


Index Limited – Euroz Rottne Conference

Bernie Ridgeway – Managing Director 16 March 2017

The background of the slide features a blue-tinted photograph of three individuals in a professional office environment. A woman in the foreground is looking down at a tablet device she is holding. Behind her, a man is also looking at the tablet. To the left, another person is partially visible, also appearing to be part of the team. The overall scene suggests a collaborative work environment focused on technology and data analysis.

We are a leading global METS company.
Our solutions improve the process of identifying and
extracting what is below the earth's surface for drilling
contractors and resource companies – we let clients know
where it is and what it is...now.

Our **vision** is to be the leading provider of real-time subsurface intelligence
solutions to the global mining industry.

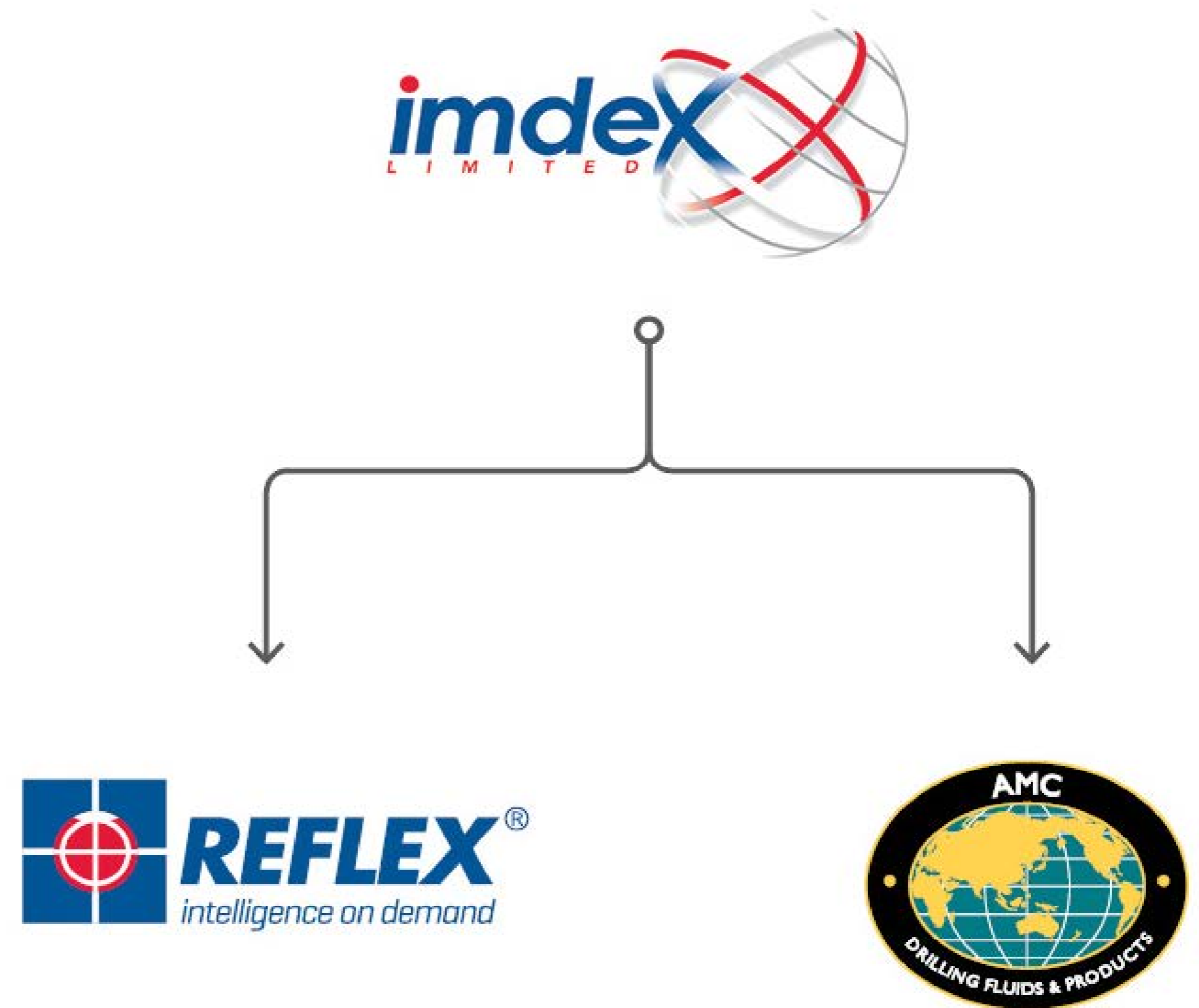
Global Business with Operational Leverage



