISKS

- Increasing pressure on industry processes to protect labour and supply chains
- Corporate restrictions continue to limit access to sites
- Government restrictions continue to be fluid, impacting labour mobility and project continuity

Strong Industry Fundamentals



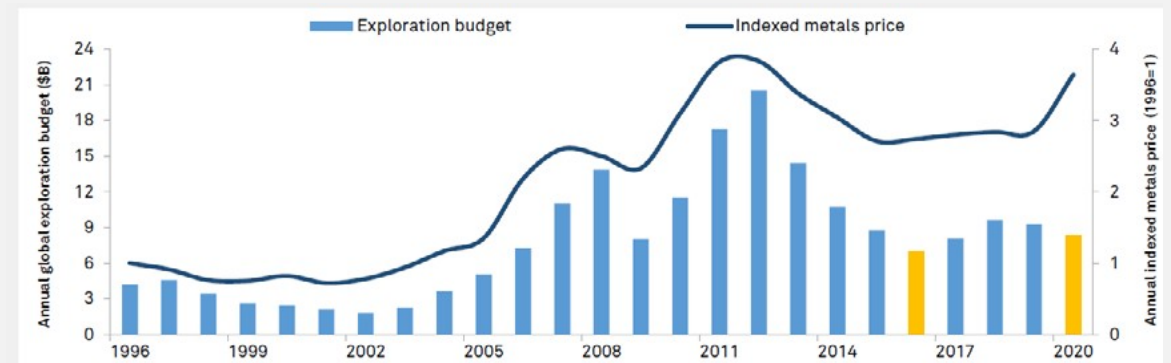
- Strong commodity prices driven by the positive outlook for a global recovery and increasing demand due to diminishing reserves
- Demand for critical metals is expected to increase at a faster pace due to decarbonisation
- Clients are embracing innovation and new digital ways of working

“ We believe the industry is willing to invest and spend but may not be able to move as fast as it would like. The industry drivers of depleted reserves, strong commodity pricing and the trend towards decarbonisation, is driving substantially increased industry exploration budgets. However, delivery against these targets will require time and investment in labour, drilling rigs, and other supply chain pressures that are a current constraint. ”

PAUL HOUSE, IMDEX CEO

- Capital raisings are robust – time before funding is utilised on site has increased
- Junior, intermediate and larger clients are well funded and are increasing exploration budgets
- In March S&P forecast exploration budgets to be up 15% – 20% for the 2021 calendar year

GLOBAL NONFERROUS EXPLORATION BUDGET (US\$BN)



Data as of Jan. 5, 2021.
Source: S&P Global Market Intelligence

Short-term Industry Constraints

- Global rig utilisation has only just returned to / exceeded pre-COVID-19 levels
- Rig utilisation in Australia and North America is at near-capacity
- Delivery times for new rigs has increased
- Shipping times on key routes have more than doubled and freight costs have increased

“ We are seeing a noticeable increase in enquiries from customers across the board, which should see utilisation rates continue to improve...shortages in experienced drillers will continue to add pressure to labour costs. ”

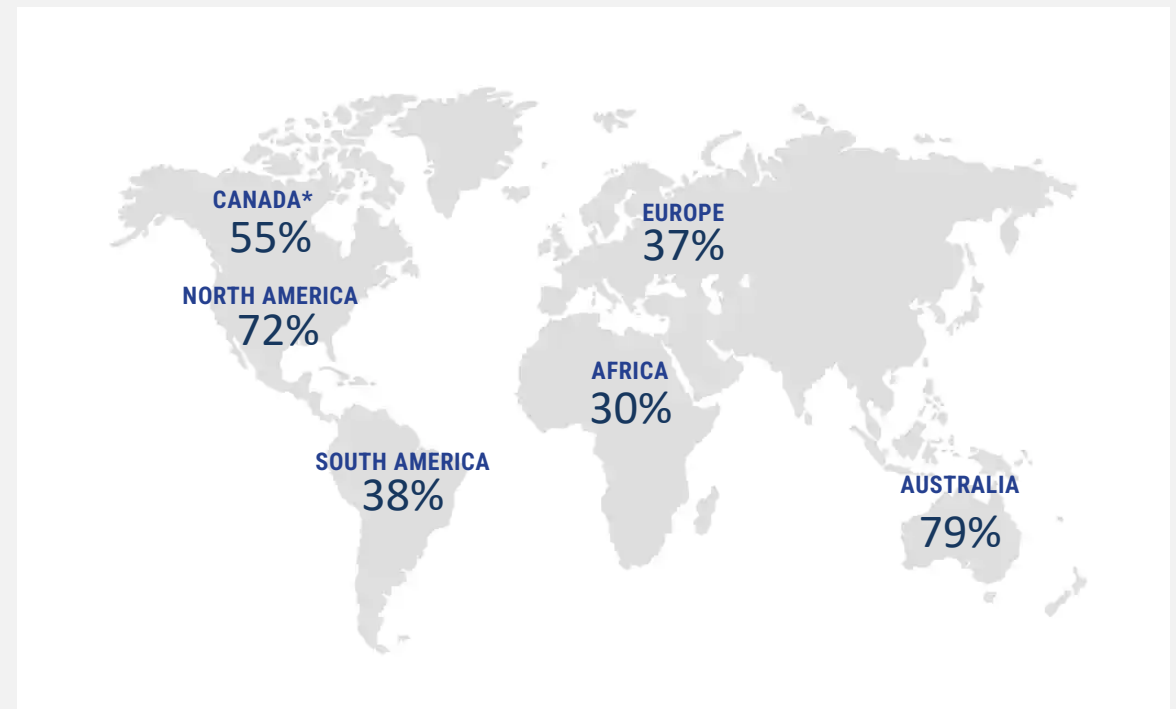
MAJOR DRILLING, MAY 2021

“ In Australia during the third quarter of FY21, it has become apparent that demand for domestic labour has increased. This is resulting in higher turnover and wage growth, which is affecting margins. ”

PERENTI, MAY 2021

IMDEX ESTIMATED RIG UTILISATION % AT MARCH 2021

CORING (SURFACE & UNDERGROUND) AND RC RIGS



* Canada utilisation seasonally impacted – utilisation % is expected to rise significant by northern summer

Shift Towards Decarbonisation

“45% of the world’s economic growth is driven by the mining sector.

...The simple fact is that the world cannot survive without mining and our contribution to literally every aspect of modern life.

...When we talk about life-of-mine plans, we’re also now starting to focus on life-of-community plans and how we can create 100 years of future for those communities based on the infrastructure that we can bring as part of our mine development.”

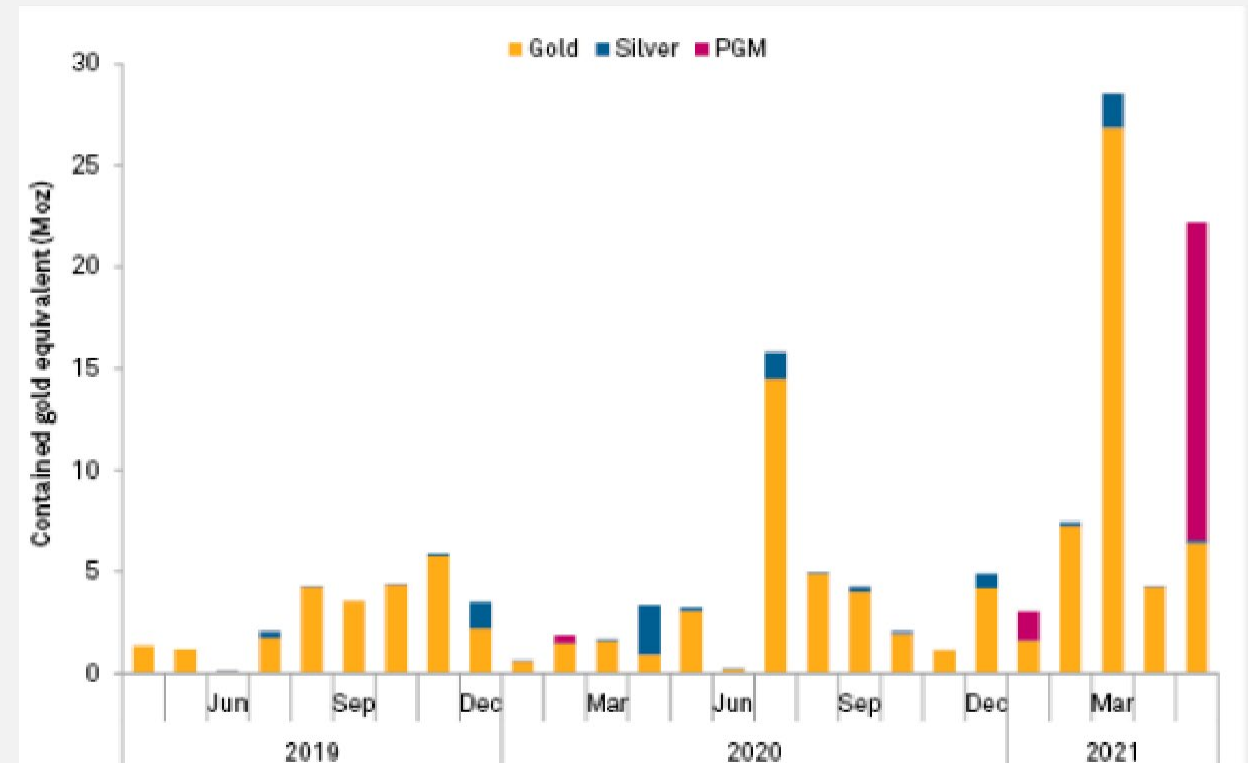
MARK CUTIFANI, ANGLO AMERICAN CEO

“\$1 trillion of investment is needed in key energy transition metals – aluminum, cobalt, copper, nickel, and lithium – over the next 15 years to meet the growing demands of decarbonization.”

WOOD MACKENZIE

INITIAL RESOURCES, APRIL 2019-MAY 2021

PRECIOUS METALS INITIAL RESOURCES (IN GOLD EQUIVALENT)



Data as of June 7, 2021.

PGM = platinum group metals

Gold and copper equivalent estimated using 2019 average market metals prices.

Sources: S&P Global Market Intelligence; London Metal Exchange; London Bullion Market Association; refinitiv

TOP LINE GROWTH

**TOTAL NUMBER OF INSTRUMENTS ON RENT CONTINUED TO GROW
– UP ON 1H21 RECORD**

**RECORD NUMBER OF GYRO-RELATED INSTRUMENTS ON RENT – IMDEX HAS
BOOSTED PRODUCTION CAPABILITIES IN RESPONSE TO DEMAND**

IMDEXHUB-IQ™ CONNECTED CLIENTS CURRENTLY UP 38% 1H21

RESILIENT SUPPLY CHAIN

**ADDITIONAL INDUSTRY PRESSURES ON IMDEX SUPPLY CHAIN
– PARTICULARLY FREIGHT CHARGES AND DELIVERY TIMES**

**IMDEX HAS MULTIPLE SUPPLY CHAIN CONTINGENCIES AND HAS
CONTINUED TO DELIVER 100% OF THE TIME**

MANAGING GROWTH

**IMDEX'S DIGITAL TRANSFORMATION 1.0 IS EMBEDDED AND IS YIELDING
SIGNIFICANT BENEFITS – INVESTMENT IN 2.0 IS PLANNED FOR FY22 TO
FURTHER STREAMLINE COSTS AND ENHANCE CUSTOMER EXPERIENCE**

**SLIGHT INCREASE IN TRAVEL AND MARKETING COSTS AS COVID-19
RESTRICTIONS EASE**

**IMDEX IS SUCCESSFULLY ATTRACTING ADDITIONAL TALENT AND IS
INCREASING CAPABILITIES IN KEY GROWTH AREAS**

TARGETED R&D TO MEET DEMAND

**STRONG DEMAND FOR IMDEXHUB-IQ™ CONNECTED TECHNOLOGIES AND
IMDEX SOFTWARE SOLUTIONS – INVESTMENT PLANNED FOR FY22 TO
ACCELERATE GROWTH AND BUILD SCALE**