Index facilities only

Simplified Structure – Minerals Focused

- 100% focused on minerals business in FY17 – competitive advantages & differentiated position
- Dominant within minerals industry – strong brands and market share
- REFLEX is the leading global provider of downhole instrumentation, data management and data analysis solutions
- AMC is the leading brand of drilling fluids for the global mining industry



1H17 Overview

- Safety performance consistently better than industry benchmarks
- Board renewal – Chairman Anthony Wooles (July 16) and Non-Executive Director Sally-Anne Layman (Feb 17)
- Business positioned for growth
- Secured \$30 million Bankwest facility with lower costs
- Bain Capital facility paid out in full
- Divestment of AMC Oil & Gas – costs accounted for in FY16
- Increased activity globally and ongoing demand for technologies
- AMC and REFLEX traded above budget
- 20% increase in the average number of REFLEX instruments on hire during 1H17 v 1H16
- Strong financial performance during 1H17 and a positive start to 2H17

1H17 Key Metrics

\$MILLIONS UNLESS INDICATED OTHERWISE	1H17	1H16	VAR	VAR%
Statutory revenue	81.8	74.5	7.3	▲ 10%
EBITDA	14.5	8.6	5.9	▲ 69%
EBITDA from continuing operations	13.5	10.9	2.6	▲ 24%
NPAT	-9.8 ¹	-1.4	-8.4	▼ -613%
EPS (cents)	-3.40 ¹	-0.58	-2.82	▼ -486%
Operating cash flow (prior to financing costs)	9.8	2.7	7.1	▲ 263%
Net cash (cash less gross borrowings)	3.6	-35.2 ²	38.8	▲ 110%
Net assets	149.4	169.9	-20.5	▼ -12%
LTIFR	2.32	2.0		

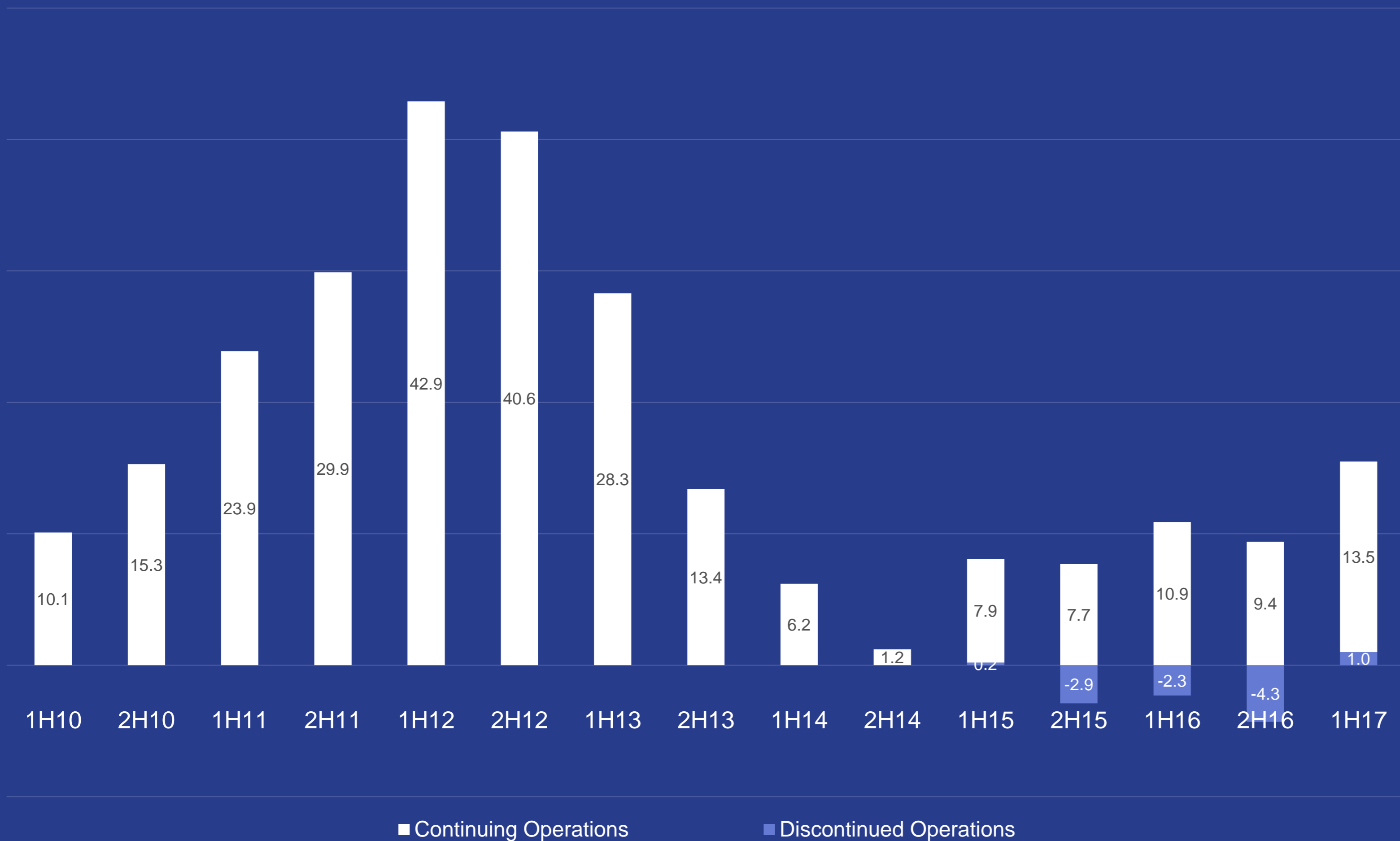
¹ Includes \$16.2m (non cash \$11.5m) of financing costs in relation to Bain Capital which has been fully repaid.