**FOCUS ON JOINT DEVELOPMENT AGREEMENTS TO DRIVE A MORE
COMPLEMENTARY APPROACH TO NEW PRODUCT DEVELOPMENT AND
CUSTOMER ALIGNMENT**

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

OUTLOOK & SUMMARY

Compelling Growth Strategy

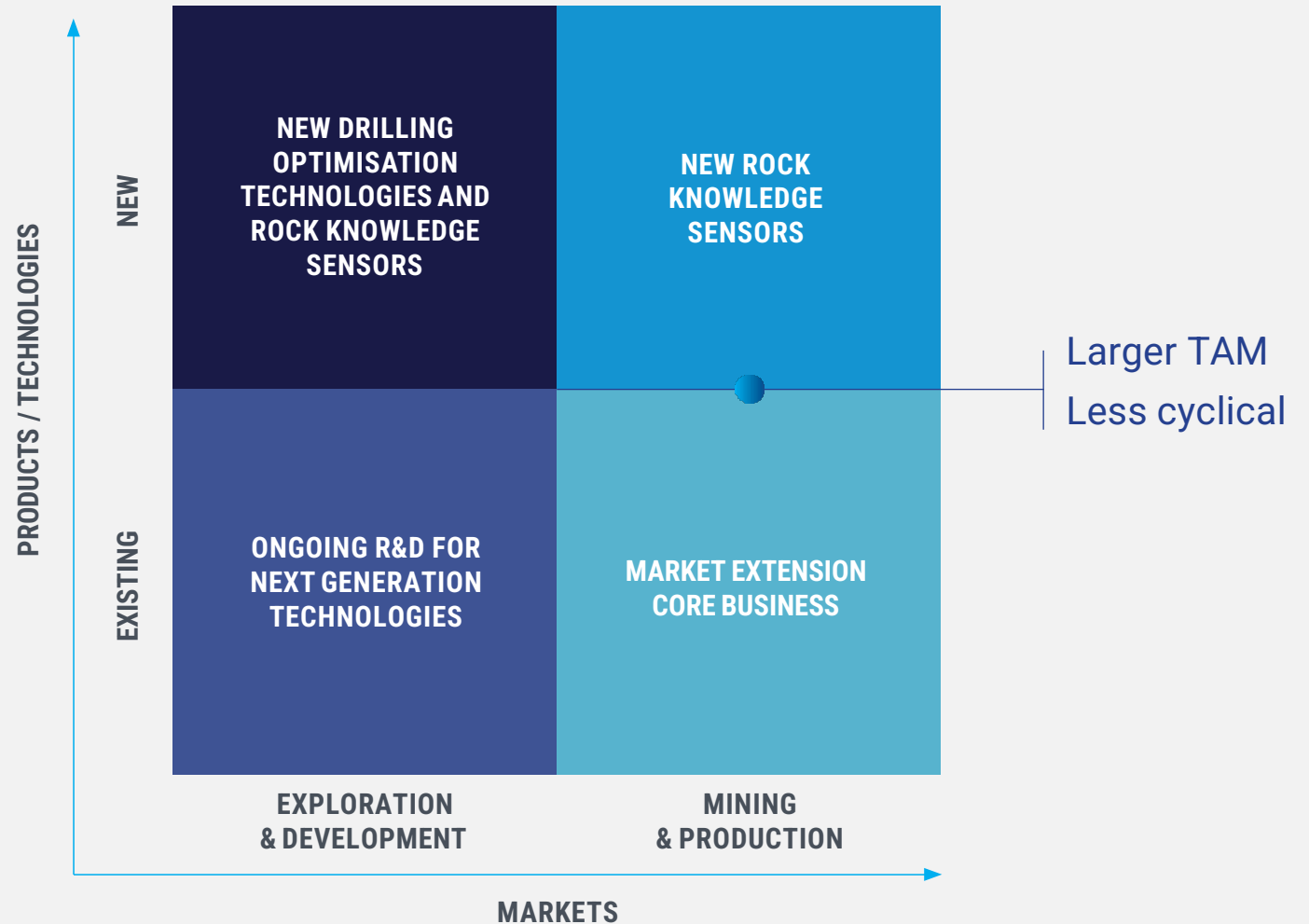
Growing core business by enhancing technical leadership and embedding value for clients

Expansion within the larger, less cyclical production stage of the mining value chain

Three pathways to growth



Acquire
Build
Collaborate



Positioned to Deliver Attractive Returns



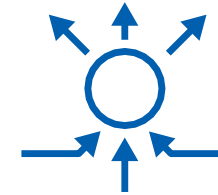
STRONG CORE BUSINESS

- Outperforming market growth
- Strong financial platform
- Established global presence and client network
- Market leading technologies with unique IP
- World-class R&D and geoscience capabilities
- Experienced leadership team



A GROWTH COMPANY

- Strong pipeline of new technologies and software
- Ability to pursue strategic acquisitions to further accelerate growth and market position
- Expansion within the larger, less-cyclical production stage of the mining value chain
- IMDEX technologies offer real sustainable value



POSITIVE INDUSTRY DRIVERS

- Resource companies are well funded with increasing budgets
- Reserves are being depleted at a faster rate than discoveries
- New discoveries are likely to be at depth resulting in larger drilling campaigns
- Resource companies are embracing innovation and technologies
- Strong multi-sector demand driving commodity prices
- Decarbonisation trend gaining momentum

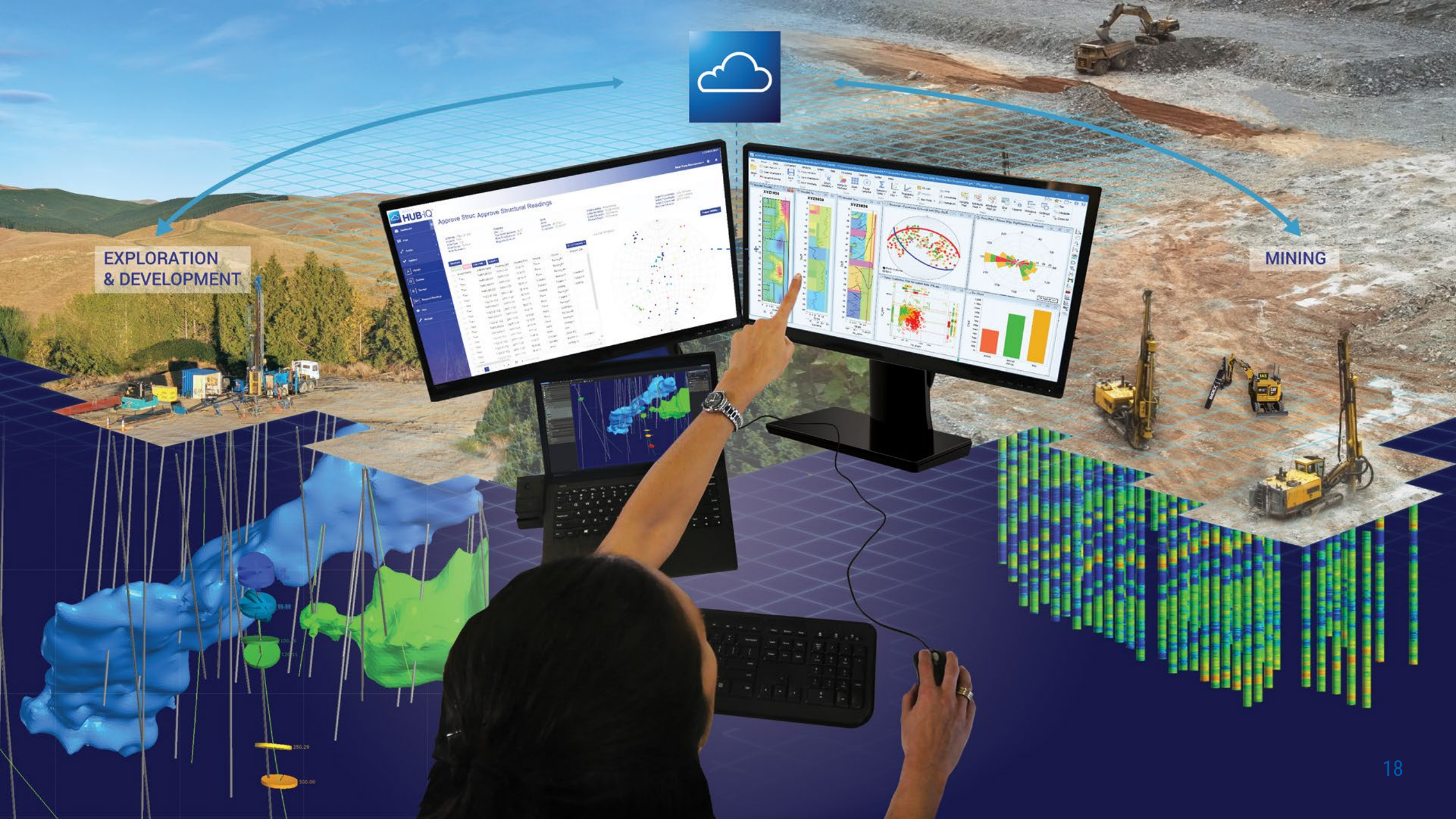
Outlook for FY21



- The long-term outlook for Mining-Tech is strong
- Clients are well funded and are focused on sustaining and increasing activity – labour and rig constraints may taper pace of growth in the short-term
- We are positioned to benefit from increasing demand for digital operations and real-time ore body knowledge
- We remain watchful and ready to respond to risks and opportunities presented by COVID-19
- IMDEX has a strong core business and strategy to outperform industry growth and increase sustainable earnings for shareholders



IMDEX's Customer Care Network Operating Centre allows remote support anywhere in the world



EXPLORATION
& DEVELOPMENT

MINING

Thank you

THIS PRESENTATION MAY CONTAIN CERTAIN 'FORWARD-LOOKING STATEMENTS' AND PROJECTIONS PROVIDED BY OR ON BEHALF OF IMDEX LIMITED (IMDEX). FORWARD LOOKING STATEMENTS CAN GENERALLY BE IDENTIFIED BY THE USE OF FORWARD LOOKING WORDS SUCH AS, 'EXPECT', 'ANTICIPATE', 'LIKELY', 'INTEND', 'SHOULD', 'COULD', 'MAY', 'PREDICT', 'PLAN', 'PROPOSE', 'WILL', 'BELIEVE', 'FORECAST', 'ESTIMATE', 'TARGET', 'OUTLOOK', 'GUIDANCE' AND OTHER SIMILAR EXPRESSIONS WITHIN THE MEANING OF SECURITIES LAWS OF APPLICABLE JURISDICTIONS. THESE FORWARD-LOOKING STATEMENTS REFLECT VARIOUS ASSUMPTIONS MADE BY OR ON BEHALF OF IMDEX.

YOU ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON FORWARD LOOKING STATEMENTS. THE STATEMENTS, OPINIONS AND ESTIMATES IN THIS PRESENTATION ARE BASED ON ASSUMPTIONS AND CONTINGENCIES SUBJECT TO CHANGE WITHOUT NOTICE, AS ARE STATEMENTS ABOUT MARKET AND INDUSTRY TRENDS, PROJECTIONS, GUIDANCE AND ESTIMATES.