² Excludes impact of capitalised borrowing costs and warrants.

1H17 Revenue (\$million)



1H17 EBITDA (\$million)



- Core business profitable throughout downturn
- 1H17 EBITDA \$14.5 million (1H16: \$8.6 million). Included non-recurring benefit of \$1.0 million – sale of AMC Oil & Gas
- EBITDA from the continuing operations \$13.5 million (1H16: \$10.9 million).
- Result impacted by one-off costs in 2Q17 totaling \$1.5 million – foreign exchange, legal and digital transformation costs
- Focused on cost discipline and sustainable earnings growth within the global minerals industry

Balance Sheet & Working Capital

\$MILLIONS UNLESS INDICATED OTHERWISE	31 DEC 2016	30 JUN 2016
Cash	16.8	13.0
Receivables	33.7	28.8
Inventory	26.7	27.4
Assets held for sale	-	3.2
Fixed assets	33.7	38.2
Intangibles	61.0	60.9
Other assets / deferred tax	22.7	24.9
TOTAL ASSETS	194.6	196.4
Payables	21.1	20.8
Bank loans	12.5	42.8
HP finance	0.8	1.2
Other liabilities, provisions, current tax	10.8	15.8
TOTAL EQUITY	149.4	115.8
Quick ratio (current assets – inventory) / current liabilities	1.50	0.80
Current ratio current assets / current liabilities	2.24	1.23
Gearing net debt / (net debt + equity)	-2.4%	21.1%



1H17 Market Update

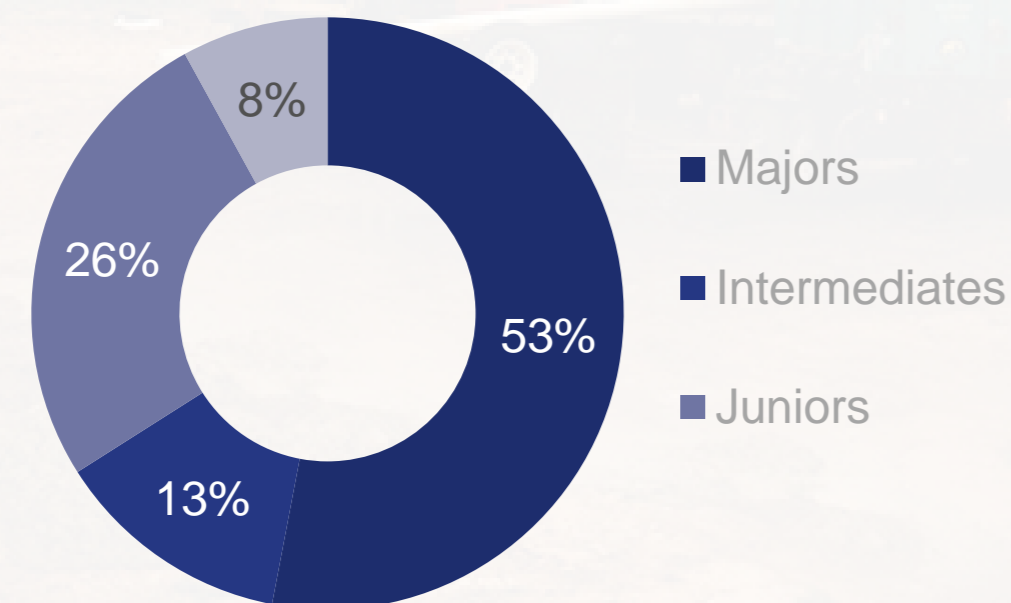
- Increased activity in the minerals sector – particularly in Canada, Latin America, West Africa and Australia
- Activity uplift initially associated with stronger gold price – now a broader based recovery
- Later rig shutdown for traditional December – January break, with earlier start-up
- Resource companies well funded – miners generating free cash
- Miners and exploration companies have increased budgets for the next 12 months
- Mining companies need to replace reserves
- Large resource companies – continuing to focus on increasing efficiencies/cost reduction
- New technologies are gaining momentum in order to drive efficiencies and productivity
- Index can deliver these technologies