THE FORWARD LOOKING STATEMENTS CONTAINED IN THIS PRESENTATION ARE NOT GUARANTEES OR PREDICTIONS OF FUTURE PERFORMANCE AND INVOLVE KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES AND OTHER FACTORS, MANY OF WHICH ARE BEYOND THE CONTROL OF IMDEX, AND MAY INVOLVE SIGNIFICANT ELEMENTS OF SUBJECTIVE JUDGEMENT AND ASSUMPTIONS AS TO FUTURE EVENTS WHICH MAY OR MAY NOT BE CORRECT. THE FORWARD LOOKING STATEMENTS ARE SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES ASSOCIATED WITH THE MINING-TECH INDUSTRY WHICH MAY BE BEYOND THE CONTROL IMDEX WHICH COULD CAUSE ACTUAL RESULTS OR TRENDS TO DIFFER MATERIALLY, INCLUDING BUT NOT LIMITED TO RETENTION OF KEY BUSINESS RELATIONSHIPS, ENVIRONMENTAL IMPACTS AND CLAIMS, OPERATIONAL AND EXECUTIONAL RISKS, RESEARCH AND DEVELOPMENT AND INTELLECTUAL PROPERTY RISKS, AN INABILITY TO MEET CUSTOMER DEMAND, PRICE AND CURRENCY FLUCTUATIONS, OPERATING RESULTS, LEGISLATIVE, FISCAL AND REGULATORY DEVELOPMENTS, ECONOMIC AND FINANCIAL MARKET CONDITIONS IN VARIOUS COUNTRIES, APPROVALS AND COST ESTIMATES, ENVIRONMENTAL RISKS, ABILITY TO MEET FUNDING REQUIREMENTS AND SHARE PRICE VOLATILITY. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS AND PROJECTIONS WILL BE REALISED. IMDEX MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF ANY SUCH STATEMENT OF PROJECTIONS OR THAT ANY FORECASTS WILL BE ACHIEVED.

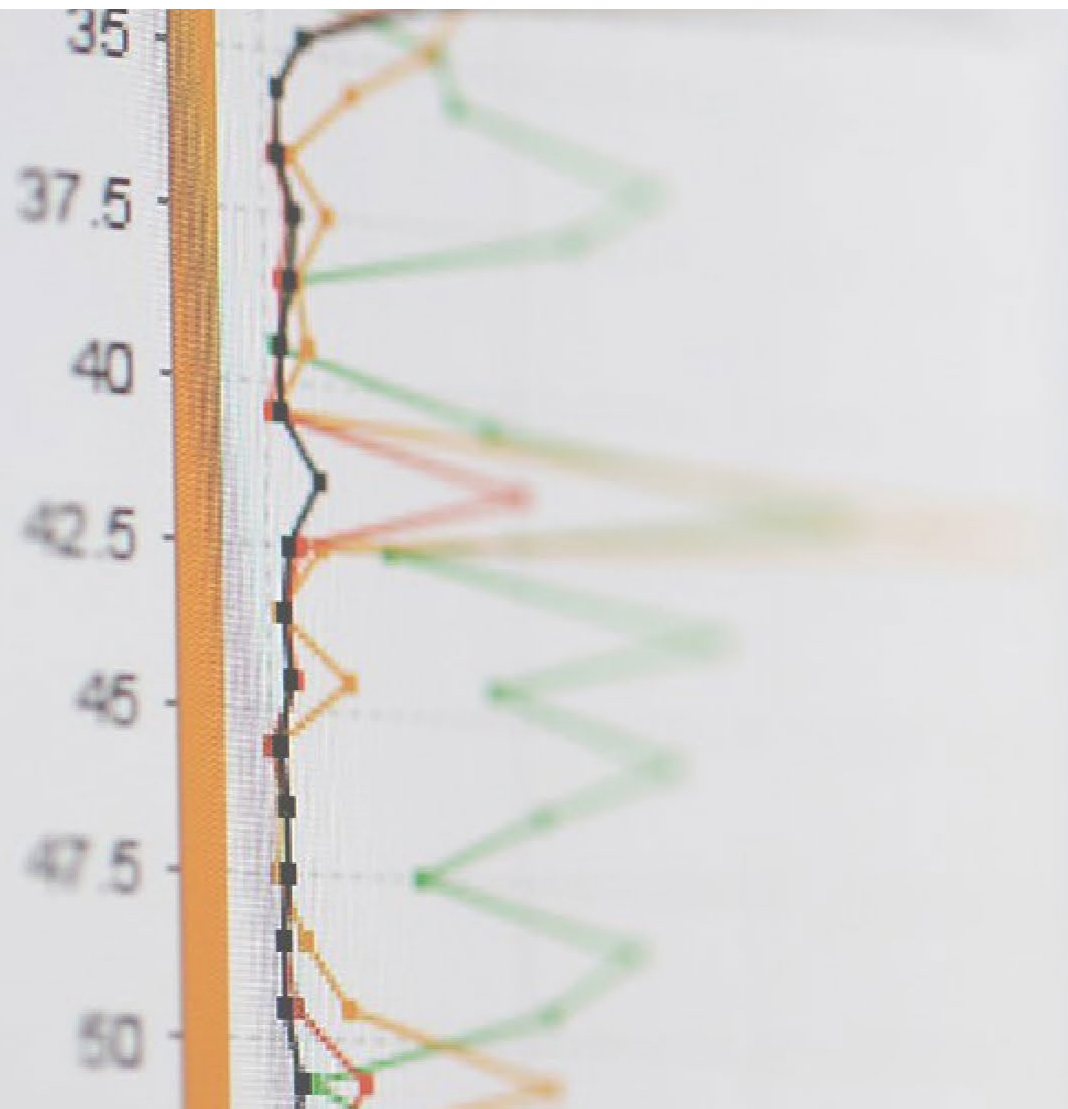
A NUMBER OF IMPORTANT FACTORS COULD CAUSE ACTUAL RESULTS, ACHIEVEMENTS OR PERFORMANCE TO DIFFER MATERIALLY FROM THE FORWARD LOOKING STATEMENTS, INCLUDING THE RISKS AND UNCERTAINTIES SET OUT ABOVE. INVESTORS SHOULD CONSIDER THE FORWARD LOOKING STATEMENTS CONTAINED IN THIS PRESENTATION IN LIGHT OF THOSE MATTERS. THE FORWARD LOOKING STATEMENTS ARE BASED ON INFORMATION AVAILABLE TO IMDEX AS AT THE DATE OF THIS PRESENTATION. EXCEPT AS REQUIRED BY LAW OR REGULATION (INCLUDING THE ASX LISTING RULES), IMDEX UNDERTAKES NO OBLIGATION TO PROVIDE ANY ADDITIONAL OR UPDATED INFORMATION WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR RESULTS OR OTHERWISE. INDICATIONS OF, AND GUIDANCE OR OUTLOOK ON, FUTURE EARNINGS OR FINANCIAL POSITION OR PERFORMANCE ARE ALSO FORWARD LOOKING STATEMENTS.

FOR FURTHER INFORMATION
PLEASE CONTACT:

KYM CLEMENTS IRO
KYM.CLEMENTS@IMDEXLIMITED.COM

IMDEXTM

Appendices



1H21 Financial Highlights



REVENUE
\$124.3m

DOWN 3% ON 1H20

**UP 1.5% ON A CONSTANT
CURRENCY BASIS**

EBITDA
\$33.1m¹

UP 6% ON 1H20

**UP 9% ON A CONSTANT
CURRENCY BASIS**

**STRONG
CASH
GENERATION**

**CASH FROM OPERATIONS
UP 33% WITH A STRONG
FOCUS ON COLLECTIONS**

DIVIDENDS

**DECLARED 1H21
FULLY-FRANKED INTERIM
DIVIDEND OF 1.0 CPS**

**ROBUST
BALANCE
SHEET**

**A STRONG NET CASH POSITION OF \$47M
UP 84% ON 1H20**

**CAPACITY TO
ACCELERATE
GROWTH**

**TARGETED R&D IN LINE WITH DEMAND
PRODUCTION CAPACITY INCREASED
OPPORTUNITIES FOR ACQUISITIVE GROWTH**

1. Excluding \$2.2m gain in 1H21 on Flexidrill deferred consideration fair value adjustment

1H21 Operational Highlights



HEALTH & SAFETY

Zero lost time injuries and improved LTIFR
Strong focus on employee wellbeing

COVID-19

Continued recovery of operations in all regions
Ongoing focus on protecting our people and supply chain

INDUSTRY COLLABORATION

Signed a JDA with a tier 1 mining company to advance Drilling Optimisation technologies
A second JDA with industry partners for Rock Knowledge Sensor technologies for use in mining production in the final stages

ESG

Finalised IMDEX Sustainability Policy
Commenced an ESG materiality assessment to inform full year report

TECHNOLOGY & SOFTWARE

Responded to increasing demand for remote working.
Released IMDEXHUB-IQ™ upgrade and released ioGAS™ 7.3 geochemistry data analysis software

RENTAL FLEET

Record number of gyro-related technologies on rent – boosted production capabilities in response to demand
Record December and January for instruments on rent



BLASTDOG™ provides petrophysical, elastic and inelastic rock properties that can be used to estimate mill crushing and grinding hardness and identify and track contrasting material types.

Key Metrics



\$m	1H21	1H20	VAR	VAR %
Revenue	124.3	127.7	-3.4	-3%
EBITDA ¹	33.1	31.3	1.8	6%
EBITDA Margin % ¹	26.6%	24.5%	2.1%	9%
NPBT ²	18.9	23.3	-4.4	-19%
NPAT ²	13.5	18.2	-4.7	-26%
EPS (cents) ²	3.42	4.75	-1.33	-28%
Operating Cash Flow	33.2	24.9	8.3	33%
Operating Cash Flow Per Share (cents)	8.4	6.5	1.9	29%
Net Assets (at Dec 31)	234.3	222.5	11.8	5%
Net Cash (at Dec 31)	47.0	25.5	21.5	84%
Fully Franked Interim Dividend (cents)	1.0	1.0	0.0	0%
Full Time Employees (at Dec 31)	500	514	-14	-3%

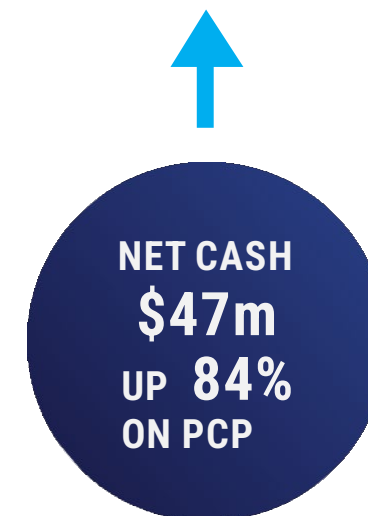
1. Excluding \$3.6m gain on VES sale in 1H20 and \$2.2m gain in 1H21 on Flexidrill deferred consideration fair value adjustment.

2. Includes higher D&A charges relating to additional assets to support increasing demand for gyro-related technologies and the Flexidrill and AusSpec acquisitions.

Balance Sheet



\$m	31 DEC 2020	30 JUN 2020
Cash	59.8	38.3
Receivables	44.2	43.5
Inventory	37.5	41.2
Fixed assets ¹	75.4	79.6
Intangibles ²	91.1	83.6
Other assets / deferred tax	31.5	31.9
TOTAL ASSETS	339.5	318.1
Payables	28.7	26.9
Borrowings ³	12.8	6.1
Other liabilities, provisions and current tax ⁴	63.7	63.5
TOTAL EQUITY	234.3	221.6
ROE	12.2%	9.9%
ROCE	14.5%	11.6%



- Declared fully-franked interim dividend of 1.0 cps
- Continued investment in technologies and software to drive future growth

1. Includes Lease assets of \$33.3m in Dec 2020 (\$36.5m Jun 2020)

2. Includes intangibles of \$9.6m arising from the acquisition of AusSpec

3. Increased USD borrowings to manage our currency exposures

4. Includes Lease liabilities of \$38.7m (\$41.5m Jun 2020) and deferred consideration for the purchase of Flexidrill of \$12.9m (\$14.7m Jun 2020) and AusSpec \$2.1m

Our Board of Directors



Ms Sally-Anne Layman
Non-Executive Director

Mr Kevin Dundo
Non-Executive Director

Mr Anthony Wooles
Non-Executive Chairman

Mr Ivan Gustavino
Non-Executive Director

Committed to driving sustainable growth



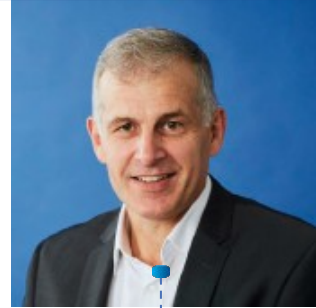
In February 2021
Ms Trace Arlaud
was appointed
Non-Executive Director

Ms Arlaud has
critical skills in
mining engineering,
geology and geophysics, together with
broad international experience. Based
in Colorado, USA, she will contribute
significantly to the governance of IMDEX
given the Company's growing presence
and prospects within that region.