1H17 Market Update

Worldwide Exploration Budgets Calendar 2016

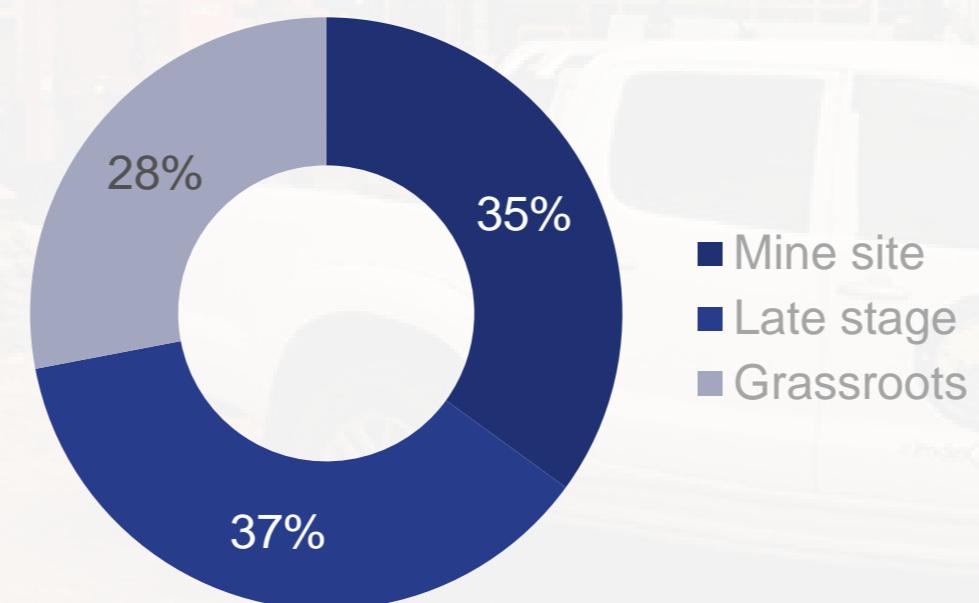
Customer

Principally mid –tier/major resource companies



Project Phase

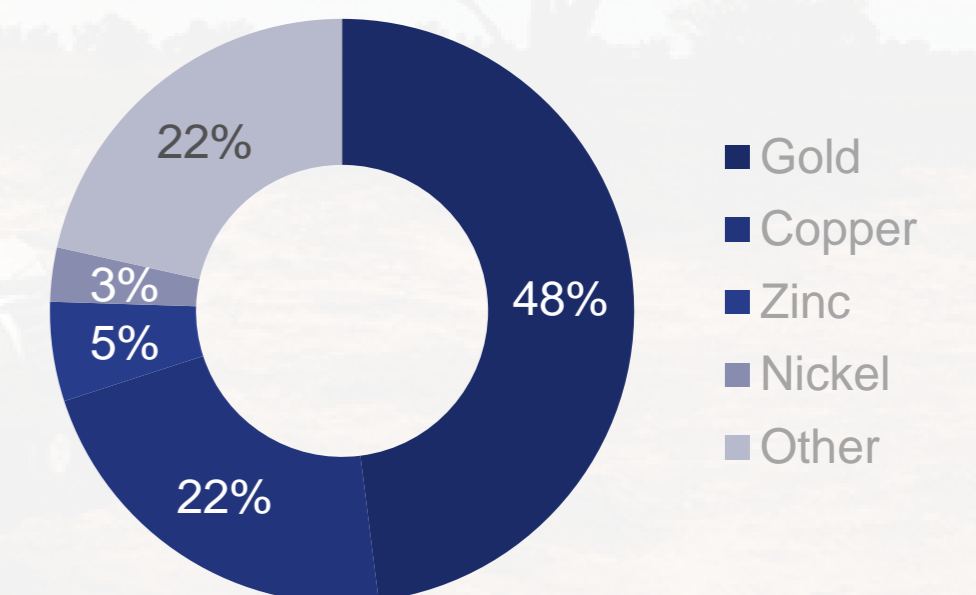
Exposure to project phase



Commodity

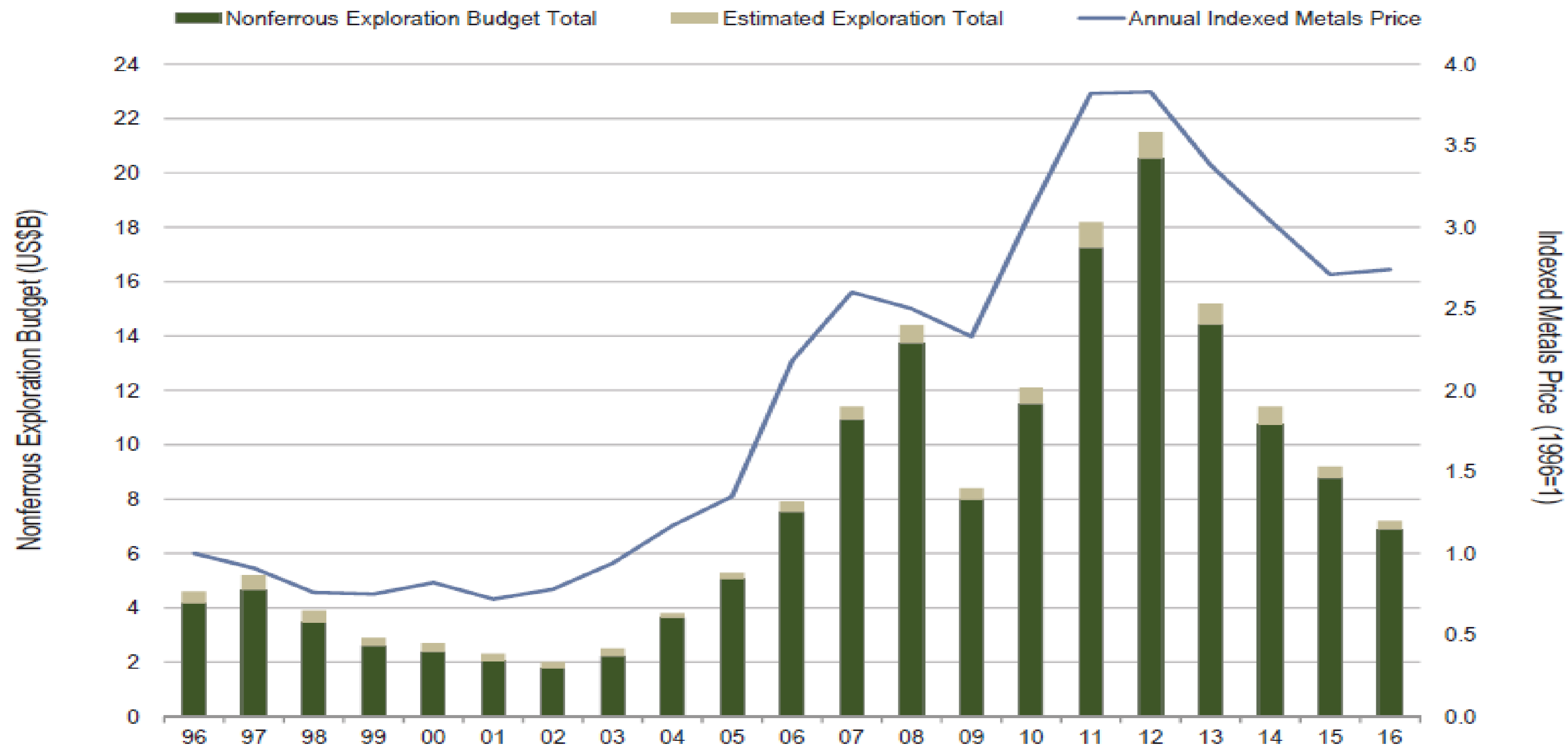
Diverse mix – primary exposure to gold & copper (70%)

Base Metals 31%



Market Update

Figure 1: Aggregate Nonferrous Exploration Budget vs Indexed Metals Price*, 1996-2016