Executive Leadership Team



Paul House
CEO



Paul Evans
CFO & Company
Secretary



Shaun Southwell
Chief Operating
Officer



Mathew Regan
Chief Corporate
Shared Services



Michelle Carey
Global Manager – IMDEX
Product Development



Dave Lawie
Chief Geoscientist /
Chief Technologist –
Mining Solutions

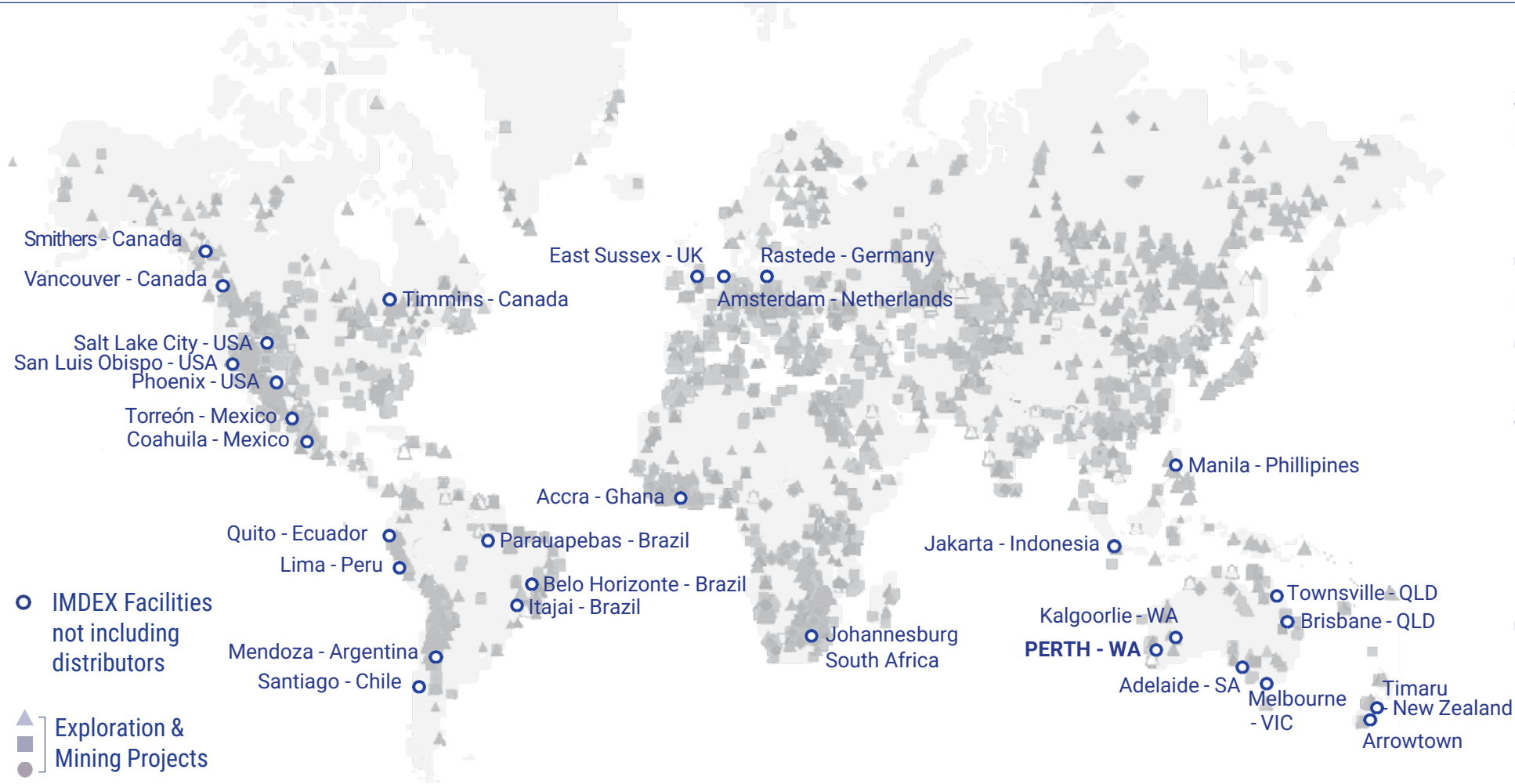


Michael Tomasz
IMDEX
General Counsel



Kiah Grafton
Head of Global
Human Resources

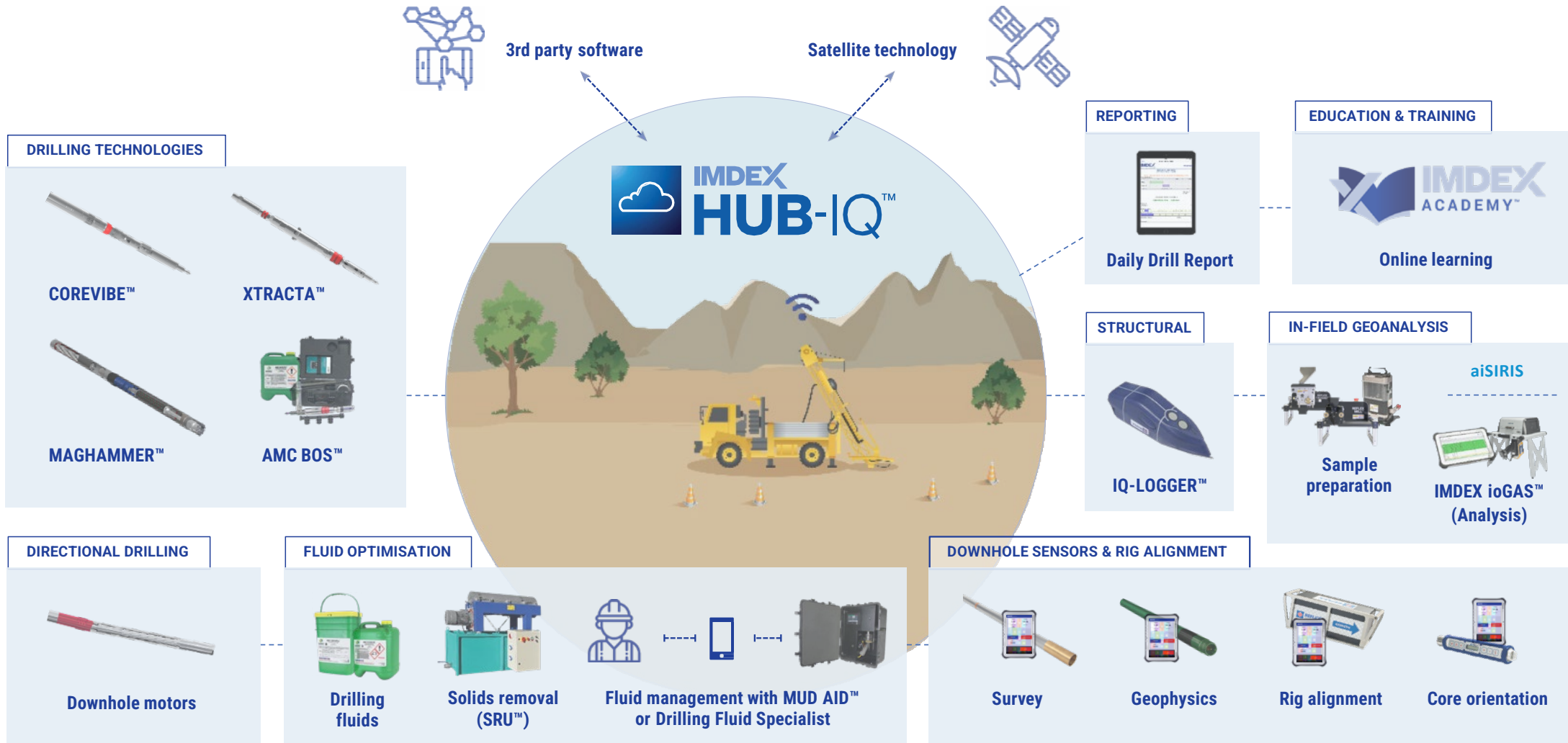
Established Global Business



STRONG MARKET PRESENCE ON 70% OF MINERAL DRILLING PROJECTS GLOBALLY

SALES IN OVER 100 COUNTRIES

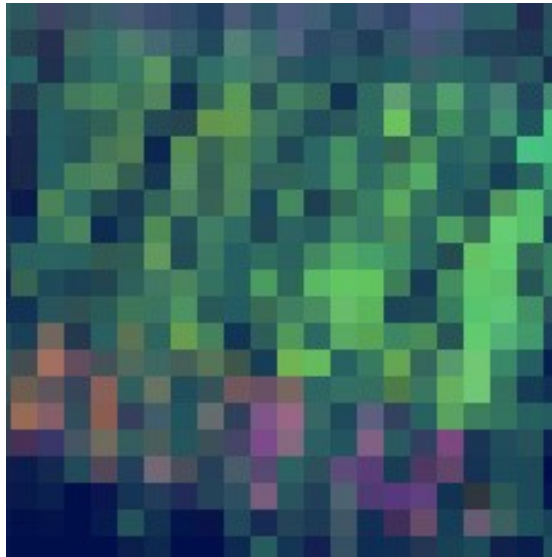