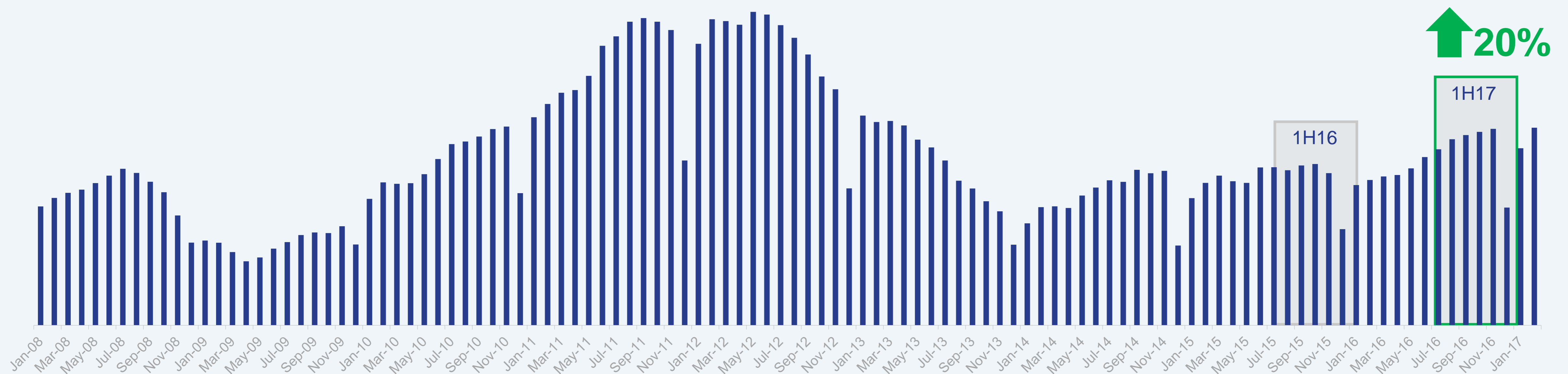
*Indexed Metals Prices for 2016 are the average through October.

Data source: SNL Metals & Mining, an offering of S&P Global Market Intelligence.

- 2016 expenditure below 2006 levels
- Bottom of the cycle
- Increased budgets in CY17
- Approximately 50% of spend in the Americas – well positioned

Key REFLEX Instruments on Hire

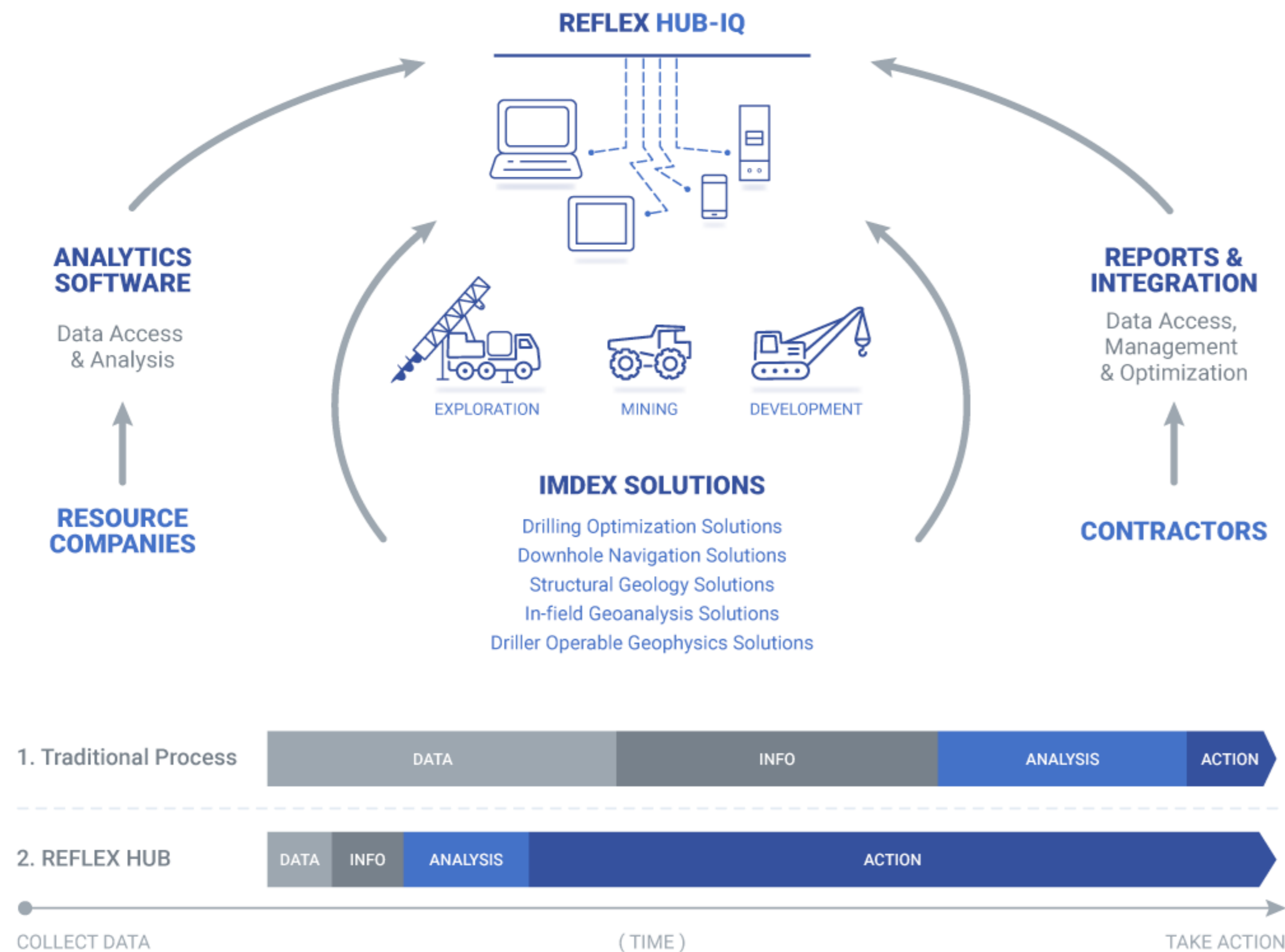
(Number of units)



- As more rigs return to work, additional instrumentation is required – all commodities
- 20% increase of instruments on hire in 1H17 v 1H16

- Demand increased for traditional survey and core instrumentation, together with more recent technologies
- As at 28 February, 2017 up 36% on February, 2016

Leading Technologies & Solution Sets



- World-class R&D facilities
- Excellent internal capabilities
- Proprietary technologies
- First-mover advantage
- Solutions support across project life cycle:
 - Chain of custody
 - Quality data
 - Timeliness
 - Streamlined process

Summary & Outlook

- Stronger balance sheet – ability to drive business growth
- \$30 million Bankwest facility in place with lower costs
- Bain Capital facility paid out in full. Warrants converted/sold
- Divestment of AMC Oil & Gas
- Strong financial performance during 1H17 and a positive start to 2H17
- Instruments on hire at 28 February 2017 v February 2016 up 36%
- Early stages of a cyclical upswing with operational leverage
- Major, intermediate and junior companies well funded with increased budgets
- Very positive feedback from INDABA and PDAC
- Strategic positioning to achieve sustainable earnings growth
- Stronger financial performance expected for FY17 v FY16

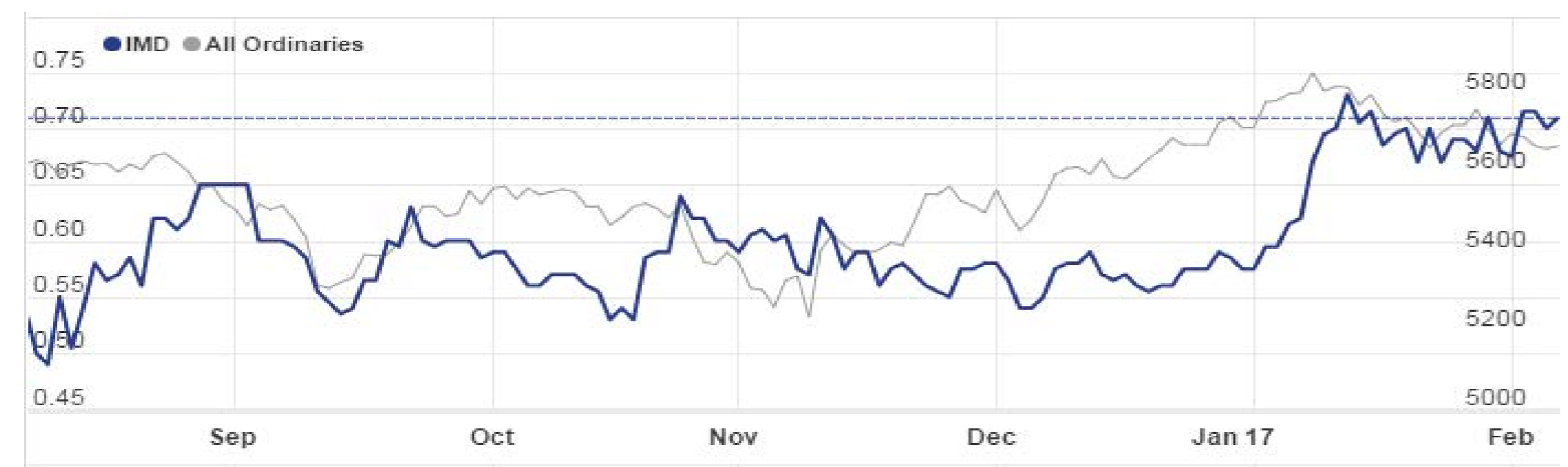


Appendices

Company Snapshot

Corporate Information		
ASX Listed		IMD
Share Price (31 December 2016)	A\$	0.58
Issued Shares	m	330.4
Market Cap (31 December 2016)	A\$m	191.6
Cash (as at 31 December 2016)	A\$m	16.8
Debt (as at 31 December 2016)	A\$m	13.3

Share Price Performance



Substantial Shareholders – Dec 2016	Shares (m)	%
Perennial Value Management	31.9	9.6
Fidelity Investments	30.9	9.4
Wilson Asset Management	23.5	7.1
Ausbil Investment Management	18.9	5.7
Antares Capital	16.2	4.9