The Optimised Drill Site – Delivering clients greater economic value



Why Real-time Rock Knowledge is Important

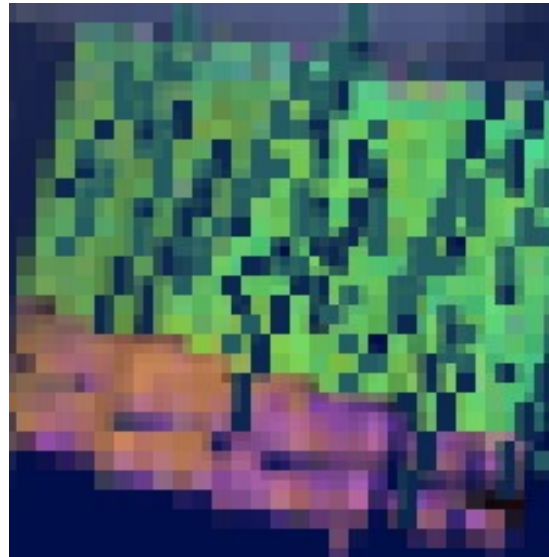


MANY \$BN MINING INVESTMENT DECISIONS ARE MADE HAVING SAMPLED ONLY 1% OF 1% OF THE ORE BODY.

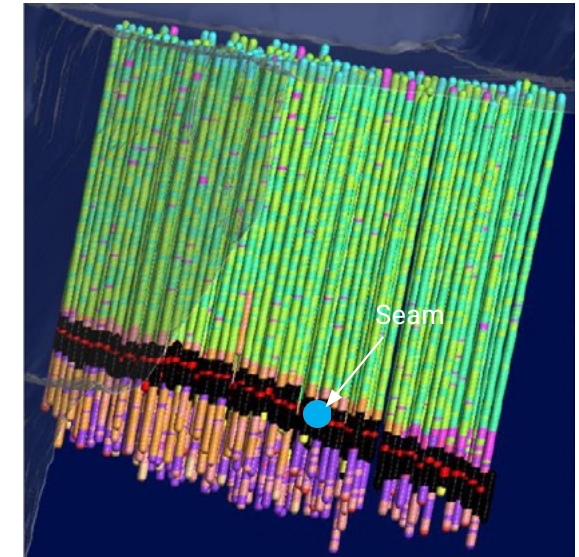


Rock knowledge is an understanding of location, texture, grade and mineralogy.

It answers the question where to drill next and how processing can be optimised.



We enable the timely delivery of quality data, giving clarity on the nature of the rock to allow real-time decisions to be made, rather than having to wait weeks or months.



The Value of IMDEXHUB-IQ™ in Providing Integrated Rock Knowledge