Index Board



Mr Anthony Wooles BCom, MBA (Finance)

- Non-Executive Chairman
- Appointed to the Board 1 July 2016



Mr Bernard Ridgeway B.Bus (ACCTG) ACA

- Managing Director
- Appointed to the Board 23 May 2000



Mr Kevin Dundo BCom, LLB

- Non-Executive Director
- Appointed to the Board 14 January 2004



Ms Sally-Anne Layman B Eng (Mining), Hon, BCom

- Non-Executive Director
- Appointed to the Board 6 February 2017



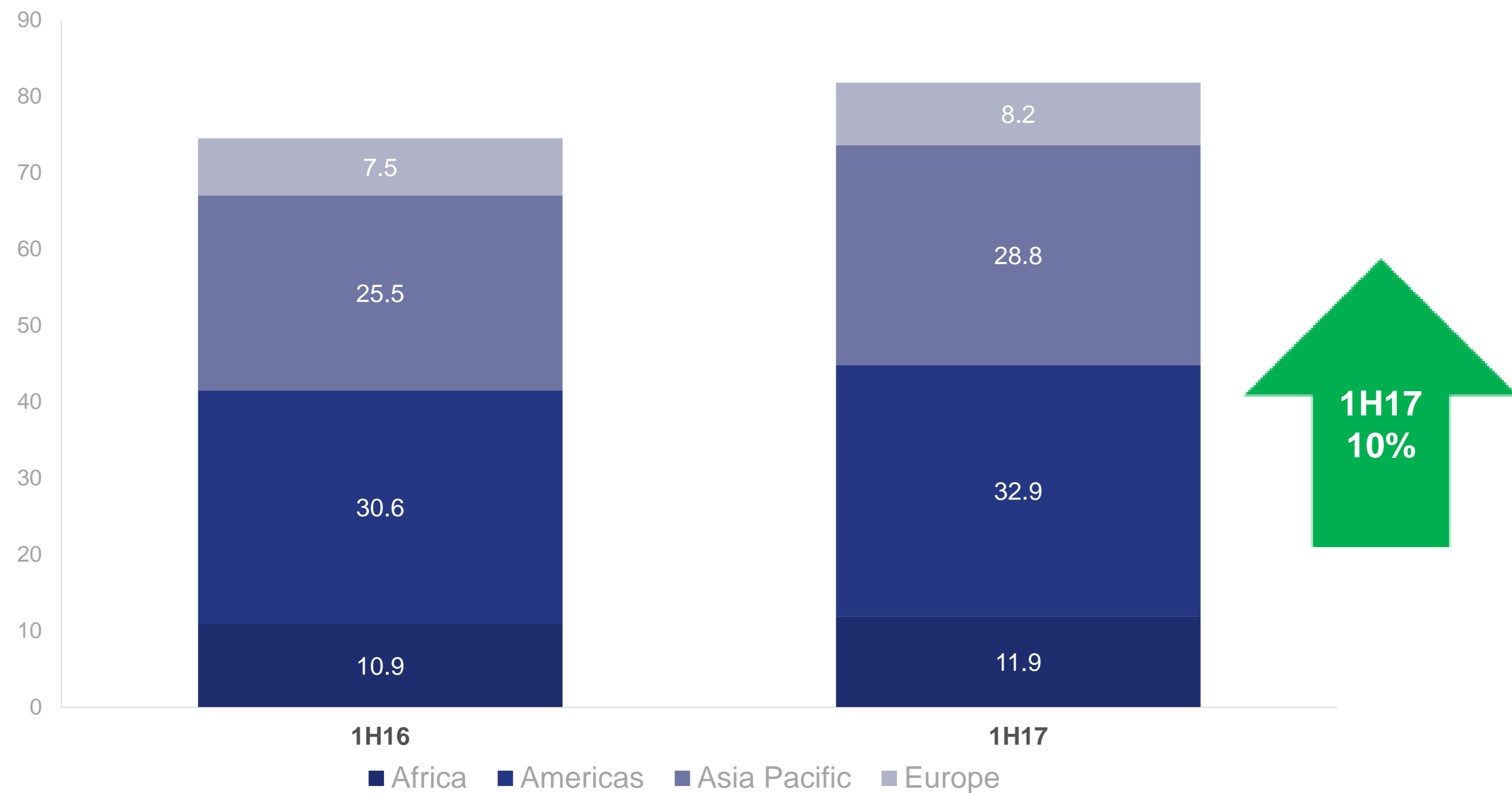
Mr Ivan Gustavino B.Bus

- Non-Executive Director
- Appointed to the Board 1 July 2015

Diversified Client Base & Industry Partners



1H17 Revenue by Region (\$millions)



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